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THE AMERICAN FILM INDUSTRY IN TRANSITION: 1946-1956

by
Linda Jo Blood Gartley

A dissertation submitted in partial fulfillment
of the requirements for the degree of
Doctor of Philosophy
(Speech Communication and Theatre)
in The University of Michigan
1972

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CHAPTER I

INTRODUCTION

Purpose of Study

In 1946, the United States was entering an era of new-found economic and social prosperity. World War II was over and the economic stagnation of the depression years had been broken by the demands of war production. 1946 was viewed by many Americans as the beginning of a new prosperity in all aspects--"the good life."

Certainly the film industry shared this view and by the year 1946 was proving it. Average attendance was at an all-time weekly high of 90,000,000,[1] an increase of 5,000,000 from 1944[2] and 15,000,000 since 1939.[3] This record attendance figure produced profits of $332 million for the six leading studios in the United States, all based in Hollywood. The film industry was riding the crest of a financial wave of success. However, there were signs of trouble ahead--the anti-trust suit and the need to find a substitute for the once-popular World War II war film. All the same, Hollywood was feeling the power of a weekly audience of two-thirds the population

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[1] Film Daily Yearbook, 1947, p. 55.

[2] Film Daily Yearbook, 1945, p. 47

[3] Film Daily Yearbook, 1940, p. 43.

of the United States.

The film industry seemed to be very strong in its position as the leading leisure-time activity in the country. A star system, which encouraged the public's devotion to well-publicized personalities, had created a dependable market for formula films where the same talent combinations were employed in variations on familiar themes.[1] As the profile of the industry points out, however, this did not deter the American public from attending films in record numbers.

The film industry regarded itself as invincible. Even during the depression of the 1930's, when other businesses were failing, the film industry took prudent measures to maintain economic stability. In 1929, there was not an immediate loss of business at the box office. By 1933, admissions began to drop. One of the responses to this drop was the double feature--two pictures for the price of one--as a standard in all but first-run theatres. Games of chance such as Bingo were played between features with cash or sets of dishes as the prize.[2] The depression was a trial for the film industry, and some theatres closed and production dropped, but at least

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[1] Gerald Mast, A Short History of the Movies (New York: The Bobbs-Merrill Co., 1971), pp. 122-124.

[2] Mast, p. 274.

two major studios, Metro-Goldwyn-Mayer and Twentieth Century-Fox, were still sound and profitable.[1] The war years provided a boost to the economy and to the film industry and admissions, production, and profits rose to the biggest business year in film history. Yet in the ten years from 1946 to 1956, Hollywood was to become a totally new industry, only partially resembling the Hollywood of 1946. This transitional period was fraught with difficulties, both financial and aesthetic.

The purpose of this study is to examine the period 1946-56 in order to determine what contributed to the industry's changing methods and products and to determine the extent to which the Hollywood film industry became a "new" industry in philosophy and practice. An in-depth study of the industry's changing financial structure and methods of production will provide information about the changing role of cinema in America during this transitional period.

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[1] Kenneth Macgowan was a story editor and associate producer for RKO and then Twentieth Century-Fox during the depression, and his experience points up the inflation of the industry even during a time of trial. Macgowan was given $600 a week at RKO, even though RKO was in receivership. As Macgowan says, "With the depression still hanging over Hollywood . . . it seems rather absurd that by 1937 my weekly salary should have risen to $2,000, even though I was then at Twentieth Century-Fox, where Zanuck's management was sound and profitable." Kenneth Macgowan, Behind the Screen (New York: Dell Publishing Co., 1965), pp. 328-29.

The year 1946 was chosen as the beginning of the period of examination because the end of the war marked a change in the American social and economic scene. The anti-trust suit against the major studios was revived, television was spreading across the country for the first time, and people were trying to settle into new lives that were not touched by war. Home building and buying stimulated sales of appliances, credit purchases that began a new credit-conscious America. The returning veteran and his family settled into a way of living that was different than it had been before World War II. The changes in the society were reflected in all forms of entertainment, and the film industry began an enormous adjustment to those changes which affected its structure.

By 1956, the film industry felt that it was on the way to finding effective solutions to its many post-World War II problems. By that year, most studios had begun producing programs for television, the last one being MGM, which waited until 1956 to commit a portion of its production facilities to television. In addition, a lasting source of income had developed in the sale of features to television and so the film industry learned to use the new medium's popularity for its own support.

Accompanying the coalition between television and the film industry was the advent of technological innovations which increased the morale of the film industry and once again allowed it to be proud of Hollywood as the country's entertainment center. After 1956, productive trends continued, but the period of examination, 1946-56, encompasses the major problems and solutions encountered after World War II.

Because of the significance of the filmic trends begun during this period, a study of this type is useful to the film historian and the film theorist. The years between 1946-56 were years which forced development of new philosophies of production and direction in response to the technical innovations of the period. These were also years of financial difficulty and a corresponding lack of security in all levels of the industry.

An analogy may be made between the period discussed in this study and the period during which radio became popular in the mid-1920's. Radio provided a serious challenge to the film industry and there was great concern about the possible future of film exhibition in light of this new competition. As Gerald Hoag, film exhibitor in Southeastern Michigan since 1919, remembers, "When radio came in, the whole thing was to stay up all night

and try to get KFIN, Los Angeles. Then you bragged to your neighbor about it. Then progress brought programs and on certain nights you couldn't get anyone to come to the theatre."[1]

One of the responses to this threat from another medium was to add sound to film. Sound and film had been combined in the Edison experiments of the 1890's, but it was not until the development of the vacuum tube that sound-film was a practical reality. Lee de Forest demonstrated his "Phonofilm" in 1924, but was unable to persuade the studios to risk money on his invention. This

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[1] Mr. Hoag did find a way to combat the popularity of "Amos 'n' Andy" during the radio days. "Back in those days our show regularly started at 7 and again at 8:30, for all the shorts and the feature. The only way I could get business was to get a radio and put it on the stage and from 7-7:15 we played "Amos 'n' Andy" and after 7:15 you put the show on. If we didn't do that we wouldn't have anyone in there. It was very successful and I got a nice little $10 bonus for doing it." Private interview held in Ann Arbor, Michigan, March 14, 1972. This study will utilize interview material gained from people involved in the production distribution and/or exhibition of films. In the case of Dore Schary, who was Head of Production and then Studio Head at MGM during the period 1949-56, interview material is invaluable in explaining the day-to-day decisions and transformations taking place in the industry. Harold Zeltner was formerly in charge of distribution for MGM in the New York area. Richard Murphy and Gerald Hoag are respectively exhibitors in Montclair, New Jersey, and Southeastern Michigan. An added source of interview material was Bosley Crowther, former New York Times film critic, who was in a position quite different from that of those people involved in the film industry and therefore capable of a different point of view.

stubborn refusal prompted De Forest to comment, "What stone walls of indifference, stupidity, and solid negativity did we unearth among the dead bones and concrete skulls of motion picture magnates."[1]

The dissatisfaction of the public with the silent film as an alternative to radio led the film industry to take a second look at sound-film and decide to incorporate it into the film industry in the late 1920's.[2] Sound was to be an important part of the film industry from then on. Sound had been available to the industry earlier than it was utilized, and the reasons for the ultimate acceptance of this new facet of the motion picture are explained by Bosley Crowther:

> The illusions of soundless movies had prevailed as entertainment and art so long as the public was unaccustomed to being stimulated by mechanical music and voice. But as soon as the public's ears were opened by the device of the radio, as they were during the mid-1920's, to an extent that was profound, and

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[1] Lee de Forest, Father of Radio (Chicago: Wilcox and Follett, 1950), p. 370.

[2] Ironically, AT&T and RCA were the large competitors in the sound-film field. AT&T's involvement was particularly upsetting for RCA because part of AT&T's patents for sound-film were obtained in the cross-licensing agreements. RCA began to purchase stock in RKO in 1927, and in 1932 held controlling interest in that company. Once RCA felt secure in its position in the sound-film business, it sold its interest in RKO. Sydney H. Head, Broadcasting in America (Boston: Houghton Mifflin Co., 1972), p. 224.

> people's minds were stimulated to create images to match what they heard, a vague sense of the lack of aural content in motion pictures began to be felt. A subtle psychological rejection of the incongruity of the silent screen occurred. [1]

The same reason might be advanced for the acceptance of wide-screen processes in 1954. The anamorphic lens that creates CinemaScope was perfected by Henri Chretien in 1931.[2] Twenty-two years passed before the innovation of 1931 was used by a major film company. So, the film medium historically has responded to pressures and competition by adapting to new forms of production. It is important to point out in this study that inventions are not immediately utilized by the media as they become available, but, instead as they are needed.

Another aspect of this study is to investigate the contention that television was the sole cause for the changes in the film industry. The purpose of this is not to refute the contention that television greatly affected the film industry, but to examine the other significant influences involved in the phenomenon of film's changing role, such as the anti-trust suits of

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[1] Bosley Crowther, The Lion's Share: The Story of an Entertainment Empire (New York: Dutton, 1957), pp. 142-143.

[2] Life, March 9, 1953, p. 34.

the early 1940's against the major studios of Hollywood, the influence of the foreign film, and the growing popularity of art houses and drive-ins. The post World War II societal changes which occurred in the United States also affected the film industry as well as the other media. While all these factors may not have exerted as powerful an influence as television did, their effect has often been overlooked or minimized in previous examinations of this period.

The ten-year span examined in this study was vitally important to the film industry. These years illustrate the flexibility and strength of a medium buffeted by many pressures, both internal and external. This study is concerned with the effect these pressures had upon the film industry. The fact that film was able to adapt to a lesser role in entertainment in the United States than it had previously enjoyed is worth exploration in depth. There is no other comparable example, except perhaps radio, of an industry redefining itself in order to continue to exist. This change of role is important because the media are especially susceptible to societal changes and technological innovations. It may be that a study of this kind will be of some help in charting these changes and perhaps even predicting the effect of certain pressures on media such as film, radio, and television.

Background of the Development of the Film Industry as a Business

There has always been a dichotomy between the artistic and the business-oriented sections of the film industry.[1] The men who built the industry were not entertainers, but businessmen.[2] The nickolodeon houses were a business venture and the idea of film as an art form did not occur to the early film magnates. It is important to note that Marcus Loew, Adolf Zukor and Nicholas Schenck were businessmen and not artists.[3] Men such as Marcus Loew very early developed successful formulas for the business of film exhibition:

> He frankly pitched his entertainment to the "family trade," [sic] on the theory that two or more members of a family make a better sales unit than one

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[1]D.W. Griffith in the period, 1910-14, had constantly warred against the business office at Biograph. When he left to become an independent, meeting the payroll and other expenses became impossible. Finally the creditors took over and he became just another director at Famous Players-Lasky. Arthur Knight, The Liveliest Art (New York: Macmillan Co., 1959), pp. 34-37.

[2]Marcus Loew was a Russian immigrant who began as a fur salesman and invested in a nickelodeon because of his friends' successful involvement in the entertainment business. Bosley Crowther, Lion's Share, pp. 21-22.

[3]Bosley Crowther expresses the problem of dealing with the two terms "art" and "business" as they apply to the motion picture. "I like to think of it as an art form that is captured by an industry. The art form continues to try to assert itself and is successful in doing so, but the industry still rather controls it." Private interview, May 31, 1972.

> leering male. All through his life as a showman, Loew worked on this principle. He sought to provide amusement tuned to the tastes of "all."[1]

Out of this effort to attract the family grew a Hollywood tradition. The impulse of filmmakers was to make films that could potentially appeal to the largest number of people and, therefore, make the greatest profit.

Loew and film magnates such as Fox, Schenck and Zukor gradually began to show films to the exclusion of vaudeville, whereas once films had been used only during intermission to clear the theatre for a new audience. They were involved only in the exhibition aspect of the industry until they began to have difficulty obtaining films at a satisfactory price. Producing their own films was a logical outgrowth of the situation and, therefore, the future industry executives began to build a monopolistic industry.

> Loew wanted to stabilize it as much as possible with the establishment of a whole complete vertical monopoly and set things in such a way that directors, writers and stars were completely under the authority of the studios and if they didn't want to abide by the studio rules and demands, out they would have to go.[2]

The film industry was controlled by the major studios until certain factors (such as the anti-trust suit, the coming of television, and other external

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[1]Crowther, Lion's Share, pp. 30-31.

[2]Crowther interview, May 31, 1972.

pressures) caused the industry to lose its hold on some of the elements of production, distribution and exhibition that had formerly guaranteed a strong, vertically structured business.

Limitations

When speaking of the "film industry," this study refers only to the major studios based in Hollywood. There may be references to large-scale independent producers such as Samuel Goldwyn, but the use of the term "film industry" will be limited to the large established West Coast studios. Moreover, as indicated earlier, this study confines its analysis to the period 1946 to 1956.

Previous Studies

Most surveys of film history contain several pages on the impact of television on the motion picture. Some of these, such as Kenneth Macgowan's Behind the Screen, quote statistics concerning the rise of television and discuss the use of film on television. Others, such as Gerald Mast's A Short History of the Movies, analyze the difference in audience composition for film versus television. It is difficult to cover any seventy-five year period with a more than superficial look at any one area. In film, it is even more difficult because of the constant changes occurring in the industry. No single survey is capable of dealing with the various stages of

development in the film industry.

One book that deals in part with the late 1940's is Richard Dyer MacCann's Hollywood in Transition. The book is a compilation of thoughts on this period, very loosely connected and undocumented. MacCann devotes the first half of the book to a discussion of the troubles in Hollywood and includes a brief section on the technical innovations of the 1950's. The second part of the book is composed of interviews and profiles of movie stars. Although this work is easily read and gives a flavor of the period, its lack of documentation renders it less useful to the film scholar than it might be.

Film is a comparatively new area for doctoral dissertations, but a very productive one. Few theses, however, have discussed the economic and aesthetic pressures exerted on the industry. Most dissertations concerned with film address themselves to film's successes.

There have been several studies of television viewing habits, and one of these by Edward S. Siedzinski[1] does deal with both television and film viewings, but not during the transitional period covered in the present

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[1]Edward E. Siedzinski, "A Study of TV and Viewing Habits, and a Comparison of These with the Interests and Habits of Radio, Motion Picture, and Reading as Shown by Students in Selected Senior High Schools in Metro New York" (unpub. Ph.D. diss., Fordham University, 1958).

study. Another dissertation dealing with both television and film was written by Frederic Stuart at Columbia in 1960.[1] Although the title, "The Effects of Television on the Motion Picture and Radio Industries," would seem to indicate a work similar in part to the present study, further investigation revealed that it was written for the Economics Department at Columbia University and deals exclusively with the financial difficulties of the film industry as television competed for audience, and does not explore aesthetic changes in the film or changing methods of production that took place during this period.

Methods and Materials

The organizational method employed in this study is a two-part examination of the period. The first part deals with the state of the film industry in 1946, followed by a consideration of the pressures the industry received from the government anti-trust action, the encroachment of television upon the film audience, and the financial difficulties which resulted. Two profiles of the film industry, one for 1946 and one for 1952, are included to aid in the comparison of the film industry of 1946, a secure thriving business, to the same industry a few

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[1]Frederic Stuart, "The Effects of Television on the Motion Picture and Radio Industries" (unpub. Ph.D. diss., Columbia University, 1960).

years later when the audience was reduced, exhibition rules were tightened, and the business of filmmaking had a much different outlook. A section deals with the reactions of the film industry to its new-found difficulties. Technical innovations, an emerging new philosophy, a new approach to production and planning are the primary concerns of this section. Some of the technical innovations dealt with include the coming of 3-D, Cinerama, and CinemaScope and other wide-screen methods. The reasons behind the industry's use of these new methods of production and projection are discussed.

The second part deals with the effects of the new approaches, technical and philosophical, upon the language of film and the film industry as a whole. This section defines and explores the new-found role of the film industry in our society and attempts to evaluate this role in comparison to that of the film industry of 1946. In order to facilitate this comparison, a third profile of the film industry in 1956, the end of the transitional period, is provided.

The industry profiles provided include information on the average attendance in the United States, number of films produced, and admission prices, as well as other information helpful in describing the industry's financial situation at a particular time. Also included in the industry profile are the major critics' preferences

for certain films produced in that year, information on the highest grossing films for each year, and a discussion of the subject matter dealt with in these popular films.

The materials utilized in this investigation of the film industry are derived from three sources: (1) the reference books and standard histories and trade journals in the field, (2) clipping files and unpublished materials available in the New York Public Library's Theatre Collection, and (3) interviews and correspondence with selected individuals representative of the three areas within the industry--production, distribution and exhibition--along with a major film critic and an officer of the Motion Picture Association of America.

A survey of the general literature and history of the film industry was made for the period under investigation in order to determine major trends and influences. The Theatre Collection of the New York Public Library provided more day-to-day specific information on the trends and influences discovered in the general literature. Materials investigated included newspaper clippings, financial statements, letters, and press releases of the industry. In order to gain further insight and evaluate the information gained from the above-mentioned sources, personal interviews were held with five individuals who were involved in film production,

distribution, exhibition and criticism. It is hoped that through the use of these three types of source materials, a more complete analysis and understanding of the period under investigation will be achieved.

Summary

This study, then, investigates the transition of the American Film industry from a monopolistic structure in 1946 to the diversified industry it became ten years later. The role of television as a causal agent in this change cannot be overlooked; however, this study attempts to discover and evaluate the other influences, both external and internal, which caused such a drastic change in the film industry during the crucial decade.

CHAPTER II

PRESSURES ON THE FILM INDUSTRY

Profile of the American Film Industry in 1946

In 1946, Hollywood reached the zenith of its success. Admissions were the highest they had ever been and the movie was safe in its role as the most popular form of entertainment for millions of Americans. The following figures and information will show how 1946 differs from the industry in later years.

Number of people employed by major studios in the U.S. film industry	206,000
Payroll expenses	$517,854,069
People employed in production	31,000
Hollywood payroll	$299,361,610
Actors under term contract to major studios	598
Producers under term contract to major studios	132
Directors under term contract to major studios	160
Writers under term contract to major studios	264
Average admission cost	30.5¢
Average weekly attendance	90,000,000
Number of drive-ins	155

Features released by U.S. companies

Columbia	51
Metro-Goldwyn-Mayer	25
Paramount	22
Radio-Keith-Orpheum	40
20th Century-Fox	32
United Artists	20
Universal	42
Warner Brothers	20

The annual profit-loss statements were available for only one company, Loew's Incorporated. It is the parent company of Metro-Goldwyn-Mayer and Loew's figures can be taken as representative of the financial situation of the other major studios.[1]

Operating and general expenses	$140,993,147.32
Theatre receipts, rentals and sales of films and accessories	181,669,541.61
Income before taxes	32,695,841.07[2]

The "top ten" films of 1946 amassed a total revenue of over fifty million dollars. The following is a list of those films which were most successful financially.

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[1] Film Daily Yearbook, 1947, pp. 43-44.

[2] Loew's Inc. Annual Statement to Stockholders. 1947, n.p.

	Film	Distributor	1946 gross
1.	"Bells of St. Mary's"	RKO	$8,000,000
2.	"Leave Her to Heaven"	20th Century-Fox	5,750,000
3.	"Blue Skies"	Paramount	5,000,000
4.	"Road to Utopia"	Paramount	5,000,000
5.	"Spellbound"	Selznick-U.A.	5,000,000
6.	"Green Years"	MGM	4,750,000
7.	"Adventure"	MGM	4,500,000
8.	"Easy to Wed"	MGM	4,500,000
9.	"Notorious"	RKO	4,500,000
10.	"Two Years Before the Mast"	Paramount	4,400,000[1]

Discussion of the Film Industry Profile of 1946

The industry looked to the most financially successful films made in Hollywood as the most important commodity it possessed. This had been both a tradition and an economic necessity. These films were not necessarily the best artistic productions. Oftentimes there was little or no correlation between the films the critics chose to praise and the films that were

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[1] Variety, January 8, 1947, p. 6.

most successful at the box office.[1]

Of the ten films listed by Variety as the most economically successful of 1946, only three were in color. This number would increase steadily from 1946 until 1952, when the use of color would greatly increase because of the demands of Cinerama and CinemaScope. The plots of the most popular films concentrated on light comedy, musicals, murder and a new form of film script--the psychological drama. Hollywood would probably have been willing to perpetuate an era of comedy, musicals and unreal situations, giving the film audience a very narrow field of choice. However, the years of large grosses for comedies, murder mysteries and other standard Hollywood themes were drawing to a close. Although 1947 did not show a drop in the economic success of the top ten films, the top ten films of 1948 together earned only $40,000,000, a 20% drop from the 1946 earnings. Perhaps even more important is the comparison of the earnings of "Bells of St. Mary's", with a total revenue of $8,000,000 in 1946, and "Road to Rio", with a total revenue of

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[1] Bosley Crowther's choice of the top ten films of 1946 included only three of the ten films considered most successful by Hollywood standards. These were "The Green Years," "Notorious", and "Road to Utopia." Crowther also chose four foreign films that year.

$4,500,000 for 1948. Each film was the most financially successful film of its year, and yet "Road to Rio's" total revenue in 1948 was only $100,000 more than that of the tenth most successful film of 1946. The best films Hollywood had to offer in terms of popularity and revenue were earning less each year, a trend which was to continue through the early 1950's.

The Anti-Trust Action

Before discussing the Justice Department's anti-trust action against the major studios, a listing of the various court actions may provide helpful background information.

1938: Justice Department files anti-trust suit against the eight major studios

1940: Consent decree, prohibiting blind selling and limiting block booking

1945: Hearings held before a three-judge Expediting Court on the reopened anti-trust suit against the major studios

1946: Decree entered, prohibiting block booking

1948: Supreme Court, acting on appeals, orders further inquiry into the possible divorcement of theatres from studios

1950: Decree issued, ordering the filing of plans for divorcement within three years from the date of the decree

1951: The major studios enter into a consent decree with the Supreme Court decision

One of the most serious blows to the financial stability and morale of the movie industry was the 1946

court ruling in favor of the government's anti-trust suit against the major studios. Begun on July 30, 1938, "the suit /asked/ for divorcement of production from distribution, elimination of block booking, abolishment of Hollywood's 'talent pool' and most of the trade practices in distribution-exhibition."[1] The government did not, at that time, press for a court decision on the issues involved in the suit; instead, the Justice Department allowed the studios to enter into a consent decree in 1940 which promised some reforms in distribution-exhibition practices. A reporter for the New York Times, Theodore Strauss, viewed the consent decree as a compromise based on factors other than the issues of the suit:

> The government, viewing the precarious international situation, was hesitant in disrupting too greatly one of the country's largest industries. And when it presented a more lenient alternative, five of the defendant companies, who in turn were watching ominous measures being introduced in Congress, hastily signed.[2]

This studio action forestalled a government-decreed divorcement of the studios and the studio-owned theatres.

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[1] Motion Picture Herald, August 13, 1938, p. 12.

[2] New York Times, January 19, 1941, Sec. 9, p. 4.

Blind Selling and Block Booking

The rationale for the 1938 governmental action was, specifically, the result of two studio distribution policies of that time: blind selling and block booking. Blind selling was the sale of a studio's product with little advance information given to the exhibitor. Exhibitors were required to buy films before they had been produced, or, sometimes, before a script was finished. Usually, only the treatment and, perhaps, a partial casting list was available.[1] Block booking was the practice of selling the entire product of a studio to an exhibitor. For example, if one studio produced fifty pictures in one year, the exhibitor under contract to that studio would be required to buy all fifty pictures.

In the 1930's and early 1940's, exhibitors usually bought three pictures a week, or approximately 150 pictures a year.[2] The average exhibitor, therefore,

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[1] "Compulsory Block Booking and Blind Selling of Motion Pictures," Allied White Book (Washington, D.C.: Allied States Association of Motion Picture Association, 1940), pp. 3-6.

[2] "The big star would be in the picture run on Sunday, Monday and Tuesday. Then Wednesday and Thursday you'd have a little family show and then your Friday and Saturday show was always your western." Hoag interview, March 7, 1972.

bought the entire product or package of three studios in one year with each package of motion pictures being purchased for a stipulated amount. Gerald Hoag, an exhibitor in Southeastern Michigan, remembers the manipulation of the distribution policy under the block booking system as a common occurrence:

> They had so many pictures with a star and those would cost a set amount, and with a lesser star, the motion picture would cost less money. Then you would have the right of cancellation of ten percent for your protection. That ten percent could be cancelled without reason. If you bought a block of fifty pictures you could cancel five, but there might be only forty pictures that you wanted to play. Then you haggled. In those days, before 1940, you also had a half hour of shorts that would be cartoons or newsreels, travelogues, and things of that sort, but they all cost money so you could trade the money you owed them for feature pictures for the shorts. So you would buy fifty-two issues of a newsreel and that would take care of maybe five features. As long as the film company got the number of dollars that they wanted, that was all that was necessary. So you were able to keep the quality of your screen up by doing that.[1]

Another aspect of this method of distribution was the long-term contract allowed the exhibitor. The exhibitor owned the rights to a motion picture for two years in his exhibiting area, which meant that when he bought a package of films, he was given the right to bring a particular picture back to his theatre for a second, third, fourth, or even fifth run.

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[1] Ibid.

With increased competition among exhibitors in the 1930's, problems with block booking began to emerge. The studios owned many theatres and exhibitors complained that the studio-owned theatres were of more concern to the studios than was the independent.[1] The studio-owned theatres could buy films first; the result was that the small independent exhibitor was forced out of competition because he had to wait for the studio-owned theatres to finish their run of a first-rate motion picture before it was available for the independent:

> Paramount, for instance, first rented its films to its own theatres; then, after a few weeks, rented them to second-run houses, most of which [were] independently owned . . . thereby Paramount was guaranteed a market and the exhibitor benefited too, since he could be sure that another print of the film he was showing would not turn up down the street to compete with him.[2]

This method of exhibition had guaranteed the studios the money to sustain their high overhead costs.

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1 Loew's, Paramount, RKO, Warners, and 20th Century-Fox dominated the industry. They not only had thousands of theatres collectively, they also dominated production and distribution because they had the contracts of the artists in the business: producers, directors as well as stars. So they could produce, distribute, and exhibit their pictures. Just a handful of studios ran all this. Private interview with Harold Zeltner, March 14, 1972.

2 Coughlan, Robert. "Now it is Trouble that is Supercollossal in Hollywood." Life, August 13, 1951, p. 103.

Later, the divorcement of distribution and exhibition made the studios face the economic difficulty of finding an exhibitor willing to lease each of their products. Harold Zeltner, former New York division manager for MGM in distribution, was aware of deliberate stifling of competition by the major studios:

> The dominating film companies went right to areas where there were independent exhibitors and they'd put up a sign across the street and threaten to build a theatre there in order to buy out the independent exhibitor. The independent theatre owner there knew what would happen if he got that kind of competition, so he usually sold out.[1]

This abuse of the studio's power brought about the anti-trust action.[2]

The Consent Decree of 1940

The earlier consent decree of 1940 contained a number of significant points. It: (1) prohibited blind selling by requiring trade showings in each film exchange district before selling; (2) curtailed block booking by

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[1] Zeltner interview, March 14, 1972.

[2] "In Washington, it was indicated that the immediate cause of action was in the accumulation of complaints from independent exhibitors concerning tactics of major company owned theatres." Motion Picture Herald, July 23, 1938, p. 12.

limiting blocks to five pictures with 20% cancellation; (3) forced the studios to agree not to expand their theatre holdings for a three-year period, at which time the consent decree would be reviewed and evaluated.[1] As the government saw the decree, its purpose was " . . . to establish community freedom in the selection of motion pictures. A secondary purpose /was/ to relieve independent interests in the motion picture industry--producers, distributors, and exhibitors--of monopolistic and burdensome trade practices."[2]

In order to accomplish these goals, the consent decree set up a system of rules for bargaining and for settling disputes between the distributors and the exhibitors. Whether these means of arbitration were successful is open to question. In 1941, a year after the decree went into effect, the Justice Department noted a "sharp decrease in the number of complaints filed by motion picture theatre operators with the Federal Government."[3] The same statement termed the

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[1] Michael Conant, Antitrust in the Motion Picture Industry: Economic and Legal Analysis (Berkley: University of California Press), 1960, p. 99.

[2] Allied White Book, pp. 3-6.

[3] New York Morning-Telegraph, November 10, 1941, p. 8.

arbitration system "quite effective" in clearing up inter-industry disputes. However, another explanation for the lack of complaints was given by Harold Zeltner: "It [arbitration] was slanted. Of course, it wasn't always for one side or the other, but you didn't trust it."[1] Whether the government arbitration was fair or not no longer mattered; once the principals lost faith in the method of arbitration, that arbitration failed. For it to have worked, it would have had to have been a system based on mutual trust and the distributors and exhibitors did not trust each other or the arbitrators.[2]

There were other attacks on the provisions of the consent decree. Exhibitors complained that the distributor's position was strengthened through increased film rental costs.[3] In 1943, the Allied States Association of Motion Picture Exhibitors distributed a

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[1] Zeltner interview, March 14, 1972

[2] An article by Thomas M. Pryor, the New York Times Hollywood-based reporter, discussed the strict conduct required of a motion picture arbitrator and the dangers of mistrust by either side: "Any charges of having an interest, even if not a substantial one, ends an arbitrator's usefulness, as suspicion once aroused is always difficult to eradicate." New York Times, April 6, 1941, Sec. 9, p. 5.

[3] New York Times, November 16, 1941, Sec. 9, p. 5.

questionnaire to independent theatre owners to determine their attitudes toward the marketing practices of the film industry. Response to the questionnaire suggested that the motion picture industry was "more powerful and its practices more oppressive . . . than when the consent decree was entered."[1] The questionnaire's respondents cited forced block booking, higher film rentals, and preferred playing time for some films. (Preferred playing time refers to the practice of leasing films to some theatres before others for no other reason than that the studio preferred one theatre over another.) The independents also accused the studios of adding theatres to their properties even though the consent decree prohibited them from doing so.[2]

One partial success of the 1940 consent decree was the death of blind selling. Film showings were required in each film exchange district even though many exhibitors did not have the time to attend all of these showings. In fact, after the consent decree prohibited

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1 New York Times, October 12, 1943, p. 25.

2 Ibid.

blind selling, most independents still did not see the picture before they bought it.[1] Instead, they depended on broadcast, newspaper and magazine reviews. The larger chain theatres, such as the W.S. Butterfield group in Michigan, screened every picture then and still does, but the smaller independents did not have the manpower to screen twelve to twenty hours a week.

The Studios Are Forced to Sell Their Theatres

The case against the studios was reopened late in 1945, and in December of 1946, a decree was issued by the court. Two of the provisions of this decree were designed to: (1) prohibit the fixing of admission prices in film licenses, and (2) prohibit block booking and replace it with a system of competitive bidding. This meant that all films produced by the major studios would be made available to all exhibitors. The decree of 1946 did not force the studios to divest themselves of their theatres.[2] Appeals were made and on May 3, 1948, the Supreme Court ordered further inquiry into divorcement. In February of 1950, the Supreme Court's

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[1]Hoag interview, March 7, 1972.

[2]Conant, p. 103.

decision ordered divorcement within three years.[1] By 1951, the major studios had entered into a consent decree that concurred with the decision of the Court.

The terms of the 1951 consent decree required the major studios to divest themselves of their theatres; it severely hurt the studios' method of operation and deprived them of a prime source of profits.

The Distributor-Exhibitor War

The anti-trust actions of the 1940's did not provide the hoped-for release of tension between the distributor and the exhibitor. Although bidding for individual films was a plan calculated to protect the independent exhibitor, the exhibitors were not pleased with this new method of booking. The government had said that each picture must be sold individually on a bidding basis, and that the bidding must be based on the potential of the picture. In practice, this method is remembered by Gerald Hoag as a "very governmental idea."

> . . . because it means that the more competition the higher the price of the product. When we went in to bid for a picture we'd say, "We'll play your picture for a full week, we'll give you fifty percent of the receipts and we'll charge $1.50" (we used to charge 50¢.) If our competitor bid more, he'd get the picture by law because the potential of the picture was brought up. So in other words, it did the opposite of what it was supposed to. It brought the price of the motion picture up to a certain point.[2]

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[1] Loew's Inc. Proxy Statement, March 12, 1952, p. 6.

[2] Hoag interview, March 7, 1972.

The exhibitors were distrustful of the distributors; to them, the bidding system seemed likely to be manipulated in the distributors' interests. When exhibitors asked for disclosure of the winning bids, the distributors said they would not reveal the bids and gave only a one-line explanation: "the exhibs would constantly complain and they'd [the distributors] never get anything done."[1] As late as 1953, the independent exhibitors complained to Congress that, " . . . blind bidding, in which film distributing agencies favoring the more lucrative big theatre chains, never let independent exhibitors know what each others' bids had been."[2]

In addition to providing another volatile issue to feed the growing distribution-exhibition conflict, competitive bidding brought up two very important questions: (1) whether fierce competition means higher distribution rentals, and (2) whether the independents could displace affiliates in bidding battles for first-run products.[3] The first question was answered in the negative by the

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[1] Variety, October 26, 1949, p. 4.

[2] New York Times, April 2, 1953, p. 33.

[3] Variety, January 11, 1950, p. 3.

distributors and in the affirmative by the exhibitors, but actually the stronger films seemed to drive up rentals and the weaker films lost money for the distributors.[1] The answer to the second question depended upon the geographic area and the degree of competition for product between the affiliated theatres and the independent:

> Typical is the battle between Century's Patio and RKO's Kenmore in Brooklyn. It's one of about four situations which have become so bitter that Century has been preparing for months to bring an anti-trust suit against the majors in order to get product for the Patio.[2]

The distributors were equally distrustful of the exhibitors' methods under the new system of competitive bidding. Although no public accusations were made, some distributors suspected that exhibitors were guilty of collusion in obtaining product at low rental through bidding at a lower level than would be normal in a free bidding situation.[3]

The stipulations in the decree which forbade

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1 Variety, September 20, 1950, p. 1.

2 Variety, January 11, 1950, p. 3. An additional problem was that suburban theatres and drive-ins loomed as competition for the normal first-run theatres because of competition in bidding. Variety, May 3, 1950, p. 7.

3 Variety, September 20, 1950, p. 1.

the fixing of admission prices and eliminated all block booking combined to create new problems for the exhibitor. Before the decree, each exhibitor had one contract with a studio for all the theatres in his exhibiting chain. After the decree, he was forced to negotiate separately for each picture for each theatre, which resulted in delays and greater cost in paperwork alone. Before 1951, when the consent decree was signed, an exhibitor might buy a film at a low price and, in exhibiting it, find that the picture was a "sleeper," grossing much more than expected. With the percentage plan under competitive bidding, the exhibitor was not able to have runaway profits on a "sleeper" and he viewed this as a stifling of competition. An important independent theatre owner in Minnesota voiced a chronic complaint of exhibitors:

> There was a time when the knowledgeable operator could buy his year's product with a good chance of finding a sleeper or two to let him clean up a decent profit on the year's operation. But today, with percentages soaring to unheard of figures the exhibitor hasn't a chance. In addition he has got to battle over each picture, if he is going to get it on anything like reasonable terms. Think what this means to the man with a three-change-weekly house. He's got 156 separate fights on his hands in order to keep going the 52 weeks. All by itself it's a fifteen-hour-a-day job straight through the year.[1]

The motion picture industry is very competitive and

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[1] Ibid.

exhibitors did not see that the consent decree gave them any advantage over the distributor.[1]

The Exhibitors' Demand for Product

Probably the most divisive aspect of the consent decree, in terms of distributor-exhibitor relations, was the divorcement of the studios from their theatres, causing a growing misunderstanding between distributors and exhibitors. After the studios had relinquished the exhibiting section of their businesses, they began to complain about the exhibitors' demands for product in numbers exceeding those the studio could supply. As will be discussed later, television had forced the film industry to reevaluate its methods of production and distribution and to cut down on the number of films produced by each studio. The exhibitors saw this as a betrayal by the studios, a neglect of their needs, and blamed the studios' lack of involvement in exhibition as the cause of their cutbacks in production:

> We knew that Paramount was going to make 50-60 pictures a year and so was Fox, and so was Warner Brothers because they had all those theatres and they had to fill their screens. When they sold those theatres they didn't care if an exhibitor went bankrupt or he didn't. They couldn't care less, so they cut their product down. Before they had to

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[1] Hoag interview, March 7, 1972.

> make pictures because they had theatres demanding product.[1]

It does not seem reasonable that the film studios would deliberately withhold product from exhibitors if there had been any other choice. The film industry was not trying to maintain its old standards, but was trying to find new ways to adapt to the pressures it was experiencing. Richard Murphy, manager of the Bellevue Theatre in Montclair, New Jersey, part of the Fabian chain in the northeast United States, states that the studios were unconcerned with the plight of the exhibitor:

> When the exhibitors were owned by the film company, the film companies were more inclined to make a lot of pictures to insure a flow of product to their own theatres. When they divested themselves of the theatres, then they had to think more in terms of their investment and they became more cautious. They cut down on production and didn't make as many. They had no incentive to do otherwise.[2]

The exhibitor, therefore, believed the studios felt less concern for the theatres than before.

Other Disputes Between Distributors and Exhibitors

An example of the continuing war between the exhibition and the production-distribution divisions of the film industry may be seen in their opposing views on developing new talent. In the late 1940's when the

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[1] Ibid.

[2] Private interview with Richard Murphy, March 14, 1972.

industry was feeling the strongest pressure from government and blocked foreign currency, as well as from the growing popularity of television, the exhibitors were demanding "different" and "family" entertainment "with the emphasis on escapism."[1] Along with his complaints about subject matter, the exhibitor complained that the stars were too old to draw audiences and fresh new talent was needed to stimulate the box office. The major studios said new talent took many films to develop, but the exhibitors countered by pointing out that, "The industry enjoyed its peak box office era during and immediately after the war. Yet, they /the exhibitors/ maintain/ed/, few, if any, big-name stars were developed during those days when the industry had all the necessary factors."[2] What the exhibitors failed to admit was that during the prosperous war years, there were no complaints from exhibitors about lack of new talent. Instead, they were demanding more established stars in every film.[3] Hollywood was hesitant to change a working method of casting, production and all the other elements

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[1] Variety, June 21, 1950, p. 9.

[2] Variety, June 28, 1950, p. 1.

[3] Crowther interview, May 31, 1972.

that go into filmmaking.[1] Hedda Hopper discussed Hollywood's changes in 1946:

> . . . criticism is ill received here [Hollywood] . . . Only those who live in ivory towers with hearts to match fail to sense the trends of the times. They forget that before pictures the public used to curl up before the fire with a good book. Maybe they don't think the public can go back to doing that. It can--and will--unless we give them something worth the time it takes to view a picture.[2]

Although her argument centers on film subjects and types, it may be extended to include talent. A Hollywood star was an expensive commodity for the studio. The studio, therefore, exploited the star's talent for drawing audience as long as possible. Unless a younger player captured the public's interest and could be groomed to replace the aging star,[3] the studio did not usually prepare someone to appeal to a certain segment of the audience when it became impossible for the aging star to continue in youthful roles.

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[1] Television is much the same today.

[2] The Baltimore Sun, February 18, 1946, Sec. A, p. 4.

[3] As early as 1922 this trend had started. Metro lost Rudolph Valentino to Zukor's Famous Players and developed a star named Ramon Novarro to replace Valentino's particular appeal. Novarro was successful in part, but, "he never had the magnetic quality possessed by Valentino, whom Metro lost over a matter of fifty dollars a week." Crowther, Lion's Share, p. 59.

Disagreement over Distribution

A lesser factor in the feud between the exhibitors and the distributors was the psychology of distribution. Distributors felt that "big" pictures should be released during peak audience periods such as holidays, while the exhibitors believed that these films should be saved for lull periods in order to bring in audience.[1]

It may be that, taken separately, these problems were relatively minor and capable of being solved, but there had always been friction between distribution and exhibition over the supply of films versus the demands of the theatres. When block booking was abolished, the exhibitors were no longer forced to buy the less-than-quality films, and yet their demands on the distributors for more product had not decreased. The studios could not produce that number of quality films each year. The exhibitor, therefore, had fewer films available than before.

The exhibitors' demands upon the distributors had always been an irritant in the industry and, with the anti-trust suit to inflame the previous wounds, the situation deteriorated at perhaps the worst possible time.[2] While

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[1] Variety, January 18, 1950, p. 1.

[2] Herman Levy, general counsel of Theatre Owners of America, in 1951, said "exhibitor-distributor relations appear to be at the lowest ebb in the history of the biz." Variety, June 6, 1951, p. 7.

still involved in internal turmoil, the film industry was assaulted by still another problem, the advent of television.

The Advent of Television

The New York World's Fair in 1939 was the scene of television's debut in the United States with the broadcast of an address by President Roosevelt. Few people had receivers because mass production of television receivers had not yet begun, but it is estimated that a few hundred receivers were able to tune in the broadcast:

> Shortly after the 1939 World's Fair, television's progress was interrupted by a series of governmental orders and then by World War II. In 1940, the Federal Communications Commission ordered a halt in the expansion of TV pending completion of an investigation to determine the best technical standards for TV transmission. In 1941, six months before we went to war, the Commission authorized full commercial television on the black-and-white, 525-line basis now in use, in contrast to the 441 lines previously used. The few TV stations then in existence began television programs two to three hours a day, but there were only 4,700 television sets in the entire New York area. When war came, the production of television sets stopped completely, and telecasting settled down to a skeleton schedule for the duration, with only six commercial television stations on the air.[1]

Even before World War II put television back into the laboratory for the duration of the war, the film and

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[1]Geraud Chester, Garnet R. Garrison, Edgar E. Willis, Television and Radio, 4th ed. (New York: Appleton-Century-Crofts, 1971), pp. 43-44.

television industries, one in its prime and the other attempting to become established, were fearful of competition and lack of cooperation from each other. The film industry was watchful and wary of the experiments involving television. As early as 1939, Hollywood kept an eye on TV to make sure there were no films under copyright used in television experimentation.[1] The film industry was unsure of its possible role in television and therefore, did not want to let precedent set policy in the years to come.

In contrast, the television supporters must have realized that continuous live television was impractical if not impossible. Soon after television stations began regular commercial programming in 1946, there were predictions that, "3,650 hours of film footage will be required within the next five years."[2] The film industry was the logical place to turn to for filmed programs for television, if cooperation could be achieved.

Growth of the Television Audience

After television emerged from the laboratory at the end of World War II, it began to establish itself quickly in the broadcasting field. By January, 1948,

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[1] Variety, May 3, 1939, p. 30.

[2] New York Herald-Tribune, May 19, 1948, p. 17.

there were over 100,000 sets in the country, but two-thirds of them were located in New York. By April the number of television receivers had more than doubled. This seemed to be but a beginning. In 1948, almost a million television sets were manufactured as compared to 179,000 in 1947, and 6,000 in 1946, and the new sets were finding eager customers:[1]

> Films played an increasingly significant role in video programming during the year [1947]. From 25-30% of all programs were utilizing celluloid at the year's end. And many top directors predict an even higher ratio in 1948. This factor is seen by some observers as an important source of revenue for film companies and an indication of how the two competing mediums can unite for their mutual benefit.[2]

Television immediately and logically looked to Hollywood for program material.

The speculation about a new market for Hollywood-made films for television was accompanied by considerable caution. The World Series coverage by television in 1947 brought home the fact that video could affect film attendance figures:

> Broadway film box offices suffered during the seven days of the World Series last year. That series, the first to be televised, was carried on all three tele stations in N.Y. and Broadway houses reported their biz off an average of 50% during the afternoon hours.[3]

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[1]Leo Bogart, The Age of Television (New York: Frederick Ungar Publishing Co., 1958), p. 9.

[2]Film Daily Yearbook, 1947, p. 808.

[3]Variety, April 21, 1948, p. 63.

The question became one of how badly the film audience would be affected, and the early indications were not encouraging to the film industry.

In 1947, Television Research Inc. conducted a survey. They found that 46% of television set owners said they were going to movies less often. In 1948, Advertest interviewed 150 families in northern New Jersey and found that 63% said television was having a great effect on their moviegoing. At about the same time, the advertising firm of Foote, Cone, and Belding carried out a telephone survey of 415 television owners in New York City; 51% said their visits to the movies had decreased. In answer to another question, only 4% said they went to the movies every few days as compared to 57% who had attended movies this often before television.[1]

Many studies were made of the film versus the television audience. By 1949, it was established that television was drawing audience from the ranks of former film-goers. The surveys began to ask what would get the film audience back in the theatres. One Los Angeles door-to-door survey determined that 66.2% of the set owners attended movies less frequently than they had before they owned television sets. The survey also

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[1]Bogart, p. 154.

received three answers to the question, "What would bring you back to the movies?" These answers were: (1) better movies, (2) nothing, (3) lower prices. However, 85% said that if they could view church services on their television sets, they would still go to church.[1] This attitude seemed to deflate exhibitors' boasts made at the time that people were naturally gregarious and, therefore, would return to movies when the novelty of television wore off. The conclusion was that people did get out and meet and mingle with other people, but not necessarily at a movie theatre.[2] The industry also made its own studies of the situation. A consultant commissioned by Columbia Pictures developed a formula for determining the effect of television on film box office receipts. He found that for every 2% saturation of television sets in an area, theatre grosses went down 3%.[3] Another common statement from the public indicated that people would rather watch television than go to a movie because they could see "the same trash at home."[4]

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[1] Variety, July 6, 1949, p. 2.

[2] Robert Coughlan, "Now it is Trouble that is Supercollossal in Hollywood," Life, August 13, 1951, pp. 102-114.

[3] Variety, August 1, 1951, p. 15.

[4] New York Herald-Tribune, July 9, 1949, p. 9.

Film Industry Reaction

The reactions of the film industry to the results of these studies were varied. The major studios were divided by their differences in opinion concerning the power of television to reduce the film audience and income:

> Of the industry's two branches, production-distribution seems the least likely to be adversely affected by television. Industry toppers on the coast didn't seem to be worried. Convinced that the new medium would be in need of a tremendous amount of film programs to supplement live action, most producers agreed that video might prove to be an important production stimulus and provide a greater market for pictures than ever visualized before.[1]

Predictions came from all parts of the film industry. Joseph Hazen, Hal Wallis' partner, said that intimate romance pictures would be hurt most by television competition:

> These are the kinds of pictures that tele does best because of the small screen and general nature of the medium . . . therefore, when the video competition gets really tough in a few years, producers must turn to concentration on the large scale adventure and drama which can be done better by Hollywood than on video.[2]

In contrast to this analysis of a worsening problem, Dore Schary, vice president for production at MGM, said in 1951 that Hollywood would have nothing to

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[1] Film Daily Yearbook, 1949, pp. 89 and 807.

[2] Variety, February 16, 1949, p. 2.

fear from TV, "for easily four or five years. That's how far away large-screen TV is for home consumption." Schary also said TV was only a peep show compared to films.[1] Some of the reactions took the form of pep talks exhorting the film industry to make better films in order to get the audience back in the theatres. Joe Schenck, head of 20th Century-Fox, added a note of possible doom to his plea: "Now we must go out and sell. If we get soft with wartime prosperity we must harden ourselves to move all over again--or else."[2]

Perhaps the most hopeful approach to the problems besetting the film industry was offered by Samuel Goldwyn, a veteran independent producer. In 1951, Goldwyn agreed that television had hurt the movies, ". . . and it will hurt them even more in years to come, but ultimately there will emerge a reconstituted motion picture industry which will be stronger, healthier and even more profitable than that which exists today."[3]

It was in the field of exhibition that television

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[1] Variety, November 7, 1952, p. 1. In a recent interview, Schary said his statement "was stupid. I really thought we could fight it and I was wrong." Private interview with Dore Schary, June 6, 1972.

[2] Variety, May 18, 1949, p. 18.

[3] New York Times, September 21, 1951, p. 21.

generated the greatest concern. In 1948, the exhibitors, led by Robert Coyne, executive director of the Theatre Owners of America, started a national survey to determine what effect video had had so far on theatre income.[1] Exhibitors knew from the results of this and other audience surveys that television was making inroads on theatre grosses, but the question remained whether this was because of television's novelty, or whether it was to grow even more serious.

Benjamin Berger, exhibitor in Minnesota, was "not concerned or worried about the competitive possibilities of television. Like all other gadgets, which television is, it will not keep the people away from the romance and glamor of the theatre in any significant numbers."[2] However, Ted Mann, owner of a theatre in Minneapolis disagreed: "I definitely think television will become the most serious and damaging competition that has sprung up yet for movie theatres."[3] A Theatre manager in Baltimore agreed: ". . . there is no question in my mind from observations made locally that TV affects the box office quite a bit, especially on nights of big events, such as prizefights and other

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[1] Variety, June 23, 1948, p. 7.

[2] Ibid.

[3] Ibid., p. 16.

sporting events."[1] However, a theatre owner in Michigan said, "It will take years before we can entertain this innovation as a real threat;" and Marc Wolf, in Indianapolis, felt that, "It will be quite some time before television will affect the motion picture theatre to any great extent."[2] But just a few years later, Variety reported that, "Exhibitors seem somewhat resigned to a TV-infested future in which film houses will never again see the heydays of 1946."[3]

By 1951, few people in the industry could deny that television had left its mark on the film industry. By the end of 1950, 17.9% of Americans had television sets in their homes and 500,000 sets were being manufactured each month.[4] Perhaps if television had been the only competitor for the movie patron's attention, the blow would have been less severe. But television was only one of several conditions existing in the late 1940's that made it difficult for the average American to afford the money or the time to attend a movie theatre with the same frequency he had before and during World War II.

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[1] Ibid.

[2] Ibid.

[3] Variety, January 9, 1952, p. 3.

[4] Film Daily Yearbook, 1951, p. 115.

Competition for the Entertainment Dollar

The American of 1946 was war-weary and desired an easier and better life. One of the responses to these desires was an increased emphasis on leisure time and its uses. John Crosby, a columnist for the New York Herald-Tribune, commented at that time on the amusements available to Americans:

> Twentieth-century man is in great danger of being entertained to death. Movies, theatre, radio, television, bowling alleys, racetracks, magazines and even newspapers . . . are all intent on entertaining the hell out of us. Each one demands an increasing amount of our time. More and more a man has to gallop through his leisure hours at anything but a leisurely pace to get it all in.[1]

The trend was toward more and more entertainment--twenty-hour-a-day entertainment. Increased leisure time was accompanied by more ways to spend time away from one's office or factory job. Variety noted as early as 1948 that "the increase in the number of automobiles and the lure of competing forms of recreation have undoubtedly accounted for some of the drop in business this [1948] summer."[2]

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[1] New York Herald-Tribune, January 21, 1949, p. 26.

[2] Variety, August 25, 1948, p. 1.

Some people in the film industry believed that one of the reasons that television was able to make large inroads on the movie theatres' grosses was the increasing parking difficulties. Television provided an easy alternative to finding a babysitter and finding a parking place.[1]

Television was not the only lure for leisure time. If a person did not mind driving and parking, there were night baseball games, racing, roller derbies, amusement parks and outdoor activities during the summer that appealed to former moviegoers.[2] In 1951, box office receipts were $1,166,000,000 as compared to $1,235,000,000 in 1950.[3] This drop would have been less upsetting if all forms of amusement were suffering the same loss in revenue, but some showed a revenue increase during the same year.[4]

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[1] Variety, November 22, 1950, p. 22.

[2] Variety, July 6, 1949, p. 3.

[3] New York Times, July 24, 1952, p. 30.

[4] One explanation for the gain in horse and dog track revenues while the film audience decreased is that the two activities appealed to different groups in the population. The film of the late 1940's was still trying to appeal to the family audience as an inexpensive means of entertainment. Gambling, the theatre and opera were not inexpensive, nor did they appeal to a large part of the American public as family activities. Professional

> Horse and dog track admissions totaled $38,000,000 last year [1951], as compared with $36,000,000 in 1950. Pari-mutual net receipts were $224,000,000, an increase of $17,000,000 over the 1950 total of $210,000,000.
>
> Professional baseball recorded $51,000,000 in paid admissions last year as against $55,000,000 in 1950. Professional football took in $9,000,000 last year as compared with $8,000,000 in 1950, and college football held its ground, with receipts of $103,000,000 in both years.[1]

Even the legitimate stage and opera showed no decline in 1951.[2] Figures such as those above from the Department of Commerce must have caused wonder in Hollywood that movies should be singled out by the public for rejection. The movie had always been a form of inexpensive entertainment, and yet other forms of entertainment seemed to be gaining popularity while the film audience declined.

One exhibitor (president of Allied Theatre Owners of Indiana) blamed the drop in attendance on a lack of

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sporting events which, however, might appeal to families were relatively inexpensive and yet their revenues did not change substantially during this period either. Since professional sporting events and movies may have drawn on the same potential audience, there were at least some indications that the film industry's revenue was declining while other inexpensive entertainment forms were not suffering the same losses.

[1] New York Times, July 24, 1952, p. 30.

[2] Ibid.

available cash for movies several times a week. This was due to the new rash of installment buying and consumer credit after the war. In 1950, consumer credit reached a level of $18,000,000,000 and in 1952 it was up to a record peak of $22,000,000,000.

> What with taxes at an alltime high, last year the average family spent $400 more than it took in. People just don't have cash to lay out. Maybe the picture industry ought to consider some sort of credit sales of books of tickets, for "spend and owe" seems to be the philosophy of the times.[1]

As box office receipts dwindled, film industry spokesmen and exhibitors tried to explain the problem. One of their desperate explanations blamed the slump on the weather: "After Easter, the weather was too warm in some parts of the country and in other parts too rainy or cold."[2] The summer had always been a slow time for the exhibitor, but his attitude was changing. The most popular television shows were off the air during the summer, giving the exhibitor less competition. Air conditioning in theatres also helped spur the move toward distributing films earlier than the Labor Day weekend:

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[1] Variety, October 22, 1952, p. 7.

[2] "Lull," Time, May 12, 1947, p. 101.

> In the past several years, biz has picked up strongly in late July, only to drop off again in October and November, when the big video shows began to make their dent. That is a conditioning factor in convincing some distribs that tele's hiatus period should be taken advantage of with the best possible product.[1]

Although the decline in theatre attendance was attributed to many factors, such as competition for audience with other forms of entertainment and a lack of available cash for movies, many Hollywood people believed that there was nothing wrong with the film industry that a good movie could not cure. The implication that during the war people would go to movies regardless of their quality in films was blamed by producers, exhibitors and critics for the lack of audience after the war.

The "B" Movie

The term, "B" film, has been used to describe various types of films, but the "B" film of the war years was characteristically a less expensive production with an emphasis on action. The "B" film was usually the second feature of a double feature and was a low-budget, "lesser star" vehicle. It was shot with minimum budget, perhaps utilizing stock footage, and, often times, depended on weak scripts or mediocre, pulp-fiction westerns and science fiction for plots.

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[1]Variety, August 6, 1952, p. 55.

The studios had their separate specialties within the scope of the "B" film.

> The Bs of Paramount, Universal, Columbia and Warners were designed with an eye for action. 20th-Fox leaned to mysteries and the "family" film, especially if one could be followed by a sequel evolving into a series. At one time, 20th had more series going for them than any other studio including Charlie Chan, Mr. Moto, the Jones family, and Michael Shane.[1]

The "B" film had been a very important part of the studio's production schedule. Demands from theatres, many of them owned by studios, had kept these less expensive films in demand in order to fill exhibitors' schedules.

While the anti-trust suit diminished the studio's responsibility to keep the screens filled, and television made the "B" film an unsalable item due to the "B" quality of television programs, Hollywood was slow to cut back on production of "B" films. The feeling of security based on doing things the same old way was a hard pattern to break for the major studios, but monetary considerations spurred the lesser studios into quicker action: "Among the smaller companies, there /was/ a trend away from B pix in favor of higher-budgeters which /would/ be sold as top features."[2]

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[1]Don Miller, "The American B Film," Focus on Film, Winter, 1970, p. 32.

[2]Variety, November 2, 1949, p. 3.

It was only a matter of time, therefore, before the larger studios came to the same conclusion. Joseph M. Schenck, President of 20th Century-Fox, believed the "B" picture "/was/ an obsolete institution. For one thing, in the . . . all-industry purpose of wooing back public interest in pix, the B only achieves a negative influence."[1] The exhibitors would no longer take "B" films to fill their schedules because the abolition of block booking freed them from the necessity of buying the entire product of a studio: the studio could no longer sell the "B" film in a package, thus it practically ceased production of these films. Yet, the industry seemed to blame the decision on television instead of the anti-trust suit. Variety, in 1949, reported that the "downfall of the 'B' picture . . . /would/ be finally accomplished by the full-scale entry of television competition according to growing industry opinion,"[2] and the Film Daily Yearbook in 1948 said that "one large body of opinion is convinced that tele will mean the elimination of the 'B' picture. People will not pay to see entertainment unless it's significantly

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[1] Variety, May 18, 1949, p. 3.

[2] Variety, March 23, 1949, p. 1.

superior to what is available in their homes."[1]

Whatever the reasons for the decline in "B" production, this was a very serious development for the studios because it meant a further drop in their dependable income. The economic situation had never been worse and Hollywood was just beginning to realize the extent of its financial difficulty.

Difficulties of Foreign Distribution

After World War II, Hollywood also suffered a major blow from its foreign distribution interests. Before the War, about 35% of the total film rentals had been derived from foreign sources; of this, Great Britain accounted for 75% of the foreign revenues.[1] During the War, the world had become conscious of film's power to educate and create opinion. American films were used in gearing the country for war and enforcing fear and hate of the enemy. In Germany, Leni Reifenstahl's "Triumph of the Will" showed the power of the military spectacle in gaining support for the government's war policies. Besides these war-oriented propoganda films, there was widespread use of training films by the military of all countries.

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[1] Film Daily Yearbook, 1948, p. 61.

[2] New York Times, April 2, 1940, p. 31.

Jack L. Warner, executive producer of Warner Brothers, recognized the implications of the increased use, and demand for, film by other countries. In 1944, at a meeting of the Screen Writers Guild he explained the necessity to think in international rather than national terms:

> The war has brought about a development in picture-making in many countries, and this will expand greatly as soon as the war ends. England has become very much more /sic/ film-conscious. Before the war France was turning out good pictures and the Germans kept the French film industry going all through the years of their occupation. South American countries, and Argentina in particular, have been cultivating their own film industry. So was Mexico. These governments will teach their people to want their own pictures and they won't be satisfied with a dubbed version of something that was made purely for the American market.
>
> Not only that, but they may set up all sorts of quota restrictions. They may even try to keep our pictures out. Some countries which make only a few pictures will buy ours only on the basis that we take one of theirs. The alternative may be that we will be forced out of foreign markets, and if we don't export our pictures this country will lose all the benefits that have come to it from worldwide showing of American films.[1]

Mr. Warner was fairly accurate in his assessment of the post-war attitude toward the American film industry. Even before the end of the war, the British government made plans to expand the British film industry.

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[1]Brooklyn Daily Eagle, September 22, 1944, p. 8.

In support of this plan, the House of Commons heard arguments that Hollywood films gave a false and corrupting impression of life to British children: "The world cannot be run, after all, solely on a Hollywood conception of life."[1]

The attitude in Great Britain and other countries that American films should be restricted had the potential of depriving Hollywood of an enormously profitable outlet for its films. Eric Johnston, president of the Motion Picture Association of America, pointed out that, "In 1946, foreign income was $120,000,000 while earnings for the entire industry were only $144,000,000. In 1947, the foreign coin shrank to $90,000,000."[2] His estimate for 1948 was $70,000,000, with a low of $50,000,000 in 1949. The extent of economic difficulty was a very serious possibility as a result of the attitudes of the Europeans.

In 1947, Great Britain astounded and angered the American film industry by placing a 75% tax on the earnings of imported films. The American film industry responded with an embargo preventing any

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[1] New York Herald-Tribune, December 21, 1944, p. 15.

[2] Variety, July 27, 1948, p. 17. The "earnings for the entire industry" were profits instead of receipts.

American films from being distributed in Great Britain.[1] Lasting from August 7, 1947, until the middle of June, 1948, the embargo hurt the British theatres' incomes, and within four months, there was talk of theatres closing because of a shortage of product.[2]

The embargo lasted eight months and was finally ended because of a new agreement between Hollywood and Great Britain. The agreement of March 13, 1948 (which actually took effect June 14, 1948) allowed a fixed sum to leave Great Britain in the form of dollars to be divided among the various studios distributing films there:

> The industry is assured of an annual flow of $17,000,000 in film earnings beginning June 14 and continuing for four years from Britain, its principal foreign market. The payments will be made at a fixed amount in equal monthly installments. Additional dollar revenue equivalent to the net earnings of English pictures "in the United States of America, its territories and possessions and the Philippines" also will be made available to the American industry.[3]

American films' British earnings for 1948 were estimated at $50,000,000. Film distributors did not expect British films to earn over $6,000,000 in the

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[1] Variety, June 23, 1948, p. 4.

[2] New York Times, January 21, 1948, p. 31.

[3] New York Times, March 28, 1948, Sec. 11, p. 5.

United States or its possessions, which meant that the most that Hollywood would receive from Great Britain would be $23,000,000, $27,000,000 less than the year's earnings. That would leave $27,000,000 in frozen sterling for the one-year period, which was to be added to the nearly $30,000,000 already frozen in Great Britain.[1]

The frozen sterling problem was compounded by the fear that the British government would impound the unspent film earnings. Moreover, the film companies were limited in how the frozen sterling could be spent:

> The only real use that this money can be put to is the production of pictures in England, or the conversion of this money into investments in land, buildings, hotels, and similar things in England, which because of high prices and inflated values have been deemed unsatisfactory and uneconomical investments by the film company executives.[2]

Just before the agreement of June 14, 1948, went into effect, the British added a clause setting up a maximum quota of 45% for imported films. The obvious tactic for the Americans would have been to pull out of exhibition completely in Great Britain. However, during the embargo over the 75% tax, distributors in the United States were upset by this policy. The 45% quota system was possible for the British because they

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[1] Ibid.

[2] Variety, November 9, 1949, p. 1.

were "trading on the knowledge that the Americans /would not/ pull out completely."[1]

The American film industry asked for diplomatic assistance and the reply from the U.S. Ambassador to Britain, Lewis Douglas, was that the quota had little chance of being changed:

> Douglas' feeling is that the 45% quota and the currency restrictions are only secondary means of cutting down dollar exports by Britain. Primary consideration, in his opinion, is to give encouragement and aid to efforts of J. Arthur Rank to support British theatres with home-produced films and to obtain export markets.[1]

Hollywood had little hope that the foreign market situation would resolve itself in Hollywood's favor, and many film executives felt powerless to stop the flow of decisions to limit American involvement in the distribution of films around the world. One of these executives, Herbert Yates, President of Republic Pictures, described the extent of damage to Hollywood due to the reduction of foreign markets:

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[1]Variety, November 10, 1948, p. 4. Harold Wilson urged the United States to realize what the agreement really meant. "I hope, if American producers have been having extravagant ideas of what they are going to do here, that what I have said may damp them down and encourage them to concentrate more on the other side of the agreement--the purchase of British films." New York Times, May 1, 1948, p. 7.

> In 1948, the deluge of restrictions against American product hit hard. Great Britain's currency restraints and new quota were body blows. Instead of less restrictions in foreign markets, possibly there will be more. No doubt the few countries which haven't imposed some sort of road block on American product will do so. Whatever we get from here on out of our former productive foreign markets we will have to fight for.
>
> The effect on Hollywood has been cataclysmic. Retrenchment and economy drives are one thing; but trying to make quality pictures that will hold and sustain the interest of our domestic customers for one-third to one-half of our former budgets is going to be a task that will tax the most capable producers and economy-minded creators.[1]

Great Britain's agreement with the United States film industry changed in 1950 when the original agreement expired. The quota previously set at 45% was reduced to 30% and, as of October 1, 1950, the British agreed to convert $17,000,000 but included a system of bonuses that promised several million dollars more. These bonuses included: (1) $8-10,000,000 annually in return for promoting British films in the United States, and (2) the earnings of films produced in Britain with American "frozen" capital, estimated at $12-15,000,000 annually.[2] The rest of the frozen sterling was to be used for "purchase of American rights to British films, manufacture

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[1] Variety, January 5, 1949, p. 9.

[2] New York Times, March 13, 1948, p. 12.

of prints, payrolls and a long list of other uses."[1] Eric Johnston, Motion Picture Association of America president, explained some of the conversion techniques used to obtain dollars for blocked sterling in countries other than Great Britain:

> In Finland, we buy phonograph record sleeves, send them here and sell them to the record companies for dollars. We'll quarry limestone in country A, ship it to country B, where we have frozen dollars and where it will be made into cement, and then sell it to Country C, which has oil and therefore dollars.[1]

Great Britain refused to allow this kind of conversion by restricting the use of blocked sterling to those businesses involved in the film industry.

The British refusal to relax restrictions on importing and expenditure of blocked sterling achieved at least one of the desired effects. MGM decided to start production in England in 1948, "as a result of the recent agreement between England and the American film industry by which American companies will be permitted to invest blocked sterling in production of pictures in Great Britain."[2]

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[1] Ibid.

[2] New York Times, April 26, 1948, p. 27. One of the first films produced in England with frozen sterling was "The Witness," with Robert Montgomery as the star and director. The film was made by Coronodo Productions, run by David Rose, former Managing Director for Paramount Studios in England. New York Times, October 16, 1949, Sec. 2, p. 5.

Other Countries

Outside Great Britain, the American film industry was having much the same problem. France blocked dollars from going to Hollywood and established a quota system allowing American films 68% of the screen time in France. This agreement was both favorable and unfavorable in that Hollywood needed the dollars perhaps more than the lenient quota. Finally, the block on currency was lifted in 1948 and the blocked currency was promised to American film companies over a four-year period:

> Although the new agreement will cut the showings of American movies in France by approximately 25%, representatives of American producers here generally felt that the new agreement was fair, inasmuch as it allowed movie corporations to return heretofore blocked profits to the United States over a four-year period.[1]

Other countries such as Italy blocked U.S. dollars, but their conversion policies were much more lenient than Great Britain's and therefore American films were not prohibited or restricted from widespread distribution. For the first time, however, American films were receiving competition from European film companies on a scale heretofore unheard of and the films were being critically acclaimed for their realistic approach to subject matter. The Ontario Motion Picture Censorship and Theatre Inspection Board issued a report in 1949 discussing the difference

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[1] New York Times, September 7, 1948, p. 28.

between American films and their new foreign competition. The report said British-made films were, " . . . native in outlook, socially significant and highly entertaining. Technically, they are on a high plane, with detail work and color outstanding."[1] The report went on to say that British producers had displayed a " . . . sense of responsibility in producing at considerable cost a great number of short subjects to meet demands for children's entertainment."[2] The report also said that, "European dramas [were] unusually realistic."[3]

The threat of increased competition from abroad, coupled with continuing restrictions on distribution and currency conversion in Great Britain, was not a very promising outlook for Hollywood. The foreign market, which had been responsible for at least a fourth of the total income for American films before the war, was now reduced substantially. This development added to the other problems of government intervention in the anti-trust suit and the advent of television disturbed many in the American film industry.

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[1] New York Times, May 27, 1949, p. 2.

[2] Ibid.

[3] Ibid.

Summary

The pressures on the film industry between 1946 and 1951 were important for two reasons: (1) economic problems in the industry occurred at a time when business was at its peak, and the industry was not ready to deal with them; (2) the mere presence of problems in an industry such as is found in Hollywood can damage the morale and, therefore, the ability of the industry to find satisfactory solutions to its difficulties. The anti-trust action was not just a matter between the government and the film industry. The consent decree and the suits that preceded it, as well as the changes brought about by it, opened wounds in the distributor-exhibitor relationship. While the suit remained unsettled, the mutual mistrust of the distributors and the exhibitors allowed their attacks on each other to be portrayed in the press as vendettas. Finally the industry began to realize the damage to the public's opinion of the industry that could result:

> It's gotten so that even the customers--the exhibitor's public--know of these wrangles between the producer and the middle-man. Such bad public relations spells bad business.[1]

In the wake of the anti-trust suit and accompanying fear, television rose to provide Americans with mass

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[1]*Variety*, July 13, 1949, p. 3.

entertainment in the home. The rapid rise of television's popularity has been chronicled many times, and the film industry watched with concern as television invaded the ranks of former regular movie-goers. Television was only one of the growing sources of entertainment offered to Americans, as it joined amusements such as night baseball and roller derby in filling leisure hours.

Added to domestic difficulties with government and audience preference was the curtailment of the foreign market for American films. The European countries, which had previously bought the Hollywood product, now heavily taxed receipts and placed stringent quotas and blocked currency regulations on the distributors. The European also began to infiltrate previously American-dominated markets with European-made films. In Venezuela, "the British /were/ moving in with their own agencies and French films, which always were tops with the folding money crowd, /were/ also cutting into the share which once went more than 90% to U.S. imports."[1] The reason this was possible was the different economic situations involved in producing a film in America as opposed to making one in a European country.

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[1] Variety, August 13, 1947, p. 13.

The combination of overt pressures on an industry wracked from within by dissension forced a pall to settle over some of the industry. It was a time of fear and depression over what might be ahead:

> . . . there is a mood of melancholy among some of the older men and even a state of near-stagnation is apparent in a couple of studios. Obviously, some of those who prospered during the fat and luxurious years, when almost any film did business, are baffled and frightened . . . by the undeniable uncertainties of almost any picture made. And in some of the studios where terror has apparently seized the high commands, there is evident sluggishness, anxiety and pessimism as to what the future holds.
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> For there is no doubt of one thing: pessimist and optimist alike are confronted today with problems such as this industry has never known.[1]

It would not be until the 1950's that the film industry would gain new hope and discover ways to compensate for the losses suffered in the late 1940's. The immediate results of the post-World War II pressures included a drop in revenue and even sources of revenue. Hollywood became frightened and studios hurriedly made decisions that would adversely affect the film industry. These initial responses to the external and internal pressures upon the industry are discussed in the following chapter.

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[1]*New York Times*, June 11, 1950, Sec. 2, p. 1.

CHAPTER III

EARLY EFFORTS TO OVERCOME POST-WAR PROBLEMS

The Star System

The initial response to the problems besetting Hollywood in the late 1940's was predictable. The industry panicked, and while it remained in shock, valuable time was lost for making positive strides toward strengthening the position of film. An earlier appraisal of such options as films for television and more adult themes for films might have rallied the industry's morale enough to face its problems as a unified group.

Instead, the studios made moves that were to cause them trouble for years. Studios felt that their two former assets suddenly became liabilities--property and people. The largest expense was payroll. The industry payroll in 1939 had been $410,000,000.[1] Because of rising costs and inflation, the payroll in 1948 amounted to $466,987,032.[2] This rise had come even though the number of people employed in the film industry had dropped over 30% during the same nine-year period, and was partially due to union demands. The response of the industry to the rising cost factor was to let the

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[1] Film Daily Yearbook, 1940, p. 37.

[2] Film Daily Yearbook, 1949, p. 71.

contracts of its greatest stars lapse, but this effort came too slowly and too late to have a real effect on the financial imbalance in which Hollywood was floundering.

L.B. Mayer and his executives decided to slash payrolls by firing all but the most valuable employees.[1] In 1947, "MGM slashed its payroll by 40% and other studios were firing hundreds of carpenters, electricians and eyebrow-pencilers."[2] The stars were in one of two categories; either they did twice as many pictures for the same weekly pay on a much reduced shooting schedule[3] or they were not signed to long contracts and worked on a picture-to-picture basis instead.[4]

The exhibitor varied in his response to the presence or absence of a star. Many theatre owners felt a film was valueless without a four-to-five star cast.

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[1] "Trouble in Hollywood," Life, February 23, 1948, p. 55.

[2] "State of Business," Time, December 8, 1947, pp. 94-96.

[3] Variety, July 20, 1949, p. 7.

[4] New York World-Telegram, December 19, 1949, p. 20. "The day passed when you could get guys like Robert Taylor and Clark Gable and these people to sign a long term contract for 'x' number of dollars a year and then they would have to make as many pictures as the company wanted them to make. Like Gable used to get $5,000 a week, but then he could be asked to make a dozen pictures. Economics changed so that the same star could go out and get $250,000 for one picture, at that time. Now Elizabeth Taylor and Richard Burton--$1,000,000 a picture, plus participation, is their price for making a movie." Zeltner interview, March 14, 1972.

The heads of production of the film industry reacted to the exhibitor demands by trying to provide the stars. If they did not, the film had difficulty being booked:

> Sales forces are so in the habit of selling marquee names that they refuse to put real effort behind a picture that doesn't bill familiar players. The reason, Selznick insisted, is that from long experience they know they'll have a terrific battle with exhibs to get good terms or "A" playing time /"A" playing time refers to the best theatres, the times of year and period during the week which were likely to attract peak audiences/ for a starless picture, no matter how good it is.[1]

David Selznick added the opinion that the exhibitors were sure to realize that the star system did not pay off at the box office and then they would realize the studios' efforts to cut contracts was a constructive one.[2] However, two years later in 1950, Variety reported that the exhibitor had not come to that conclusion:

> Despite repeated proof on the unreliability of players as "b.o. insurance," theatremen continue to make names their principal yardstick in booking and buying. With few exceptions, it takes a well known star in a film for it to get "A" playing time in first-class theatres at top terms.[3]

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[1] Variety, March 10, 1948, p. 63.

[2] Ibid.

[3] Variety, January 4, 1950, p. 59. "Today there's no such thing as a star with drawing power. The last one was probably Elizabeth Taylor and then she made 'Cleopatra.' Then about that time she got fat but the exhibitor got lean. The old system was great. All you

In 1951, Variety reported on a review of the exhibitors' policies in booking; the exhibitors had reversed their position on the value of the star system.

> The exhibs shouted their belief that the picture makes the star--and not vice versa. There were repeated references to the need of agents and producers in particular, getting out of Hollywood for a while and finding out what the rest of the country wants.[1]

This sudden reversal may seem to be out of line with the previous thoughts of the exhibitors on this question, but it is more likely that this change in attitude may have been the culmination of some very deep reflection on the star system as it existed after the war.

In the years following World War II, as the audience age remained relatively constant, film audiences drew the bulk of their support from the 19-35 year-olds, while the stars aged perceptively. As a result, the gap between the age of the typical viewer and the age of the typical star constantly increased. The incongruity of a youthful audience and aging stars may have escaped the exhibitors earlier. As Eric Johnston had warned, "Most stars are in an age group incongruous in relation to the mass of film-

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had to do was make sure you had a big star in a picture and people flocked to them. The stars made six pictures a year minimum, so you were constantly seeing them and they had a regular following." Hoag interview, March 7, 1972.

[1]Variety, August 29, 1951, p. 1.

goers. Two-thirds of movie audiences are under thirty; while the majority of top ranking stars are in their thirties, forties and early fifties."[1]

The number of stars under contract to the major studios took a drastic drop in the years after the war. Warner Brothers had 120 actors in 1945, but by 1950 the number was 40.[2] The major studios had 790 actors under contract in 1945[3] and that number dropped to 598[4] by the next year and in 1952, the total was 283,[5] a drop of over 60%.

The cutback in contracted stars may have saved the studios some money in payroll, but it was really a large price to pay for a small return. Hollywood had once been able to "load" pictures with as many as six stars.[6] Because the stars were salaried, it was to the

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[1] Cue, May, 1948, p. 24.

[2] Variety, March 8, 1950, p. 22.

[3] Film Daily Yearbook, 1946, p. 43.

[4] Film Daily Yearbook, 1947, p. 51.

[5] Film Daily Yearbook, 1953, p. 123.

[6] "In a picture like 'Executive Suite', you had an enormous cast list, many of them under contract. That's why it wasn't an expensive picture to make. After the war, many of the big stars came home from the war or served during the war, and our economy had changed totally. The war economy with its enormous taxations had made high salaries more or less unimportant. What difference did it make to the star who got $7,000 a week or $5,000.

studio's advantage to utilize their talents as often as possible. Without a long-term contract, studios could not afford to cast more than two stars in a single picture at a large fixed salary and perhaps a percentage of the profits. Another result was that the contracted stars often went to another country for work.

> Coast studios' recent tendency to cut contract player lists to the bone has cued another talent exodus to Europe where producers are glad to put Hollywood names into their pix.[1]

Those actors who stayed in this country made attempts at working in other media and the most obvious medium was television. The reaction of Hollywood to having its film stars appear in the competing medium was most negative.

Banning Stars from Television

One of the few things that the studios agreed on was that television should not have the benefit of Hollywood's contracted stars on the small screen. Even in 1950,

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The amount of money he kept was relatively unimportant, it amounted to maybe $200 for the extra $2,000. The agents began to say, 'We don't want the big salary, give us some ownership.' That was the only way you could get the big star and then the actor began to say, 'I don't want to sign this 7-year contract.' So the whole thing began to get weaker and weaker." Schary interview, June 6, 1972.

[1] Variety, October 28, 1953, p. 1.

> . . . Warners, 20th-Fox and Metro, which have probably the biggest star stables among the major studios are the most vehement against TV. [The] first two companies, in fact, have recently edicted [sic] that not even their producers, directors, writers etc. can appear on TV programs.[1]

Today, this may seem an over-reaction on the part of the studios, but their reasoning was basically sound. If the audience could see the big name stars acting for television and being readily available on the home screen, why should that same audience pay to see the same stars in a theatre? As pointed out previously, there had been responses to audience surveys that suggested that people would rather watch television because, they could see "the same trash at home."[2] This attitude on the part of the audience frightened the studios into extreme caution about star appearances.

The stars did not share the studios' concern. They were at least willing and perhaps eager to be involved in the new medium.[3] When requests came in from television

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[1] Variety, December 13, 1950, p. 1.

[2] New York Herald-Tribune, July 9, 1949, (New York Public Library clipping file)

[3] An example of eagerness to be free to be involved in television is provided by Joan Crawford who terminated a contract with Warner Bros. because she wanted to be free to do TV and radio work and she had an exclusive contract. New York Times, January 4, 1952, p. 19.

shows or stations for a particular star, however, the proposal was often vetoed by the studio holding the star's contract. An early example of this veto power involved Jimmy Durante in 1948. MGM refused to allow Durante to appear on a special Thanksgiving Day "Howdy Doody." The show had special appeal for children and it would seem that a Durante film would not be hurt by an appearance of this kind, but Durante deferred to the studio's wishes.[1]

Occasionally, a major studio would relent. But the stipulations involved in one such case made the star's appearance seem an accident, rather than a part of the show. In order for Bob Hope to appear on WENR-TV, ABC's Chicago outlet, in the coverage of a Thanksgiving Day parade, John Balaban, a powerful exhibitor of Paramount pictures, had to personally intervene with Paramount. The appearance was approved by Paramount with several provisions. Since the whole parade was to be recorded on film and might be broadcast again in whole or in part, the film could be used for one time only. Hope could appear as a participant in the parade with no special performance by him. After the program, a print of the film would be sent to Paramount and the negative destroyed.

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[1]Variety, November 23, 1949, p. 25.

The note of irony in this example is that the appearance of Hope was to help publicize the recent release of one of his films.[1]

The strict rules on television appearances imposed by the major studios did not stifle television's success, nor did the restrictions stimulate the return of audience to the theatres. One thing they did accomplish was to raise the ire of the Federal Communications Commission. In 1951, Jack Gould of the New York Times told of the Commission's warning to Hollywood:

> The Federal Communications Commission warned Hollywood motion picture producers yesterday to make their leading players and film available to television if they expected favorable consideration of their own bids to enter video.[2]

The film industry could ill afford that kind of adverse reaction from the FCC because it was very much interested in the use of television to enhance the film industry. The industry was thinking not of the conventional home television receiver to which we have become so accustomed, but a large screen process known as theatre television.

Theatre Television

The theatre owners did want to be able to utilize television, but television for the motion picture theatre.

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[1] Ibid., p. 3.

[2] New York Times, March 30, 1951, Sec. 2, p. 1.

This new product was called theatre television and utilized the transmission of a television signal to theatres equipped to handle the signal and project it on the regular movie screen.

As early as 1945, Lee DeForest had predicted that theatre television might help the film industry recover part of the audience it might lose to television:

> It cannot be questioned that television is certain to eat hungrily into the very vitals of the cine-theatre. But there may be SOME balm in Gilead, notwithstanding! Perhaps television will enter the theatre as well as the home, to occasionally attract overflowing houses. A Kentucky Derby finish, a classic football game, a World Series, a championship prize fight, may hang the S.R.O. signs on every marquee, with admission prices doubled.[1]

It was not until 1948 that theatre television began to be utilized. The coming of television to the theatre was treated as a first-run film, complete with sneak preview. In a critique of the preview at Paramount, Jack Gould reported on the quality and size of the image:

> The pictures for the most part had singularly good definition and brightness, only slight fuzziness occasionally . . . in the corner of the screen . . . and the large size of the images--18 by 24 feet--virtually eliminated any sense of eye fatigue frequently associated with home video.[2]

In April, 1948, Paramount presented an eighteen-

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[1] Hollywood Reporter, August 10, 1945, p. 2.

[2] New York Times, April 1, 1948, p. 30.

minute fight program via theatre television in the Paramount Theatre in New York--the first time theatre television was available to the public. During the remainder of 1948, the Paramount Theatre continued to utilize theatre television for events such as the Louis-Walcott heavyweight championship fight, the political conventions in Philadelphia, the election in November, and the inauguration festivities at the beginning of 1949; Paramount that year extended its theatre television operation to its theatres in Los Angeles, Chicago, Boston and Dallas. The studio hoped that as theatre television became more popular, the price per unit would decrease so that smaller theatres could afford to add this new means of entertainment.[1]

The first efforts of theatre television were concerned mainly with sporting events and news events, largely because these sources provided ready-made programs for the theatre exhibitor. Theatre television was the pride of the exhibitor, but not of the producer-distributor. For the first time, the exhibitor felt he was not dependent solely on the feature film and the studios that controlled it. Theatre television gave the exhibitor a chance to act overtly in his own behalf.

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[1]Film Daily Yearbook, 1948, p. 807.

Because of this attitude, the Theatre Owners of America (TOA) actively campaigned for theatre television. The TOA sent speakers on a tour to support theatre television at various theatre-owner conventions around the country. One such convention included the Motion Picture Theatre Owners of St. Louis, Eastern Missouri and Southern Illinois in November, 1949. A principal speaker was Gail Sullivan, Executive Director of the TOA. Sullivan's address took the form of an urgent plea to theatre owners to utilize television. At this time the costs were relatively high, but Sullivan believed that "theatre owners are resourceful and daring, and you can't frighten men who ran a handful of nickelodeons into almost a two and a half billion dollar business."[1]

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[1]Gail Sullivan, address delivered before the Motion Picture Theatre Owners of St. Louis, Eastern Missouri and Southern Illinois Convention at St. Louis, Missouri, November 8, 1949. (Mimeographed.) Exhibitor Richard Murphy recalls theatre television in the Fabian Theatre chain: "We had it in Albany and Troy, New York, and we used to run the fights primarily and I don't know of one show that made any money. It was successful in certain areas, like big cities, but in Albany and Schenectady, you had to use the coaxial line that came to Albany and then they used microwave relay from Albany because that was as far as the line went. I remember they had to put a parabola on top of the building, and they picked up the signal from the coaxial line and brought it into the theatre, and all the engineering costs and everything that went with it made it hard to be profitable in some areas. It was a wonderful experience though with people milling around . . . It was another something to sell. You could call it a gimmick, but it had a novelty value." Murphy interview, March 14, 1972.

The language is inspiring and probably just what the beleaguered exhibitor, faced with fewer films available to him and the encroachment of television on his theatre's audience, was waiting to hear. Sullivan asked for a uniting of film and television on the exhibitor level. His final words were chosen so that the theatre owner would not feel beaten by television, but able to use it for his own benefit: "The motion picture will always have a range and a scope as well as mobility that television can hardly achieve. But television for the theatre owner can be an integral part of his screen programming."[1]

The TOA had hired a television consultant, Nathan L. Halpern, to help promote theatre television. Along with Sullivan, Halpern spoke to various conventions of theatre owners. At the St. Louis convention, Halpern explained the mechanics of the theatre television process. One of his major arguments was that the smallest theatre television screen was 15 by 20 feet, more than 300 times the size of the largest home receiver screen. But the heart of the address was that theatre television could help the exhibitor: "Theatre television is a dynamic

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[1]Sullivan address, November 8, 1949.

challenge to the motion picture industry. It has the vitality and showman's color to stimulate theatre attractions at a time when it's needed."[1]

Halpern's address was predicated on the fact that the industry must face television and its other problems and adapt to overcome them. Theatre television was only the second step in this process:

> . . . it is essential for the industry to see clearly the nature of television, before it is too late. As I see it, there are two major positive actions which the motion picture industry can take . . . First, it can take positive steps to improve the quality of pictures and in sufficient numbers to attract more patrons to the theatres. Second, it can pour its talent, energy and money into the exciting new field of theatre television.[2]

Theatre television never really solved all the problems of the exhibitor, but in the late 1940's it did provide the exhibitor with a positive step that he could control in order to improve his business--or so he hoped. In the 1950's and 1960's, theatre television was limited to carrying special events such as heavyweight championship prizefights and the Stanley Cup hockey finals.

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[1]Nathan A. Halpern, address delivered before the Motion Picture Owners of St. Louis, Eastern Missouri and Southern Illinois Convention at St. Louis, Missouri, November 8, 1949. (Mimeographed.)

[2]Ibid.

In the second step of Halpern's plan, theatre television was in the realm of the exhibitor, but the first step in Halpern's plan for a renewed industry was up to the studios.

The Sale of Features to Television

By 1949, the major studios were coming closer and closer to selling their huge libraries of old films to television. The films had previously been withheld from television because the price was too low, not because of any principle against television's use of the film product. Actually, Hollywood had been using film on television to advertise the upcoming film showings in local markets. The exhibitors went so far as to pressure the distributors for commercials to promote upcoming films and to prepare commercials that would be specially suited to the needs of television:

> Exhibs [sic] in television areas wanted distributors to provide them with special TV trailers that run no longer than 45 seconds. Gail Sullivan [Executive Director of TOA] said last week following a survey of house operators, "Theatremen are pretty well agreed . . . that ordinary trailers are of no value on television. They are always too long . . . and most exhibitors feel that they're made up of scraps from the cutting room floor." TOA head said that exhibs want trailers that are specially conceived and shot for video.[1]

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[1] *Variety*, June 22, 1949, p. 3.

The thought of trading with the enemy did not bother most exhibitors or distributors as long as the result was an increase in income, but using television advertising to promote motion pictures did appear to help increase attendance, even among television owners: "Television advertising proved successful for Columbia with . . . '711 Ocean Drive,' where a survey in Los Angeles disclosed that attendance by video set owners increased 25%."[1]

There was, however, a difference in the film industry's opinion of the use of television for advertising and of selling old films to television. The film industry had thought of television from the beginning as a possible market for old features. Louis de Rochemont, the producer of "March of Time," believed that the demand for film would "be something Hollywood never dreamed of."[2] In Hollywood, the studios wondered what sort of financial arrangements could be made with the television industry. Although film companies such as Paramount and United Artists had set up sales organizations specifically to handle the sale of old motion pictures to television, there was considerable conjecture as to the terms. The studio felt that television was another exhibitor, and, therefore,

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[1] New York Times, September 16, 1951, Sec. 2, p. 6.

[2] New York Times, May 18, 1948, p. 26.

films would be rented for a period of time on a non-exclusive basis. The television industry expected to buy the rights to the films, but at a much lower rate than the motion picture studios were willing to consider.[1]

The exhibitors stepped in as early as 1948 to plead against the sale of features to television. Although the exhibitors wanted to use television for advertising, along with the trailers usually shown in the theatres, they did not want television to compete with them as exhibitors--even of old movies. The studios, however, would not agree to the TOA's request for banning the playing of features over television. Hollywood wanted to be free to utilize its stock of films as potential revenue whenever the appropriate arrangements could be made with television.[2] In 1949, Leo Spitz, co-head of Universal's production section, said, "If television looms and wants our product, then exhibitors will have to bid against the broadcasters for it. If the films are worth more to TV than they are to theatres, the plain economic facts are that television is going to get them."[3]

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[1] Variety, October 20, 1948, p. 7.

[2] Variety, November 24, 1948, p. 3.

[3] Variety, January 26, 1949, p. 20.

Spitz may have been right about the economic aspects of any decision dealing with features and television, but, when he made that statement in 1949, television was unable to outbid the exhibitor for a relatively new feature film.[1] Some independent film companies did sell blocks of films to television: "B" films that were useless to the independents for exhibition and yet brought in some revenue from television. The largest of the independent offerings, in quality and price, was a package of twelve of David O. Selznick's top pictures--the sale price was $2 million. This would entitle the buyer to four showings on television in two years. The difficulty was the price, which averaged out to about $166,000 per film. The average cost to each station in each of the 63 markets would have been $2,650. Since even the New York City stations had been paying only about $2,000 per picture, the Selznick demand was considered high.[2] Although there were no buyers when the Selznick films were first offered, these films marked the first time an established, well-known producer had made

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[1]Statements like these may have been used to frighten the exhibitor and thereby hopefully reduce his willingness to pressure the production-distribution segment of the industry.

[2]Variety, November 28, 1951, p. 1.

the decision to sell films to television.

Of course, the film industry realized that television needed film. It was virtually impossible to fill a program day with live programming on a regular day-to-day basis. The tired, ancient movies which television stations had been able to obtain fared well on their first television showing, primarily as nostalgic bits of the past. However, " . . . the repetition of these oldies, broken up as they /were/ by commercials and editing to fit the required half-hour or hour shows, and even fifteen-minute presentations! . . . /did/ more to aid the cause of the film exhibitor than hurt him."[1] Perhaps the Film Daily Yearbook was referring to the poor presentation these old films were given and felt that the television audience could not enjoy the films because of the commercials and editing. Therefore, they might wish to find better entertainment outside the home, hopefully in a movie theatre.

The major companies had consistently refused to release their tremendous backlogs to the stations, primarily because the offers were not tempting enough. Television had been acquiring some films, largely from smaller companies, both English and American, and from

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[1]Film Daily Yearbook, 1952, p. 139.

a few independents,[1] but none of these films had been of the quality of a David O. Selznick production. The film industry watched with interest each time a deal for feature films was made with television. The major studios felt that, when someone had been able to sell films at a good price, a whole new market would be open to the film industry.

Films Made for Television

There was already a whole new market opening to the film industry in the production of films specifically made for television. As noted earlier, it was clear even in 1948 that great quantities of film would be required to sustain television programming; predictions had been made that over 3,500 hours of film footage would be required by 1953.[2] The response of the film industry was very slow. While the industry looked for ways to maintain its audience in the theatres, others were discussing the possible involvement of film in television. One of the major advantages of films was its affinity for controlled

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[1]One unusual film package sold to television was owned by Chemical Bank. The bank sold ten films to WCBS. The films were made by independents and had come to the bank through foreclosure on the companies producing the films. Variety, January 23, 1952, p. 1.

[2]New York Herald-Tribune, May 19, 1948 (New York Public Library clipping file).

presentation:

> Film eliminates the "human errors" which constantly threaten "live" productions. A mistake is easily edited on film; scenes done badly can be photographed again. Film is the one safe method of presenting a sponsor's message. With the use of film, the advertiser knows his blades won't cut the shaver; his aspirins will dissolve immediately; no gadgets from his refrigerator will come loose and clatter to the floor.[1]

Just three days after this statement, Variety explained that film's role in television would not be that of producing features, but producing serials. Most studios were planning to produce half-hour films with the story stretching to about twelve episodes. The trouble with the arrangement came in deciding how to package these programs. Hollywood assumed that the programs would be not sold, but leased, the way films were distributed. However, the serial format was reminiscent of radio and suggested the broadcasting form of direct sale to television.

The most serious problem for the new filmmakers for television was the cost. Films made in Hollywood were expensive and time-consuming--the average Hollywood output was seven to eight hundred hours annually. When the idea of making films for television began to become

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[1]New York Times, June 13, 1948, Sec. 2, p. 5.

a reality, the studios faced the problem of economic filming:

> With the exception of the . . . 'Crusade in Europe' series /which was/ bankrolled by Time-Life via ABC-TV, the only nationally sponsored film series /Your Show Time/ on the air /was/ admittedly operating at a loss, spending upwards of $10,000 per film and getting only $8,500 per program from Luckies.[1]

Even though filming for television was not profitable in 1949, there was potential revenue for the film industry in later years. Hollywood was in a unique situation as the only source television could turn to for large amounts of film of a professional quality. Hollywood was the world's largest pool of show-business talent and technical skills.

Films could offer television excellent dramas, comedies, documentaries, and even cartoons, and, of course, commercials. Yet, with all these possibilities for profit for filmmakers, in January of 1952, the "80-odd vidifilm /sic/ companies existing in . . . early 1951 /had/ boiled down to around 20 financially stable outfits."[2] Even this reduced number of companies making films for television produced more film footage in 1951 than the

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[1] Variety, April 27, 1949, p. 27. In 1949, none of the major studios in Hollywood made pictures for television. Film Daily Yearbook, 1950, p. 93.

[2] Variety, January 9, 1952, p. 1.

major studios shot for theatre features in that year.[1]

Television films were becoming a business within a business, and the makers of films for television were beginning to feel secure. In 1951, several of the major studios organized subsidiaries specifically designated to create films for television. In March, Columbia's Screen Gems subsidiary announced its TV film schedule, in October Paramount Television Productions was formed, and a Universal subsidiary, United World Films, moved over into the television film business.[2]

Appealing to the Post-World War II Audience

The industry could not look entirely to new avenues of income to return Hollywood to an economically secure position. Something had to be done to insure the film industry that economic gain from films for movie theatres would increase. In order to renew the faithful attendance enjoyed during the war and before, Hollywood took a look at the audience of the late 1940's to determine who they were. One of their studies found that "regular moviegoing seems to begin at the age of twelve and reaches its peak at 19, falling off sharply after that. Few

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[1]Editorial, "Hollywood and TV," Life, February 25, 1952, p. 20.

[2]Film Daily Yearbook, 1952, p. 141.

persons past the age of 35 go to the movies regularly."[1] Knowing the demographic composition of the film audience did not really remove the film industry's concern over falling attendance at the theatres. The film attendance habits of the average American were changing. Holidays and weekends were the most popular times for film attendance with weekday grosses dropping.[2] The importance of this trend was that, after the war, movie-going was becoming an activity for special occasions, not a routine form of entertainment:

> The tremendous success of films in America has been, of course, that they became an institution, the most popular and accepted form of mass entertainment. With somewhere around 75,000,000 admissions a week still being paid, pictures without a doubt continue to be the nation's basic amusement medium. But there can also be no doubt that they are losing ground. Finding the key to meet that threat is seen as the great problem of the moment.[3]

The solution to the problem, if there was one, remained a point of contention. Some of the original movie moguls were undaunted by the depressing statistics. Adolf Zukor at Paramount Studios compared the situation to the days of radio as competition for the film:

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[1]Ernest La France and Faith Terry, "Hollywood's Headache," Parade, July 4, 1948, p. 4.

[2]Variety, March 1, 1950, p. 3.

[3]Ibid.

> In the old days it used to be radio that was going to put us out of business. That exploded and so will the so-called threats of today. The audiences will be as much interested in pictures in the future as they were in the past--if not more so.[1]

Zukor may have been right about that earlier period, but even then Hollywood converted to sound in order to compete more effectively with radio. The period after World War II was different because so many changes in society, economic and emotional, had been wrought by World War II. If the film industry failed to recognize the change in the average American, hence the average filmgoer, Hollywood would flounder until someone came to the conclusion that the film must change too. Bosley Crowther, as critic at the New York Times, did realize the need for a changing film to meet a changing world's needs and desires:

> We are living in times when the people who are older and more mature are noticeably more realistic, anxious and emotionally tired. Aside from the normal development of their discrimination and taste, they have generally experienced reactions to recent events that have wrenched their attitudes. The test of an artistic medium is whether it moves and changes with the culture in which it lives.[2]

Film as an art form was acceptable to Hollywood only if the art was profitable in addition to being

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[1] Variety, July 13, 1949, p. 1.

[2] New York Times, May 14, 1950, Sec. 2, p. 1.

critically acclaimed. The Hollywood studio had to consider what any changes in its production philosophy would do to the economic nature of a film. The financial considerations of the film industry forced some seemingly strange policies. One of these was the price increase at most theatres. Just when audiences were down, theatre-owners increased the price of admission to make up for the deficit in ticket sales. Production prices were also going up and the exhibitor was forced to pay more for each film. L.B. Mayer pointed out that admission prices were up but not as much as other commodities.[1] Still, there were fewer people attending movie theatres; if cost was a factor in seeking out entertainment, the film could not hope to gain increased audiences from this increase in admission price.

Another unique factor forced on Hollywood by economic considerations was the policy of producing more films than during high attendance periods. Howard Barnes, film critic for the New York Herald-Tribune, discussed the ironic implications of such a move:

> Pictures are not running for so [sic] many days or weeks across the country as they did five years ago. Obviously, more will be needed to fill playing

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[1] Variety, February 9, 1949, p. 1.

> time. Right now, exhibitors are calling for more films, even though they have had bad luck with the most recent batch. Hollywood can always come up with the best of paradoxes. At a time when it is forced to market motion pictures that cost more than the traffic will bear it is having to meet the challenge of making more and better films. A major studio has let out some 60% of its personnel to save money. It will be forced to hire back most of the craftsmen soon.[1]

Until divorcement of distribution and exhibition became a reality, the studios felt a need to keep the theatres open and operating as successfully as possible. Some theatres were losing money on weekday matinees, so a partial solution was to close until evening: "Many theatremen /were/ finding that matinees /were not/ even paying for the electricity they /used/ and numerous houses /were/ not opening until the later afternoon or early evening."[2]

Closing the theatres was not an acceptable solution to the problems of the film industry--more films to fill the screens was what the major studios attempted to produce. In order to produce more films with less money, production schedules were revamped and the word "retrenchment" came into widespread use.

The industry needed to cut back from the over-

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[1] New York Herald-Tribune, January 8, 1948, p. 19.

[2] Variety, November 7, 1951, p. 3.

expenditure of the war years. During World War II, when theatres were packed and grosses were astronomical, many films were held back for later distribution and after the war these films were not suitable for discriminating audiences. The "lush" years of the war were much discussed, but few realized the extent of overexpenditure:

> There had been an unconscious overexpansion of spending during the lush years. For example, Carey Wilson admits that he found himself telling Hardy Family and Dr. Gillespie stories in scripts of over 110 pages, while before he had been telling them in eighty or ninety pages, without knowing exactly why the increase had taken place.
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> One studio found itself with thirty-two producers, for twenty-six pictures, and coincidentally six producers from that studio found jobs in other plants. The same studio, checking its personnel, found a man with three secretaries, who needed no secretary at all; the studio did not need him either.[1]

The industry needed much more than a trimming of excess staff and lengthy scripts. The industry needed to pare production schedules and thereby reduce production budgets. It was the only way to bring the cost of a film down while still utilizing the soundstage approach to production.

Reduced production schedules took careful planning and management. For a while it seemed to work. In 1949 there was an overall drop in shooting schedules of 25%

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[1] Variety, April 18, 1948, p. 1.

below the high of 1946.[1]

One of the ways Hollywood might have reduced its production costs was to write original material and cease buying expensive properties that were unsuitable for cinematic portrayal. The difficulty in accomplishing this goal was that filmmakers and exhibitors believed a proven property, such as a successful novel or play, to be a safer and more profitable investment than an untried screenplay. Eric Johnston disagreed and tried to urge Hollywood to see the logic of his reasoning:

> From a purely economic standpoint, the buying of dramatic and literary properties throws a definite monkey wrench into a budget program. When as much as $500,000 is frequently spent for screen rights a production starts with two strikes against it. Since Hollywood has plenty of talented writers, it should ask them to handle new material, peculiarly suited to the medium.[2]

In an era of "A" films budgeted at $1,000,000 instead of the $5,000,000 figure common during the war, this suggestion would seem to have merit. But Hollywood was frightened and preferred to cut corners on production costs rather than property costs.

The studios began referring to the current (1948) production as the era of quality. This new push toward quality pictures was a virtual admission that the old excuse, "If we could make pictures any better we would,"

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[1]Variety, July 20, 1949, p. 7.

[2]New York Herald-Tribune, February 6, 1948, p. 13.

was invalid.[1] Quality is rarely mass produced, but Hollywood had to make enough films to supply the theatres; this hampered the successful launching of an era of quality. Another difficulty was that quality was defined differently by Hollywood than it is defined in most other contexts:

> The measure of "quality" in an industry animated by an absolute devotion to profit, is primarily the box office and only secondarily the wreathed praises of the discriminating moviegoer. As summed up by D.A. Doran, Paramount production-executive-without-title, the situation /was/ as follows: "There is an accent on quality throughout the entire industry today, but remember this: we cannot explain to a widow in Iowa, whose husband has left her 20,000 shares of Paramount stock, that there will be no dividend this year because we have produced a succession of great artistic triumphs."[2]

The era of quality was difficult to sustain or to believe in. Assembly line methods seemed to reduce the possibility of a superior quality film and, by mid-1949, only a little more than a year after the start of the quality campaign, the financial returns were not impressive. At a Loew's Incorporated stockholders meeting vice-president Rubin explained MGM's position:

> During the past two years, we have tried to give to the public a varied type of picture, with the hope that it would broaden their tastes. However, the

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[1] New York Herald-Tribune, April 18, 1948, p. 1.

[2] Ibid.

expense incident to the creation of those newer type pictures was too great for the resultant intake.[1]

The films made during the era of quality included such excellent films as "Johnny Belinda" (1948) and "Gentleman's Agreement" (1947), but they also included such escapist fare as "Road to Rio" (1947) and "A Date with Judy" (1948).[2] All four of these films appear in the top grossing films of 1948, showing a difference in assessment of "quality" between that made by the studios and those films preferred by the audience.

Looking at the situation in 1950-51, the studios began to realize that assembly-line production of films could only hurt the film industry's position in its fight for the entertainment dollar.[3] The major studios were aware at that time that the film industry needed to analyze its problems and deal with them in ways that, potentially, would provide the largest amount of help for the industry with a minimum of risk. Since the filmmaking business is by its nature risky, eliminating as much risk as possible meant cutting down on film

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[1]Report of the Annual Stockholders Meeting of Loew's Inc., March 25, 1949, p. 11.

[2]Variety, January 5, 1949, p. 46.

[3]This decision was hastened by the fact that studios were ordered to divorce themselves from exhibition and, therefore, no longer felt as much need to provide theatres with a constant flow of product.

production and rejection of all scripts that were not almost sure box office hits.[1] The film industry is unusual in that its support is based on continuing success at the box office, which meant that, besides their land and technical equipment, the studios had very little that could be used as collateral. At one time, it had been possible for a major studio to raise three million dollars in a day for a film that had not even been cast completely. But in 1948, money for films was more difficult to raise and the studios felt the economic pressure--even before the drop in box office receipts made inroads in theatre grosses. There was concern over the drop in production in Hollywood, where fewer movies meant fewer jobs and no security. The studios were convinced that, although the decrease in production might threaten the workers in the industry, it would ultimately bring Hollywood to new prosperity. However, the studios needed something else to accompany the drop in productions; something that would bring the public back, that would make it believe that movies were different--better than they used to be.

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[1]Bosley Crowther's formula for a box office hit was: 1) the presence of one or more stars of established reputation, 2) stories with "plenty of action, plenty of plot in which the stars were kept in front," 3) a familiar story, 4) the sympathy of the audience was directed toward a man, because women "apparently prefer those pictures in which men are the more reliable creatures." New York Times, July 28, 1940, Sec. 9, p. 3.

The "Better-Than-Ever" Campaign

In 1950, Hollywood began a campaign based on the idea of films' being better than ever. The slogan was, "Movies Are Better-Than-Ever," and later this would be changed to "Movies Are Bigger-And-Better-Than-Ever." Samuel Goldwyn, a leading independent producer, predicted that Hollywood could ". . . drop from the present 400-odd films a year to around 100 to 150 a year, all the latter good."[1] The key word in this statement was "good." The question arises, for whom were these new films good? Was the answer the audience, the producer, or both? Generally, if a film was good for a studio, it has been a box office hit. If a film was a box office hit, then supposedly it appealed to a large section of the population and, generally, these people liked the film. These are not really criteria for judging a film as "good" or "bad." There was a need for some positive critical evaluation in order for it to be deemed a "good" film. Bosley Crowther was not impressed by the "Movies Are Better-Than-Ever" campaign, because of the lack of critically acclaimed films among the new offerings. Speaking at a theatre owners' meeting in Chicago, Crowther said that this campaign,

> . . . rather politely implies that all movies

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[1] New York Times, March 19, 1950, Sec. 2, p. 1.

> are better than ever, which, we are sorry to say, they are not . . . The time has now come when this industry must prove itself on its customers' side--when it must indicate honestly and fairly which are its better-than-ever wares and which are the films of lesser quality.[1]

Results of the campaign were hard to measure. The media were led to believe that box office problems had levelled off. In fact, a Life editorial claimed that during 1951 the box office receipts stopped going down; the editorial did not claim an upswing in receipts, but implied that this would follow. Life felt that the reason for the levelling off and possible upswing was that ". . . the American public /would/ pay for pictures made with decent respect for its intelligence."[2]

However, the industry figures for this period show that, compared to the nearly $3 billion income of 1946, the figures for 1952 were down 35%. It was becoming more and more clear to the film industry that there was no single solution to its difficulties, just as there had been more than one cause.

However, respect for the audience's intelligence was different after the war. There was much talk of a "new" audience. World War II had changed the world and Americans were affected in many ways. Although bombs

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[1]New York Times, March 19, 1950, Sec. 2, p. 1.

[2]Editorial, "Hollywood and TV," Life, February 25, 1952, p. 20.

had come no closer to the mainland than Pearl Harbor, American culture had undergone perhaps as many changes as that of one of the war-torn European countries.[1] The new emphasis on leisure time was to be compensation for working and paying higher income taxes. The average American was different than his pre-war predecessor. World War II was a slap, awakening Americans to the realities of a world community, and this knowledge affected all parts of our lives. It was presumed, and not only by the critics, that the world was ready for more realistic films:

> This is the time for the moviemakers to realize that the war has awakened a great many moviegoers to the facts of life and enlarged an audience hungry for films that are human, meaty and believable rather than mere rehashes of the boy-meets-girl plot.[2]

This presumption was echoed by Bosley Crowther when he said, ". . . /The/ time is now past when our movies can

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[1] "There were soldiers returning from the war and they were much more sophisticated, more internationally minded. They had been various places and people were travelling more. That accounts for why you could very seldom get away with studio locations. You had to go there because if you did some phony set everyone would say, 'I remember seeing that--ah, come on, that ain't Italy.' You had to work very hard for feeling." Schary interview, June 6, 1972.

[2] Brooklyn Daily Eagle, February 3, 1946, (N.Y.P.L. clipping file).

isolate themselves completely from real life."[1]

The war had brought about an involvement with violence in American society. The war films had been romanticized to make them popular, but they were also sadistic. After the war, these romanticized films were no longer acceptable and were replaced by violent and brutal films about gangsters and the less desirable elements of our society. Films such as "The Big Sleep" (1946), "The Killers" (1946), "Crack-up" (1946) and "The Spiral Staircase" (1946) emphasized terror and brutality. Some people argued that violence on the screen had been commonplace all along,[2] but the new violent films were different. Siegfried Kracauer, a researcher at the New York Institute of Social Research, had made studies of the social aspects of the film and noted some peculiarities in the post-war American film:

> The current vogue is unique in its predilection for familiar, everyday settings in which crime and violence occur. The criminals in "Shadow of a Doubt" (1943) and Orson Welles' "The Stranger" (1946) settle down in plain small towns, where no one would dream of meeting a killer in the flesh. Nightmares are seen in bright daylight,

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[1] New York Times, March 5, 1944, Sec. 2, p. 3.

[2] "I can remember 'Public Enemy' and the last scene has got anything in 'Godfather' beat. The last shot of him when he's delivered dead by the gangsters to his mother's home is a whopper. It just goes BAM!" Schary interview, June 6, 1972.

> murderous traps are sprung just around the corner. Everyday life itself breeds anguish and destruction. And at the same time the villain's becoming more prepossessing; they charm innocent girls and win the confidence of guileless bank-tellers . . . Sinister conspiracies incubate next door, within the world considered normal--any trusted neighbor may turn into a demon.[1]

The reasons for the brutality are numerous. As was previously noted, World War II films had conditioned Americans to violent acts on screen. Paul Rotha believed the American culture was, ". . . so steeped in violence that anything less seemed tame."[2] It was a natural transition to:

> . . . strip the soldiers of their uniforms while leaving their guns in their hands. Where could armed civilians find a plausible setting? There was only one possible answer: the gangster film was revived with an accent on violence and sadism unprecedented in the depression days.[3]

After the war, documentary techniques had become popular and the realistic violence fit. There was also a need for something different to stimulate the box office and more and different violent acts on screen, it was thought, might help bring the audience back to the theatres.[4] Whatever the reasons, it might have been

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[1] P.M., September 16, 1946, (N.Y.P.L. clipping file).

[2] Paul Rotha, The Film Till Now (Norwich: Fletcher & Son Ltd., 1967), p. 467.

[3] Ibid.

[4] New York Herald Tribune, July 24, 1949, (N.Y.P.L. clipping file).

a productive trend in terms of a realistic approach to the art of film, except that studio heads were opposed to violent themes unless they stimulated box office; therefore, the realism in films was not given time to grow and mature.[1]

It would not be until the "Miracle Case" (an anti-censorship case) that this preference for fantasy in the motion picture would cease to control the industry's outlook on life through its films.

Summary

In the five years after the end of World War II, the film industry groped for answers to its mounting problems. Its effort to relieve economic pressure were first internal, forcing the reduction of staff, salaries, and--therefore--stars. Costly contracts were not renewed. At the same time some of the top stars that Hollywood needed to keep under contract in order to insure less cost per film were refusing to sign long-term contracts so that they would be free to work in television. Television's competition for talent forced the studios to forbid contracted stars to appear on

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[1]L.B. Mayer said, "Our pictures must show religion, love of our flag and home, and respect for father and mother, and the record of show business discloses a long string of hits which did not have to resort to sordid realism." New York Herald Tribune, July 24, 1949, (N.Y.P.L. clipping file).

television. This action added to the mistrust between the two industries.

External efforts to recover economic loss included theatre televion, which combined large screen television with sporting and news events. The exhibitor was making an effort to combat television with television. The distributors were trying to work with television through the sale of features and the production of films for television. These outlets for films were not potentially profitable until the mid-1950's and so economic help was not forthcoming at that time.

The one answer to Hollywood's lack of income was in appealing to a domestic audience, torn by war and adjusting to a new world. The answer to audience desires was not found in this early period, but violent dramas were a hint of the realism and new approaches to filmmaking which were to follow. The audience, Hollywood believed, had to be understood and wooed. The people of the country were maturing and so must the film. "The movie industry--if it wants to anchor its diminishing audience--must start pitching and pitching consistently to the discriminating and mature,"[1] said a New York Times writer.

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[1] New York Times, August 3, 1949, p. 1.

The early 1950's would bring about many changes in Hollywood as a result of the search for solutions to the industry's difficulties in the late 1940's.

CHAPTER IV

THE USE OF TECHNOLOGY TO WIN THE AUDIENCE

Profile of the American Film Industry in 1952

By 1952, Hollywood had suffered many blows. The governmental interference, coupled with the problems of competition and lowering audience figures, had frightened and confused the industry. This fear and confusion led the industry to make hasty decisions such as a drastic reduction on long-term contracted stars, which cost the studios available talent. The following figures and information portray an industry in great difficulty:

Number of people employed by major studios in the U.S. film industry.....200,000

Payroll expenses.....$495,000,000

People employed in production.....14,200

Hollywood payroll.....$247,500,000

Actors under term contract to major studios.....283

Producers under term contract to major studios.....117

Directors under term contract to major studios.....96

Writers under term contract to major studios.....134

Average admission costs.....50¢

Average weekly attendance.....51,400,000

Number of drive-ins.....4,501[1]

Features released by U.S. companies:

Columbia	48
Metro-Goldwyn-Mayer	38
Paramount	24
Radio-Keith-Orpheum	32
20th Century-Fox	37
United Artists	34
Universal	39
Warner Brothers	26[2]

Loew's Incorporated suffered from a rising cost factor, while theatre receipts and earnings were much lower:

Operating and general expenses.....$156,179,521

Theatre receipts, rentals and sales of films and accessories.....168,568,389

Income before taxes.....6,786,464[3]

The films of 1952 were not as successful at the box office as the top ten of previous years had been. The following is a list of the ten films with the largest grosses for that year.

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[1] Film Daily Yearbook, 1953, pp. 119-129.

[2] Film Daily Yearbook, 1957, p. 111.

[3] Loew's Incorporated Annual Statement, August 31, 1953.

	Film	Distributor	1952 gross
1.	"Greatest Show on Earth"	Paramount	$12,000,000
2.	"Quo Vadis"	MGM	10,500,000
3	"Ivanhoe"	MGM	7,000,000
4.	"Snows of Kilimanjaro"	20th Century-Fox	6,500,000
5.	"Sailor Beware"	Paramount	4,300,000
6.	"African Queen"	United Artists	4,000,000
7.	"Jumping Jacks"	Paramount	4,000,000
8.	"High Noon"	United Artists	3,400,000
9.	"Son of Paleface"	Paramount	3,400,000
10.	"Singin' in the Rain"	MGM	3,300,000[1]

Of the ten films which had the highest grosses in 1952, seven were filmed in color. Three comedies and one musical appear on the list. "High Noon" was the only western. The other five on the list consisted of historical dramas and DeMille's "The Greatest Show on Earth", a story about a circus with James Stewart playing a clown.

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[1]Variety, January 7, 1953, p. 61. Once again the critics did not reflect popular tastes. "The Greatest Show on Earth" won the Academy Award, but "High Noon," which earned only a third of "Greatest Show's" total, was the choice of the New York Film Critics.

None of the war films produced during the Korean War appears on the list, and there are no films which treat contemporary problems of man in a realistic way.

Discussion of 1952 and 1946 Profiles

Although, at first glance, the number of people employed in the U.S. film industry does not seem to decrease from 1946 to 1952, the number of people employed in production had decreased by more than 50% of the 1946 total. This would indicate an instability in the production area of the industry. A figure which seems to support the idea of an over-reaction on the part of Hollywood is the drop in the number of contracted stars from 598 in 1946 to 283 in 1952.

Of course the most disturbing change in the industry-wide figures occurs in the average weekly attendance. 1952 admissions were little more than half of that recorded six years before.

Using Loew's (MGM) as a barometer for the industry, we see higher expenses in 1952 than in 1946, but receipts lower by $20,000,000. There is an even sharper drop in the "income before taxes" column. The 1952 income before taxes takes in only one-fifth of the 1946 quotation, a decrease of $26,000,000. MGM was considered to be one of the most successful and prestigious studios in Hollywood. These figures would indicate that MGM was in serious difficulty

and it may be inferred that the other studios were in similar, if not as serious, difficulty.

Even the films making the most money for the studios were not doing as well as in previous years. Although the income figures for the top two films in 1946 and 1952 are fairly equal, the other seven on each list are not comparable. Number 3 in 1946 grossed $8,000,000 with the 1952 figure $7,000,000. By the tenth film, the difference is $5,000,000 (1946) to $3,000,000 (1952). This represents a substantial decrease of $15,200,000 in 1952 from the total income of the 1946 top ten. This loss is more disheartening when the 60% raise in admission price from 1946 to 1952 is considered, indicating in a graphic way box-office drops.

3-D

Besides making "good" films, the industry leaders, in 1951, were interested in adding elements to the motion picture that would provide it with an advantage in its competition with television. One of the first developments was the most radical: it was an attempt to add depth to the screen and, therefore, increase realism.

The three-dimensional process in film is an attempt to copy man's two-eyed vision. In man's sight, the sensations received by the eyes are transmitted to the brain, where the two dissimilar images join together

to make us conscious of depth. The 3-D camera imitates the arrangement of the eyes in that it contains lenses spaced apart, giving the same perception of depth when properly projected.[1]

As early as 1936, movie shorts were utilizing the three-dimensional process. MGM bought 3-D footage from two independent filmmakers, edited the footage and added sound, and released the short film "Audioscopiks." In 1938, MGM released "The New Audioscopiks"; when these shorts proved successful, MGM renamed the process "Metroscopix" and began working on a short that would tell a complete story. The result was "Three Dimensional Murder." The audiences were intrigued, but apparently the major studios abandoned 3-D for the time being. Even then, colored glasses were necessary to meld the two images into one.[2] Major studios were not interested in risking a major production with the new process, but by 1952 Arch Oboler, veteran radio writer and producer decided to use a new 3-D process called Natural Vision which utilized glasses with polaroid lenses in his production of "Bwana Devil." The film opened in November, 1952, and was an immediate success. Quickly,

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[1]Martin Quigley, Jr. (ed.), New Screen Techniques (New York: Quigley Publishing Co., 1953), p. 34.

[2]"Audioscopiks" was a series of clips whose description sounds much like Cinerama's test film. "Men

the major studios jumped in with their own contributions for the potential 3-D audience. Warner Brothers signed with Natural Vision to do the film "House of Wax" (1953);[1] Columbia produced "Fort Ti" (1953) using the same process.[2]

The popularity of the new process posed three basic questions: (1) how expensive would it be? (2) what would be done with the hundreds of undistributed "flat" movies? (3) and perhaps the most important, what changes in filmic subjects and techniques would 3-D force on the film industry?

Expense was a factor in 3-D. Not only did it require camera conversion, but also twice as many projectors and projectionists. The cost varied from one theatre to another, but it was approximately $5,000 plus screen and projectors. Light bills doubled, and so did the cost of supplies and salaries.[3] Glasses were required to view

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gasped, women shrieked. And little children bounded about deliriously. They ducked baseballs and splashing water. They hid from a mouse that boldly approached them. They shrank from a torch which was seemingly thrust in their faces. They rode a roller coaster." Ibid, pp. 18-19.

[1]"House of Wax" grossed $5,500,000 by 1957. Variety, January 9, 1957, p. 6.

[2]Film Daily Yearbook, 1953, p. 145.

[3]James R. Cameron, Third Dimension Movies and Expanded Screen (Coral Gables: Cameron Publishing Co., 1953), pp. 23-26.

3-D films and these cost 10¢ each, but were reusable after sterilization.[1] The flat films still in the studio vaults would either have to be distributed as two-dimensional or enhanced by a wider screen and a process by which, Paramount Pictures said, "'flat' movies could be made to give the 'illusion of greater width and depth.'"[2]

The problem of finding suitable material for 3-D was never really solved. There was too great a temptation to use it as a sideshow attraction to shock and titillate instead of dealing with a subject in a meaningful as well as realistic manner. The danger of Hollywood controlling a new device that could enhance the filmic language was that business too often precedes art and by over-exploitation of the cruder applications of the device, its real potential would be lost. As Bosley Crowther, then film critic for the New York Times stated:

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[1]A number of polaroid glass producers started plans to supply the glasses to theatres. Less than six months after the release of "Bwana Devil", after complaints by local health officials, a machine was developed for sanitizing the glasses for reuse. Herman Goldstein, president of Steriloptics, Inc., explained, "We have developed a machine to rid these theatre glasses of germs and odors. It sanitizes 2,000 glasses every 30 minutes and costs $2,500. The machine produces ozone, a form of oxygen which is a germicidal agent. Ozone is pumped into a series of enclosed trays which holds the spectacles." New York Journal-American, April 13, 1953, p. 13.

[2]Ibid.

> There may be such strong temptation to use it for sheer repeated shock that its modest potentials of heightened drama and added realism may be scotched. By the time people get through ducking those flying objects and leaping lions, they may be so completely hardened to dimensional stimulations they'll be bored by such simple things as round figures or neutral outdoor scenes, which in this viewer's estimation are the likeliest things to ask from 3-D.[1]

Despite the lack of artistic accomplishment in the 3-D films of 1952 and 1953, the most constant area of complaint was the need to wear glasses. Most of them had cardboard frames and were ill-fitting as well as restrictive in viewing the film. Bosley Crowther felt they darkened the color and made the audience overly nervous. In describing a scene from "Second Chance" he reacted to the presence of cardboard glasses between the viewer and the screen.

> The sense of peril emerges from the setting of the predicament, and the necessity to look at it through glasses (framed in cardboard) is sheer annoyance. One feels like ripping off the glasses and hanging onto something firm when Mr. Palance and Mr. Mitchum start slugging.[1]

Exhibitors also realized the problem with the glasses, but assumed that soon the glasses would no longer be necessary. John W. Keiler, an exhibitor in Kentucky, was aware of his theatre's patrons dislike of the glasses: "As far as my customers are concerned, I

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[1]New York Times, April 26, 1953, Sec. 2, p. 1.

[2]New York Times, July 26, 1953, Sec. 2, p. 1.

think the use of glasses is the big factor. A lot of people complain that glasses give them headaches or make them dizzy. Glasses are bound to go."[1] The glasses were necessary in order to mold the two images into one, but they were also one of the reasons why the public began staying away from the 3-D films. The drop in audience attendance came less than a year after the sensational response to "Bwana Devil."

> In recent weeks exhibitors in widely scattered sections of the country have taken to using the slogan, "2-D, no glasses needed," in advertising copy, and box office reports published in such trade papers as Daily Variety and The Hollywood Reporter show disappointing results for 3-D attractions currently on the market.
>
> The only spark of hope evidenced in producing circles is that the present display of public rejection is based on the quality of the pictures rather than on the medium of stereoscopic photography as such. The ultimate test, it is felt, will come with the release of such big-scale attractions as Metro-Goldwyn-Mayer's "Kiss Me Kate," Columbia's "Miss Sadie Thompson," Paramount's "Money from Home," and Warner's "Dial 'M' for Murder."[2]

When the audience figures indicated a lack of enchantment with 3-D, Alfred Hitchcock decided to release "Dial 'M' for Murder" in the usual process--without 3-D.[3]

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[1] New York Morning-Telegraph, March 25, 1953, p. 1.

[2] New York Times, October 13, 1953, p. 35.

[3] Film Daily Yearbook, 1953, p. 145.

Cinerama

The public was being assailed by more than one technically innovative process in filmmaking, however. In 1952 and 1953, both Cinerama and CinemaScope were available to the movie audience: providing the illusion of depth without glasses. It was another attempt at achieving depth and capitalizing on film's "larger than life" screen in contrast to the small television screen:

> While technically not three-dimensional, Cinerama creates the three-dimension illusion without aid of glasses by using an unusually large and curving screen which almost matches the arc covered by the human eye, causing the audience to feel that they are in the center of the action on the screen. In filming Cinerama movies, a special, three-lensed camera is used to take three separate pictures simultaneously. The resulting three sets of film are beamed side by side on the six-times-normal screen by three synchronized projectors. Each projector covers a third of the screen to give a super-wide-angle picture.[1]

The cost of Cinerama, because of the great amount of added equipment needed in both production and exhibition, was to be a detrimental force in its development. Its cost was much more than 3-D or CinemaScope, with conversion expenses ranging from $50,000 to $100,000.[2]

Before the carefully planned premiere of Cinerama, a complete campaign was carried out to stimulate potential

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[1] New York Herald-Tribune, December 14, 1952, Sec. 4, p. 3.

[2] Quigley, p. 124. Fred Waller was Cinerama's inventor and much of the expense in developing the process had been borne by the U.S. Army and Eastman Kodak, for use in training gunners during World War II.

audience interest. The basis for the campaign was "What Cinerama does to you!" to remind the public of the new thrill of the added dimension.[1] The campaign worked and "This is Cinerama" was sold out for weeks in advance. The picture opened in New York City at the Broadway Theatre in September, 1952,[2] and " . . . played for a little more than 122 weeks to 2,471,538 people, and it took in $4,707,688 at the box office. Eleven other cities in the United States and five abroad had seen it."[3]

Cinerama, like 3-D, had potential technical difficulties. The lines where one projected image met another seemed to split the image and sometimes the line wiggled. But more than that, it was hard to imagine Cinerama becoming the answer to all the studios' or exhibitors' problems. Bosley Crowther felt Cinerama was hampered by its own limitations in both production and exhibition: "The practicality of installing it in only a comparatively few locations is reasonably plain. Also its flexibility for story-telling is highly questionable."[4] There had never been an attempt to

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[1] Ibid. pp. 142-143.

[2] Film Daily Yearbook, 1953, p. 144. By 1957, "This is Cinerama" had earned $12,500,000. Variety, January 9, 1957, p. 6.

[3] Macgowan, p. 461.

[4] New York Times, May 24, 1953, Sec. 2, p. 1.

utilize the Cinerama process in the telling of an intimate dramatic story, so its ability to handle various types of material could not be judged. Instead, Cinerama concentrated on a travelogue format, forcing the script into the desired situations for maximum effect. In trying to achieve different effects, the producers of Cinerama films, like those of 3-D films, assaulted the audience with roller coasters, trains, herds of cattle, spears, knives, and other only temporarily effective devices. Being run over by a train was not that different than being run over by a herd of cattle: the chance for meaningful films utilizing the new technology was temporarily lost.

Cinerama was an exciting medium for a time and it did spur attendance figures for a short period. Perhaps it was never meant to replace the old style of filmmaking and therefore it served its purpose. But there soon came a technical innovation that would transform all filmmaking. It was first marketed by 20th Century-Fox and it was called CinemaScope.

CinemaScope

Twentieth Century-Fox thought that CinemaScope was the answer to dwindling audiences. Producers and executives were honest about their motives--this CinemaScope process was to counteract "the unequal

competition of television."[1] It was not being tried in order to give the filmmaker an added source of artistry, but the artistic effects which did occur are discussed in Chapter V.

Actually, CinemaScope was not a new invention at all. The anamorphic lens that creates CinemaScope was perfected by Henri Chretian in 1931.[2] At that time, sound was new and large production companies did not feel a need for the wide screen. Twenty years later, there arose several reasons for choosing CinemaScope. First, Darryl Zanuck did not think more depth was the answer. In 1953, he said, "We don't need depth, my brain gives me all the depth . . . I have been supplying my own third dimension all my life. What we need is to open up, open up wide."[3] This may have been more rationalization than truth, but the second reason for using CinemaScope was a very practical one--cost. Cinerama required three cameras and three projectors; the average cost of converting theatres for projection was $75,000. CinemaScope required only a special lens and a wide screen; the cost for converting theatres for projection ran from

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[1]Parker Tyler, The Three Faces of the Film (New York: Thomas Yoseloff, 1960), p. 120.

[2]"Zanuck Drops an Anti-Depth Charge," Life, March 9, 1953, p. 34.

[3]Ibid.

$5,000 to $35,000.[1] Twentieth Century-Fox decided to make an all-out effort with CinemaScope. They converted their entire operation for film output to CinemaScope, budgeting fourteen pictures for the first year (1953).[2]

Because the wide screen processes were to become a lasting part of all filmmaking, the achievement of the wide screen effect merits discussion. The actual process involved in CinemaScope is quite simple. The optical system, by use of an anamorphic lens, compresses within the normal area of a motion picture negative frame an image covering a wider view than can be covered with a normal wide-angle lens, and then, "projecting the pictures on a screen having a width ratio of at least 2.55 to 1 as compared with the existing proportions of 1.33 to 1."[3] In other words, the lens system on the camera compressed a very wide field of view into the boundaries of a normal frame, then the lens on the projector expanded the compressed image to the dimensions of the wide screen.

To begin their campaign for promoting CinemaScope, Twentieth Century-Fox made a test reel to show to various film critics and members of the industry. This reel was

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[1]"Fox Moves," Business Week, February 7, 1953, p. 27.

[2]"CinemaScope Upcoming," Newsweek, February 9, 1953, p. 61.

[3]Adrian Cornwell-Clyne, 3-D Kinematography (London: Hutchinson's Scientific and Technical Publications, 1954), p. 114.

made up of shots taken from the first two CinemaScope films, "The Robe" (1953) and "How to Marry a Millionaire" (1953). Arthur Knight's reaction to these test reels was enlightening:

> The initial test reels give the impression that one is watching a long narrow ribbon of action, too wide for its height. The speakers behind the screen are impressive. "The Robe's" long shots appear to curl the horizon upward at the ends. The spectacle of Lauren Bacall stretched out on a lounge half a block long is something to give one pause. She takes on all the intimate attributes of the statue of Prometheus in Rockefeller Plaza.[1]

Knight's view was shared by many of the people who viewed those first reels. These people were used to a 3 by 4 ratio; even television had accepted that ratio. The objections seemed to be centered on the imposing quality of close-ups, and the feeling that one was looking through a mail slot. A common complaint was that, by widening the screen, the film lost its intimate quality. As one critic put it, "Nobody wants to see a nuance as big as the side of a house."[2] Others felt that CinemaScope, if developed as an added tool and not a novelty, could be capable of many enhancements of both spectacle and intimacy on screen:

> Spectacle being the forte of these widely expanded screens, it is plain that Mr. Zanuck was foresighted in making his first CinemaScope production, "The Robe,"

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[1]Arthur Knight, "Movies are Wider than Ever," Saturday Review, May 16, 1953 p. 32.

[2]"New Films," Newsweek, September 20, 1953, p. 96.

> the Lloyd C. Douglas Biblical story, which runs to solemnity and size. And the few panoramic scenes from it that have proudly been displayed have given an indication of dramatic sweep and power. Even the question of the close-up on a large and unintimate screen has been found to be no great problem in the scenes from the film that have been shown. One shot in which the camera cut close to the face of the desolated Demetrius, kneeling at the foot of the cross, manifests that intimate feelings may be revealed in a magnified form.[1]

Critics commented favorably on CinemaScope's ability to present extravaganzas like "King Kong" (1933), and "Gone With The Wind" (1939).[2] The critics said it would be a good medium for musicals though "one immediately misses the lively pace and movement of old-fashioned movies . . . the huge screen must always appear to be filled."[3]

CinemaScope's first picture was carefully planned. Twentieth Century-Fox took their time with "The Robe" (1953), "linking their new screen system with the kind of expensive heavy-weight religious epic which always goes well at the box office."[4] "The Robe" starred Richard

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[1] Variety, May 17, 1953, p. 1.

[2] New York Times, September 2, 1953, p. 20.

[3] New York Herald-Tribune, December 5, 1954, p. 1.

[4] New York Times, October 23, 1953, p. 20. Dore Schary, in an MGM release dated October 8, 1953, explained the production schedule:

"There will be fewer MGM pictures but each will represent size and importance. Several of the productions will be made in CinemaScope, some in three-dimensions, and

Burton and Victor Mature and was well received after its opening at the Roxy in New York City. It was praised for its "pleasing succession of murallike effects and its illusion of depth . . . Hollywood expects 'The Robe' to challenge the commercial success of 'Gone With The Wind.'"[1] Harpers Magazine called it "a most authoritative medium,"[2] although another writer from the same magazine felt "the stereoscopic sound effects, which came from appropriate parts of the theatre, /were/ good, but they/were/ used too often in 'The Robe' as a substitute for dramatic action."[3] In an almost complete reversal to many reactions to the test reels, Robert Kass, a critic for Catholic World, said:

> Frankly I found the CinemaScope process almost everything which the extensive publicity proclaimed it to be. The extremely wide, slightly curved screen is ideally suited to spectacular productions like this one and, contrary to expectations, the

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all will be photographed for the MGM wide screen. Productions of visual magnitude will be employed for CinemaScope and in general, the medium selected will be the one best suited to the story. All pictures will be made with Stereophonic sound and most will be in color.

A new big-scale production of 'Ben-Hur' heads the list of MGM pictures for 1954. It is expected that this will be made in CinemaScope, as well as wide screen, and is regarded by the company as one of the most ambitious projects for the year."

[1]"Big Face, Big Scene, Big Screen, Big News," Life, July 27, 1953, p. 55.

[2]"After Hours," Harpers, November, 1953, p. 91.

[3]"Personal and Otherwise," Harpers, October, 1953, p. 12.

> increased area even intensifies the intimacy of personal scenes.[1]

Bosley Crowther, on the other hand, was concerned that "The Robe," while doing "world-record-smashing business, did not allow the essence of the drama to come through: "It is apparent that intimate personal drama may be lost in such insistent and inflexible large-framing. It is perilous--if not wrong--for the intimate thing."[2]

As in all commercial endeavors, the final analysis of success or failure was based on how well it did at the box office: "The Robe" did extremely well. Between May and November, 1953, it had earned $9,100,000; more than any other film in that period of time.[3] In the first week alone, "the Roxy reported a gross of $264,000 for 'The Robe' and it was the same all over the country."[4] CinemaScope's success justified Darryl F. Zanuck's faith in the new process. A year after "The Robe" opened, Zanuck said: "I do not forsee that our company will ever make another picture in the old way."[5] Twentieth Century-

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[1]Robert Kass, "Film and TV," Catholic World, November, 1953, p. 143.

[2]New York Times, September 2, 1953, p. 20.

[3]Cornwell-Clyne, p. 121.

[4]Time, October 12, 1953, p. 53.

[5]New York Herald-Tribune, December 5, 1954, p. 1. "The Robe" was "headed for a gross of $20,000,000 in 1954." Variety, January 6, 1954, p. 5.

Fox had quadrupled its earnings and gained an enormous quantity of prestige for further promoting the exploitation of CinemaScope.

Twentieth Century-Fox, prompted by the prestige of controlling the only wide-screen system, offered the anamorphic lens free to any studio if the studio was willing to make quality films subject to Twentieth Century-Fox approval. MGM decided to use CinemaScope before the premiere of "The Robe" and Warners followed within two weeks of the MGM agreement.[1]

One of the positive economic factors of utilizing CinemaScope was the shorter length of time required for production in comparison to pre-CinemaScope shooting schedules. "The Robe" was shot in only fifty-two days and cost over $4,000,000. The new process saved time and money in other ways:

> C'Scope films can be shot in 1/3 less the time of an ordinary picture. You don't cut up a C'Scope film as much. It's not like a stage play; you still have cuts but much less of them and there is less of the angle shooting. At certain times, where you might get three pages of script with an ordinary picture shot in a day, you can get as much as eight pages with C'Scope.[2]

Finally, the industry was unified in support of a successful innovation. Within one year after "The Robe" had its premiere, 11,000 theatres (8,000 in the United

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[1] New York Times, October 23, 1953, p. 20.

[2] Variety, September 16, 1953, p. 1.

States and 3,000 abroad) were equipped to show CinemaScope productions.[1] In 1954, the Academy of Motion Picture Arts and Sciences voted 20th Century-Fox Film Corporation an honorary award (Oscar) for introducing CinemaScope.[2] Eventually, the other major studios developed their own systems. Panavision, Technirama, and Todd-AO all varied in screen size and method of production, but every wide-screen process was attempting to achieve the same thing: the largest screen image possible with a minimum of distortion.[3]

All of the new processes utilized color and stereophonic sound. Just as the new depth and width innovations for the movie screen had not been really new, color and stereophonic sound had been in use in varying degrees for fifteen to thirty years.

Color

Herbert Kalmus began researching Technicolor in 1918. By 1923, he had developed a two-color process. Color sequences were occasionally used in films, but the

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[1] *New York Times*, September 15, 1954, p. 39.

[2] *Variety*, March 31, 1954, p. 17.

[3] The industry finally settled on a screen ratio of 1.85 to 1 which has become standard size for almost all productions.

first successful color film was "The Black Pirate" (1926). The audience was enthusiastic about color films, but the quality of the two-color process was not acceptable to filmmakers. By 1933, Kalmus' company, the Technicolor Corporation, had perfected a three-color process. "Becky Sharp" (1935) was the first feature film in the new three-color process.[1] Hollywood could have converted to color at almost the same time it converted to sound, but the cost factor prevented color from taking over as soon as it was perfected for the motion picture. In 1935, it cost eight times more to produce a film in color than in black and white.[2] There was no real pressure to use color and many industry leaders felt the cost was too high to be considered so closely on the heels of the enormous cost of converting to sound film production.[3]

The publicized reason for limiting the use of color was that it "was too experimental; audiences got tired of looking at it; it destroyed validity."[4] Actually, Hollywood was afraid to try something new. The urge was to continue

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[1]Mast, p. 321.

[2]New York Times, March 17, 1935, Sec. 8, p. 4.

[3]George Lewis, "Hollywood Goes in for Color," New Theatre, August, 1935, p. 20.

[4]Dore Schary, "Hollywood," The New Leader, January 8, 1951, p. 8. Schary was quoting Hollywood's excuses for not converting to color sooner.

to play it safe and wait until something new was needed to bring the movie audience back once again. Even in 1935, the industry was aware of what color's future role might be: "There is a suspicion, no doubt wholly undeserved, that Hollywood will exploit color as it did sound, manipulating the machine to 'save the industry' and doing it the easiest and least adult way."[1]

Color had been in use for shorts and cartoons since 1929.[2] Technicolor was the most highly developed process, and when studios began looking to this company for color film for shorts and cartoons and even for some features, Technicolor imposed a deposit of $25,000 for booking a picture for future production.[3] The audience reaction was extremely favorable and exhibitors began realizing that Technicolor had great value,[4] but the cost factor still made the studios prefer black and white in the production

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[1]Lewis, New Theatre, p. 20.

[2]Since the 1930's, Kodak and Technicolor have had cross-licensing agreements. Kodak sold negative, and since Technicolor used three times the negative that Kodak's Kodachrome did, Kodak pushed Technicolor for theatre motion pictures and reserved the single-negative 16mm process for itself. The profit motive impeded the development of cheaper, more effective color for the screen. Ibid., pp. 19-20.

[3]American Cinematographer, December, 1938, p. 499.

[4]Herbert T. Kalmus, "Technicolor Adventures in Cinemaland," International Projectionists, November, 1939, p. 24.

of features.

After World War II, Ansco and du Pont challenged Technicolor as the sole color processor for theatre films. The competition brought the price down[1] and with the reduction in price, exhibitors' demands for color films increased:

> Exhibs have been pushing for all productions in color as a means of combating the inroads of television. They see the pastelyzing of pix and possible development of tri-dimensional processes as the most important potential technical advances to meet competition from other media.[2]

By 1951-52, this predicted trend was noticeable:

> Color continues to play an important part in the presentation of the musicals and actioners. Of 81 pix set for release from now until the end of 1952, 40 will be of the many-hued variety. There is already indication that spectrum product will predominate in all future production, with filmeries turning out as many as 75-80% of their films in color.[3]

There were other indications. Warner Brothers, first to convert to sound, was committed to more than 50% color production:

> Warner Brothers, apparently on the verge of going all-out for color, will film twenty-seven of its next thirty-three productions in color, Jack L. Warner, vice president in charge of production, had announced. The studio, which twenty-five years

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[1] New York Times, June 26, 1949, Sec. 2, p. 3.

[2] Variety, November 29, 1950, p. 1.

[3] Variety, September 3, 1952, p. 5.

> ago introduced talking pictures, is leading the field again in the growing swing to color photography by making 82% of its forthcoming product in one of several color processes, including its own newly-developed Warnercolor.
>
> Although he didn't mention television, Mr. Warner obviously had it in mind when he asserted that "the color we bring to motion picture screens is not available on any other competitive screen and will help to heighten the already unique position we hold as the world's greatest entertainment medium."[1]

Statistics showing color increases since 1946 revealed how much emphasis was being placed on color production:

> Since 1946 when the filmeries turned out 30 tinted features, there has been more than a 200% increase in the use of color. In 1951, 103 color films were produced and indications are that there will be a considerable upbeat when the final 1952 totals are added up.[2]

Color had made enormous strides in theatre film production in the early 1950's:

Year	Color	Black and White
1951	23.8%	76.2%
1952	29.8%	60.2%
1953	42.7%	57.3%
1954	58.4%	41.6%[3]

The large percentage jump in 1954 was in large part due to the new screen processes which at that time used

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[1] New York Times, May 19, 1952, p. 12.

[2] Variety, July 9, 1952, p. 7.

[3] New York Times, March 24, 1955, p. 39.

only color.[1] These figures represent a move on the part of the studios toward increased realism on screen. Most people did view color as realistic, but there had always been a conflict between those who believed color should be reserved for pageantry and make-believe while black and white should be used to portray realism. Whether a move toward increased realism was conscious or merely the result of innovative processes linked together to provide a new film alternative for the audience, the result was one of increased use of color and a rediscovery of stereophonic sound for the motion picture.

Stereophonic Sound

Stereophonic sound was first used in the feature film "Fantasia" made by Walt Disney Studios in 1940.[2] Apparently, 1940 was a premature introduction of stereophonic sound. Until Cinerama's opening in 1952, stereophonic sound was not considered as a serious and continuing part of film industry technique. The basic premise of stereo, when linked with the Cinerama screen, was to have speakers located behind the screen and in the theatre to produce sound in the area in which the sound

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[1]CinemaScope films must all be in color according to 20th Century-Fox which grants licenses for the use of the trade name. New York Times, April 5, 1955, p. 33.

[2]Film Daily, November 20, 1953, p. 7.

was apparently being produced on-screen. The developers of Cinerama decided on a minimum of five speakers. "Ideally, there should be an infinite number of speakers behind the screen. In addition, we wanted speakers in the rear and to the sides of the house to create offstage effects when desired."[1] A major economic factor was the conversion of a theatre to stereo capabilities and many exhibitors could not afford it.

CinemaScope required only three speakers, but still gave stereophonic origination of sounds in the appropriate area.[2] All wide-screen processes claimed that stereophonic sound added to the realism of the film and also was a requirement of the wide screen.

3-D utilized stereophonic sound, and its use seemed to be an enhancement of the medium: "Even more than 3-D, exhibitors and the public alike are excited about stereophonic sound. Everyone is convinced it's just a matter of time before all films, including flats, will be using it."[3]

Stereophonic sound was another aspect of the new technology in the film industry. There was some question by exhibitors whether the audience was really aware of

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[1]Quigley, p. 129.

[2]Ibid., p. 163.

[3]Variety, April 29, 1953, p. 79.

the stereo effect once the film began.[1] The sound system was both an effort to create more realism and another part of the novelty of technology for the film industry.

Summary: Discussion of Innovations

The three most important technological innovations after World War II were 3-D, Cinerama and CinemaScope. These processes promoted the increased use of color and made stereophonic sound an integral part of the motion picture. All of these major advances in technology occurred practically simultaneously in a one-year period, 1952-53. These combined efforts brought to the audience a more sensory experience and presented a living environment which the television set could not provide.

The impact of technology on the film industry helped to reinforce the process of increasing confidence within the industry. Melancholy and fear had given way to hope and a search for the key to stabilizing the industry:

> They are trying the different combinations--wide screen, CinemaScope, and 3-D--but they are not going so far in any direction that they can't come back if need be . . . Actually, the purpose manifested in all this casting about by the studios is the ultimate discovery of the most popular and most practical systems to be used. In Hollywood, there seems to be agreement that Cinerama or something similar thereto will eventually provide

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[1]Zeltner interview, March 14, 1972.

> a permanent and popular form of entertainment within a specialized and limited range. The effectiveness of such a 'wrap-around' system for drawing the audience into the picture is superb.[1]

The answer was not Cinerama. Too few theatres could afford the expensive conversion costs or the increased overhead. 3-D had faded so quickly that no one was sure whether it was the glasses or the treatment of scripts in the new process. The logical choice of processes to help the industry was CinemaScope. It was relatively inexpensive and yet added size, sound, color and spectacle to the motion picture. Cinerama and 3-D had paved the way for a less complicated and more versatile system and that system was CinemaScope. Its proponents claimed great potential for the new medium. Darryl Zanuck believed ". . . it is the only film process which allows complete freedom--for the actor, director, and camera."[2]

With new freedom came new responsibilities and problems. The freedoms of wide screen included sweeping spectacle. Instead of a quick shot of the Statue of Liberty to establish the locale of New York, "How to Marry a Millionaire" (1953) showed the viewer the entire New York skyline. Answering critics inside and

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[1]New York Times, May 24, 1953, Sec. 2, p. 1.

[2]Variety, June 10, 1953, p. 1.

outside the industry was a painful task at times, particularly when the attacks came from a director such as Elia Kazan who, after working in the medium, did not believe the wide screen would last.[1] The film industry withstood these assaults and faced the problems the wide screen presented. CinemaScope would ultimately change the language of the film, as will be discussed in Chapter V; even in 1954, it was apparent that this change was taking place:

> Any of the wide-screen processes seem to point to the virtual elimination of the CU [close-up], which was Hollywood's unique contribution to the screen. Sequences are longer and there is less movement of the camera.[2]

Actors were also affected by the wide screen. They were on screen longer and, therefore, were required to learn more lines at a time hence the shooting process involved fewer shots. All of these changes created problems at every level. The production area was forced

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[1] New York World Telegram, August 11, 1954, p. 24. Kazan's criticism is understandable as he was the master of screen intimacy and extensively employed the close-up, as shown in "Streetcar Named Desire" (1951). There were other critics outside the industry. Cocteau's reaction to the wide screen was tongue-in-cheek. "The next poem I write, I am going to get a big sheet of paper." Orson Welles, "The Third Audience," Sight and Sound, July-September, 1953, p. 12.

[2] Louis Berg, "What's Ahead on the Wide Screen," This Week, February 21, 1954, p. 14.

to deal with uninitiated crews, unconvinced directors, and sometimes unprepared actors. The distributors were faced with selling a costly product to already financially insecure exhibitors, while the exhibition area had massive conversion costs as well as the usual difficulty of drawing enough audience to provide a profit. But all three areas felt that there was hope that this new offering would persuade audiences to attend movies. The wide screen was not a slogan, but a workable part of the search for a solution to the problem of falling revenues.

CHAPTER V

THE TRANSITION PERIOD ENDS AND A NEW INDUSTRY EMERGES

Profile of the American Film Industry in 1956

In 1956, the industry figures show an industry still at a lower level of productivity than during and just after World War II. Helped by the use of available technical innovations and the breakdown of the production code, Hollywood was stabilizing.

	1956	1952
Number of people employed in U.S. film industry	146,900	200,000
Payroll expenses	$460,250,000	$495,000,000
People employed in production	11,900	14,200
Hollywood payroll	$240,000,000	$247,000,000
Actors under term contract	253	283
Producers under term contract	102	117
Directors under term contract	92	96
Average admission costs	49.7¢	50¢
Average weekly attendance	46,530,000	51,400,000
Number of drive-ins	4,494	4,501[1]

[1] Film Daily Yearbook, 1957, pp. 103-113.

Features released by U.S. companies:

Columbia	40
MGM	24
Paramount	17
Radio-Keith-Orpheum	20
20th Century-Fox	32
United Artists	48
Universal	33
Warner Brothers	23[1]

Loew's Incorporated had lower theatre receipts, but, combined with over $5,000,000 less in operating and general expenses than in 1952, the company was able to increase its income before taxes by $1,500,000.

Operating and general expenses	$148,602,292
Theatre receipts, rentals and sales of films and accessories	162,415,093
Income before taxes	8,213,132[2]

The "top ten" films of 1956 had a total revenue of over $65,000,000, greater than the revenues of 1946. The following is a list of those films which were most successful financially:

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[1] Ibid.

[2] Loew's Incorporated Annual Statement, August 31, 1957.

	Film	Distributor	1956 gross
1.	"Guys and Dolls"	Goldwyn-MGM	$9,000,000
2.	"King and I"	20th Century-Fox	8,500,000
3.	"Trapeze"	United Artists	7,500,000
4.	"High Society"	MGM	6,500,000
5.	"I'll Cry Tomorrow"	MGM	6,500,000
6.	"Picnic"	Columbia	6,300,000
7.	"War and Peace"	Paramount	6,250,000
8.	"Eddie Duchin Story"	Columbia	5,300,000
9.	"Moby Dick"	Warner	5,200,000
10.	"Searchers"	Warner	4,800,000[1]

Discussion of the Film Industry Profile of 1956

By 1956, the film industry was a healthier business than it had been in ten years. Although employment had dropped, so had the payroll, saving the studios overhead costs that had plagued them in earlier years. The number of contracted artists was stabilized by 1956, with only minor drops from the 1952 totals.

Loew's Inc. (MGM) showed an increase in income before taxes of $1,500,000 since 1952, while dropping operating and general expenses to keep pace with a loss of theatre receipts.

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[1] *Variety*, January 9, 1957, p. 6.

Although the average weekly attendance was still dropping in 1956 (down 6,000,000 from the 1952 figure), the films among the top ten were doing better individually than the films of 1952 or 1946. All but one ("I'll Cry Tomorrow") of these films were produced in color, as compared to seven in 1952 and three in 1946.

Perhaps the greatest difference in the 1956 list of the "top ten" films and that of previous profiles is the subject matter of the films. Although none of the films on the list exploits a sexual theme, "High Society" hints at a one-night affair, and "Picnic" candidly treats a passionate love triangle. "I'll Cry Tomorrow," as a biography of Lillian Roth, treats alcoholism and a succession of unhappy marriages. It is doubtful that any of these films would have been produced before a relaxing of the Code's restrictions.

The profile of 1956 shows an industry involved in successfully adapting to pressures. The reasons for the studios' successful transition lie in an economic and artistic upheaval which took place in the early 1950's.

Structural Changes in the Financial Aspects of the Film Industry

Increased Involvement in Production of Films for Television

The film industry did not seriously enter the field of producing films for television until the mid-

1950's. In 1947, when television was beginning, it was difficult for the studio executives to foresee the possibility of profit by dealing with a competitor. Throughout the late 1940's, the major studios resisted pressure from their stockholders to produce films for television. In a 1949 meeting of the stockholders of Loew's Inc., J. Robert Rubin, Vice President of Loew's Inc., in answer to a stockholder's question, explained the reason MGM did not make features for television:

> We own 131 theatres. We are catering to 15,000 theatres. We make our living from presenting pictures in the theatres. If we encourage people to stay home, we won't have them in the theatre. At the present moment, we are not disposed to destroy the theatres.
>
> We think that the best thing to do is to keep the theatres open and to present our pictures there. Sometime, maybe, we'll work it out so that we can do as you suggest, but for the moment we are not in that mood.[1]

Later in the meeting, Rubin was pressed for further comment and his reply was calculated to reassure the stockholders that the studios should wait until a later date to commit effort toward the production of films for television: "We are not frightened by television. We believe that we are equipped to enter the business of television when and if it seems advisable for us to do it."[2]

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[1] Report of Annual Meeting of Loew's Inc., March 25, 1949, p. 5.

[2] Ibid., p. 19.

Each year the same question was raised and usually it was handled in much the same manner. The studios were very cautious about making plans to enter the television production field. The reasons were twofold: 1) the production of films for television was not always a profitable venture, possibly because of expensive production practices in Hollywood which made film production for television too costly to return the large investment required, and 2) the studios owned theatres that might be adversely affected by making films for television, thereby affecting the studio as well.[1]

By 1952, some of the major studios believed that a coalition of film and television would prove profitable. Columbia's Screen Gems subsidiary began planning a television film production schedule, as did Universal's subsidiary, United World Films. Paramount Television Productions was formed by Paramount.[2] These subsidiaries,

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[1]At the stockholder's meeting of Loew's Inc. on February 26, 1953, a stockholder asked why the company was not producing shorts for television and the reply was that some of the companies which had entered this field had found it unprofitable. "It was also pointed out that the Company must give consideration to some twelve or fourteen thousand theatres in this country which play its pictures." Report of Annual Meeting of Loew's Inc., February 26, 1953, p. 5.

[2]Film Daily Yearbook, 1953, p. 141.

and their increased activity in television production, were part of a marked change in the attitude of the film industry toward television:

> The fear of video competition that once had the industry almost in a state of panic was far less pronounced, and there developed a widely-held view that TV could very well be utilized to serve the interest of the industry.[1]

This new attitude was the result of encouragement and hope on the part of the producers, distributors and the exhibitors. The period of depression caused by the anti-trust suit and other problems external to the industry was ending. By 1953, industry executives were speaking of partnership with television. Adolf Zukor, after fifty years in the film industry, believed that by the end of 1953, ". . . it will have been demonstrated more clearly that television is logically more of a partner than a competitor with the picture business," and that ". . . in order that each may be healthy and prosperous the two businesses need each other."[2]

This new hope for the film industry prompted the major studios to join in quick succession the move toward producing films for television. In 1954, MGM became the last major studio to divest itself of its theatres. In

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[1] Film Daily Yearbook, 1953, p. 163.

[2] Ibid.

1955, quickly following that action, MGM began to involve itself in television:

> The company has recently commenced the production on film at the MGM studios of a weekly half hour program entitled MGM Parade. This program is televised over the ABC television network and is commercially sponsored by the American Tobacco Company advertising Pall Mall cigarettes and by the General Foods Company advertising Instant Maxwell House Coffee and Minute Rice. This initial step in the television field has proved financially profitable and has provided advertising for the Company's product.[1]

The small involvement in filming for television mushroomed in just one year. MGM began investing in television in several ways:

> The company has established a new division, MGM-TV, for licensing its pre-1949 sound film library consisting of over 700 feature films. These films have been licensed thus far for a seven-year term to television stations in thirty cities in the United States including five stations operated by /the/ Columbia Broadcasting System, the country's number one TV company, in New York, Chicago, Hartford, Milwaukee and St. Louis; America's outstanding independent station KTTV, Los Angeles (in which the Company now owns a 25% interest). Gross income to be derived from all licenses negotiated to date totals $31,487,500 to be received over periods up to seven years. Active negotiations are under way in many more markets. The company has acquired a 25% interest in KMGM, Minneapolis, and has an option to purchase a 25% interest in KTVR, Denver.
>
> In addition to these activities the Company is embarking on production of new films for television.[2]

All the major studios waited until they no

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[1] Annual Report of Loew's Inc., August 31, 1955, p. 7.

[2] Annual Report of Loew's Inc., August 31, 1956, pp. 6-7.

longer had theatres of their own. In this way, the studios avoided an economic conflict of interest, but did not solve the problems of bitterness from exhibitors.

Television production would grow in the late 1950's and even more rapidly in the 1960's, but the trend toward Hollywood production of films for television began with the divestiture of the theatres from production-distribution in the early 1950's and the anti-trust suit of 1946 was finally resolved. Another problem of the late 1940's also found its solution in the 1950's. The foreign distribution problems of the 1950's gave way to the production of films in foreign countries by American studios.

Foreign Production

The problem of foreign revenues being reduced by quota systems and blocked currency had a solution that would ultimately affect the studio system of production. Since distribution to foreign countries was limited by individual governments' controls and millions of dollars in blocked currency could not be removed, the studios began to produce films in foreign countries, thereby utilizing blocked currency. The studios' involvement in production outside the United States achieved two things: 1) it saved money in production costs because foreign labor costs were lower than Hollywood's, and, at the same time the existing costs were paid for by blocked currency,

and, 2) the change in locale of shooting and crews often inspired producers and directors to make films which had believable settings and new approaches to the business of production. David Selznick realized the opportunity foreign production made available: "A Continental film producer does things with the same shoestring approach of ingenuity and fresh approach as obtained in the pre-lush Hollywood days. Europe also can afford the leisure of a 24-week shooting schedule."[1]

Foreign film production by American studios continued and therefore the income from foreign countries increased: "The theatres abroad now bring in more than fifty per cent of the company's /MGM/ total revenues. This factor contributes importantly to future production plans."[2]

Using the blocked currency to produce and distribute film abroad committed the studios to even more foreign production. As the films were distributed and revenues began accruing, the result was more blocked currency to be used in further film production which would produce revenues that would become more blocked currency. This cycle, although profitable, committed the studios to

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[1] Variety, February 22, 1950, p. 63.

[2] "News From MGM," February 1, 1956.

producing more and more films abroad in order to utilize currency and as an effect drew talent and money away from Hollywood for feature production.

In Hollywood, by 1950-51, there was an economic upturn that heartened the film executives. This trend seemed to be the catalyst needed to improve the morale of the industry.

Improved Business

Business began to improve in 1951. "For the first time since the big B.O. [box office] slide started in 1947, biz is currently better for a sustained period (8 weeks) than it was at the same time the previous year."[1] In the summer of 1951, income was 6-9% higher than it was the previous year during the same period.[2] This improvement was partially due to stringent economy measures by the studios. The cost cutting took many forms. Production

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[1] Variety, August 15, 1951, p. 3.

[2] Ibid. Drive-ins accounted for a good part of the rise in incomes, and according to a poll of 5,000 drive-in customers, there was an indication that television had less effect on drive-in box office receipts than on indoor theatre attendance. One can speculate that this was the result of the potential family activity involved in going to a drive-in. There was no need to dress up and no parking or babysitter costs to deter people on a budget. Some drive-ins even had rates by the carful as opposed to individual admission. Variety, June 28, 1950, p. 4. The fact that drive-ins increased in number from 102 to 4,501 from 1946 to 1952 helped the theatre receipts (see profiles from 1946 and 1952.)

costs and all overhead were reduced as much as possible.[1] The improvement in business was sporadic until 1954, when the economic momentum seemed to stabilize for the film industry. Loew's Inc. reported a gross income of $172,812,638; this was the first time since 1949 that theatre receipts had been over $170,000,000. In order to capitalize on the upturn in income, MGM planned a public relations campaign. The campaign was to solidify MGM's position with exhibitors even after Loew's divorcement of theatres from production-distribution:

> We are launching MGM's 1955 Motion Picture Theatre Celebration in which thousands of theatres will join. Because the motion picture theatre plays such an important part in the overall progress of the movie, we are making the keynote of the 1955 "celebration" a salute to the theatres and to the people who run them.[2]

The overall business outlook for the film industry seemed to be improving in the mid-1950's and the profit motive was strictly enforced. One of the ways the industry

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[1]A handwritten notation on the 1948 Annual Report of Loew's Inc. shows a drop in the top MGM executives' salaries. L.B. Mayer's salary was $500,000 in 1946 and $417,263.29 in 1948. Some other MGM executives also sustained a loss. Salaries of executives were reduced as of September 1, 1952; 25% on salaries over $1,000 and up to 2,000 per week, 35% on salaries from $2,000-3,000 per week. Annual Report of Loew's Inc., 1953. It is hard to imagine these salaries as economy measures, but in the light of previous lavish expenditures, they must have seemed to be a tightening of the belt for Hollywood.

[2]"News from MGM," December 7, 1954.

reduced overhead, and at the same time reduced the potential failures, was in the increasing number of semi-independent productions.

Independent Productions Growing in Number and Status

Independent producers have always been a part of the motion picture industry. Several of the best producers and directors of the pre-war period had produced films which were independent of the major Hollywood studios. For example, "Gone With The Wind" (1939), a David O. Selznick production, was not a product of a major studio. Generally, though, because of the problem of procuring financing and facilities, the career of the independent filmmakers was a series of small successes and failures. One of the reasons for the insecure position of the independent was the problem of distribution:

> Almost all the majors are now offering distribution. However, most of them want a hunk of the film, plus their distribution fee, in return for which they'll provide some financing and deferments for facilities and players. Gimmick here is that this gives the studio as much control over the production that the indies involved in these deals are not truly independent at all. They differ from a lot's regular contract producers only in that they generally bring the deal to the studio originally and they share in a percentage of the profits instead of working on a salary.[1]

The studios were quite often the distributors for the

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[1]Variety, May 19, 1948, p. 3.

independents and the large percentage of revenue demanded allowed the studio a secure position. When business rapidly deteriorated in 1948-49, the format of the independent-studio relationship became a part of the regular studio structure. Instead of having large numbers of executives supervising production, the studios instituted a unit production policy, placing more responsibility on the men actively involved in making a film. RKO, Columbia, and Warner Brothers instituted the unit production plan for all productions in 1950.[1] MGM had been operating in production units since 1933.[2] Basically, the plan provided that each producer had his own autonomy in the production of each picture. Producers requested stories instead of being assigned and the actual production of the pictures was entirely the producers' responsibility.[3]

The purpose of establishing the production units was to cut overhead through a reduction in staff. This was made possible through eliminating part of the intricate chain of command that had ruled the industry in the past.

There was another profitable result that sometimes

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[1] Variety, July 12, 1950, p. 5.

[2] Irving Thalberg became ill and while he was recovering at a spa in Europe, Mayer instituted the new unit production plan. MGM had depended on Thalberg for complete control of production and when he left Mayer divided the responsibility. Crowther, Lion's Share, p. 200.

[3] Ibid.

occurred. By placing responsibility for every aspect of production with one man, a film would occasionally achieve greater quality and ". . . vary from the Hollywood norm and have individuality and character."[1]

> The semi-autonomous unit . . . puts more emphasis on the craft, know-how and ingenuity of individual filmmakers. It reduces the controls of the front office in everything but budget and thus tends to get away from assembly line techniques.[2]

The individuals affected by the unit production plan were producers and directors. The writers did not receive any benefits from the new system. Dore Schary recalls the writer's difficulty: "Writers and directors wanted to have more to do and more control over their work, but the chief force was the director. I came in at the time when, as a writer, they gave you a title and you had to write a story because they already sold the title."[3] Unit production gave the studio a direct line of responsibility. The studio head was able to remind producers of their duties and the consequences that awaited those who fell short of expectations:

> He'd go around to each one of his producers and say, "it's up to you now; make pictures for us, but if your pictures don't come through, it's

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[1] Variety, July 12, 1950, p. 5.

[2] Ibid.

[3] Schary interview, June 6, 1972.

> going to be your neck." And he'd turn the responsibility over to them.[1]

After the stars began to avoid term contracts and talent was more difficult to insure in a film, studios began to feel the effect of a lack of production. Technicians and sound stages stood idle and the contracts and property that had been so important to success became liabilities. Beginning in 1953, the studios began utilizing their facilities, this time by renting to the independent filmmaker. For the independent, it was a major breakthrough:

> The other day we spied a small discreet local advertisement announcing that space and facilities in a major studio are now available for rental to independent producers.
>
> It looks to us as if the movie business is being busted wide open. If we're right, the bust-up will involve Hollywood production, New York offices, all aspects of distribution, and every movie theatre in the world.
>
> So there is today in Hollywood a definite need for independent production. The independents may face problems but for the first time in celluloid history he will not be confronted with the bugaboo of getting a release. The big distributing organizations will be competing vigorously for first class independent films.[2]

The same publication, while praising this new association between the independent producer and the major studio,

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[1]Crowther interview, May 31, 1972.

[2]"Humpty Dumpty Sat on a Wall," Screen Producers Guild Journal, May, 1953, pp. 1-4.

suggested even further involvement between the independent and the studios.

> Why don't you freely open up your vast surplus space and idle facilities for additional film-product by the independent producer--oh, not on any mere room-and-board rental basis, but by openly encouraging partnership with the package deal? Invite the submission to you of projects wherein non-contract producer, director, writer and star or stars can come to you with story material for their own recognized talents, you to finance the actual out-of-pocket shooting costs by allowing such costs to be charged on your books against the income of that picture through your international release of it on fair sharing terms![1]

This suggestion was followed by the major studios and by fall, 1953, Warner Brothers, Twentieth Century-Fox, Universal and Paramount had entered into agreements with such outstanding directors as John Huston, Elia Kazan, and George Stevens.[2] Such partnerships changed the structure of the industry. No longer were studio heads reluctant to join with independents in the business of filmmaking. The independent had something to offer the studio in freshness and talent[3] and the studios realized

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[1] Ibid.

[2] New York Times, August 29, 1953, p. 10.

[3] In a private interview, Dore Schary explained the independents ploy in appealing to a studio. "'I have an idea and I've got such and such person to star,' and the fact that he had a star would always help sell the package." June 6, 1972.

the positive aspects of their relationships with independent filmmakers. The independent achieved new stature in Hollywood:

> The tallest coin in recent history is being shelled out for independent film production. The indies are becoming increasingly active, sources of financing are expanding and these solo, or non-major, filmmakers are now heading, apparently, for the maxim that "only the big ones make money."[1]

In a stockholders meeting in 1956, Arthur Loew, President of Loew's Inc., listed the accomplishments of MGM. Among these was a new willingness to work with independents. "Most importantly, we believe that our new policy of augmenting the pictures produced by our Culver City studio with films produced independently in this country and overseas will be most beneficial."[2]

The new independents were important additions to Hollywood. New ideas and new talent were being used in making intimate dramatic films such as "Streetcar Named Desire" (1951), "High Noon" (1952), and "Roman Holiday" (1953). These new releases added a freshness to the Hollywood film. Bosley Crowther was a supporter of this trend and believed that the old-style productions and producers played it safe and were conventional in

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[1]Variety, September 9, 1953, p. 1.

[2]Report of Stockholders' Annual Meeting; Loew's Inc., February 23, 1956, p. 5.

their treatment of scripts whereas the new independently produced films were experimental and achieved a fresh quality.[1]

The new coalition aided both the studio and the independent producer. The studio helped fill its sound stages while the independent producer had better facilities and still retained his artistic control. The financial and physical structure of the industry was changing, but so was the film itself. The language of film was undergoing a transformation brought about by the innovations in use in the early 1950's.

Artistic Changes in the Film

Wide Screen

The wide screen of CinemaScope and other ribbon-like screens created a new set of difficulties for the film industry. From the beginning of its use in 1953, questions were raised as to CinemaScope's ability to handle all types of material in a conventional way. The first CinemaScope film, "The Robe" (1953), set the tone for large spectacles, often Biblical in theme, and it was difficult for Hollywood to leave the established and accepted pattern. A year later, the basic requirements for CinemaScope were the same: "So far the new wide

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[1]New York Times, January 8, 1956, Sec. 2, p. 1.

screen historical spectacles have stressed best-selling novels, and top-bracket stars as much as, if not more than, spectacle itself."[1] Even Darryl Zanuck, CinemaScope's most dedicated backer, felt that in one year the wide screen had not completely developed: "We tended to concentrate on spectacle and there was too much moving of the camera."[2]

The new screen process was not achieving its ultimate potential, but there had been many successes. The very size and ratio of the screen allowed a different type of "stock shot." Darryl Zanuck's example was the skyline of New York in "How to Marry a Millionaire" (1953):

> We see things as we never saw them before. Take the Statue of Liberty. Its real meaning was lost in those quick cuts we used in old pictures to establish the locale of New York. Then along came "How to Marry a Millionaire" in CinemaScope. For the first time you could really see the Statue of Liberty and appreciate it on the wide screen as a pale green unit of the whole magnificent skyline. The camera lingered over it for almost a minute.[3]

When CinemaScope was first utilized, the crews and directors did not really know how to use the anamorphic

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[1]William K. Everson, "Film Spectacles," Film in Review, November, 1954, p. 471.

[2]New York Herald-Tribune, December 5, 1954, p. 1.

[3]Ibid.

lens to create new shots or to enhance the motion picture's ability to tell realistic film stories without making the audience aware of the new techniques. Even the most basic rules for filming had to be re-evaluated. The very high level of light needed for sufficient exposures (35,000 amps) required that the sets be better constructed and more realistic because, ". . . any imperfection in the scenery stands out like a cracked ceiling in the Waldorf-Astoria."[1]

A greater change occurred in the method of directing audience attention. Before CinemaScope, a director might achieve this by having an actor turn toward someone and then cut to a close-up of whatever the actor was supposedly seeing. The viewers would be cued by these parts of the filmic language into following the action as the director placed selected images before their eyes. In CinemaScope, the audience was always seeing more than the central scope of vision could transmit, so the viewer's eyes casually covered the scene dismissing unimportant content and focusing on the action, or the section of the screen the director wished to be the most prominent. The director still controlled what a person's attention would

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[1]Andrew R. Boone, "'Squeezed Movies Challenge 3-Ds," Popular Science, August, 1953, p. 212.

be drawn to, but in a more subtle way. An example of this is given in a discussion of a scene from the first CinemaScope picture, "The Robe":

> Suppose they want you to swing your attention from Paulus to Marcellus. The actors are fifty feet apart. But the camera makes no hasty panning sweep to bridge the gap between them. Instead, an audio engineer boosts the pickup from one of the three mikes used to produce stereo sound. Lighting experts slowly shift their spots from Paulus to Marcellus, and Marcellus turns his head slightly toward the camera. You do the rest . . . [1]

The description of this scene would suggest that the camera held this one shot for a very long time. Actually, the audience does not perceive this as being long because of the amount of action occurring in the frame.

CinemaScope did create some difficulties for the director and his crew. Darryl Zanuck made a feature-length film to help solve some of these problems in production and to bring CinemaScope to a level equal to its potential as he perceived it. This training film helped solve one of the most serious problems--that of camera movement. The wide screen had eliminated the need for some panning shots and at first it was hoped that, " . . . when panning /was/ used, the extreme width of the field /would/ make these shots smoother to the viewer." [2]

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[1] Ibid.

[2] R.L. McIntyre, "What it Takes," Photography, June, 1953, p. 92.

But Zanuck felt that all but the most necessary movement distracted. His solution was to " . . . move the actors--at least the actors have plenty of room to move."[1]

The very nature of the anamorphic lens made its extreme wide angle properties subject to distortion effects. Zanuck's film, accompanied by narration, tried to point out the changing effects achieved in the different camera positions. The narration would say: "The camera is now at such-and-such a height. Notice how the pillars at the left hand corner of the screen seem curved. Now we raise it to such-and-such. See how they straighten out."[2]

To find out why one scene was more successful than another, Zanuck had an interior set, with actors, photographed from many different camera heights, distances and angles. Then he did the same thing with a cavalry charge outdoors. "In each case there is an ideal relation of the camera to the subject. It varies as to distance, angle and height in each case, but it is waiting there to be found."[3] In this same process, Zanuck recognized

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[1] New York Herald-Tribune, December 5, 1954, p. 1.

[2] Ibid.

[3] Ibid.

the presence of too much cutting. The audience, he believed, would accept the huge size of an actor on a CinemaScope screen if the size did not change frequently through cutting. Zanuck also believed audiences preferred longer sequences of continuous action, which CinemaScope was uniquely able to provide:

> We must think of each scene as an act in a play, and the CinemaScope screen as tending in the direction of a stage. Our tests will help to find the perfect master shot for each scene. Once we have it we can go close up for emphasis if it's absolutely necessary. But, you know, CinemaScope is big enough so that you can tell what an actor is thinking without a close-up of him wiggling his eyebrows.[1]

Zanuck's application of scenes and acts in a play to CinemaScope echoes an earlier opinion that CinemaScope and its use of movement and playing scenes in depth would allow " . . . the techniques of the legitimate stage [to] be wedded to the movement of the motion picture."[2]

Although it seems that Zanuck's training film was a reduction of the film art to mere mathematics, in his adjustment to the technical innovation of the wide screen, Zanuck was able to reintroduce dramatic space into the American film, a practical application of one medium for another.

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[1] Ibid.

[2] Don Livingston, Film and the Director (New York: The MacMillan Co., 1953), p. 189.

The advent of CinemaScope and later wide screen processes came during a very important point in the history of film. The difficulties that the industry felt were often external and the wide screen again gave the industry control of its own destiny. The studio executives wished to utilize this new process in the building of a new healthier film business and the problems presented by the wide screen could be overcome and used to the industry's advantage. The problems of distortion, movement, and cutting were compensated for by fewer camera set-ups, actors learning more lines each day and less cutting which meant less time in editing before release.[1] The advantages of the wide screen outweighed and corrected the difficulties that arose in production. Darryl Zanuck was aware of the possibilities while realizing the limitations of Cinema-Scope: "We are dealing with something quite different from the old way of making pictures. We have got to take this into account and change some of our ways."[2] His belief in CinemaScope went beyond its pre-1955 use in spectacles and lavish productions: "Once we thought only size and novelty, but now we think quality however it comes."[3] CinemaScope and later wide screen processes became

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[1]McIntyre, "What it Takes," p. 92.

[2]Ibid.

[3]New York Times, March 24, 1955, p. 39.

standard in the industry. By 1955, the wide screen was assured a permanent position far ahead of the other available screen processes. During this period, the studios were experimenting and perfecting new processes while the independent producer was allowed access to facilities for producing more intimate films than the major studios were willing to attempt.

Color

Another technical process that enhanced the artistic potential of the film was color. The widespread use of color in the motion picture came at a propitious time. In 1951, less than 25% of the films made used color and by 1954, one half of all films produced were in color.[1] The quick change from predominantly black and white to predominantly color films brought new considerations for the director and his crew as to the most effective use of color. As early as 1941, the powerful nature of the color image utilized in film was recognized: "In color, we have not only a new dimension of realism, but also a tremendously powerful means of expressing dramatic emotions."[2] Fourteen years later, in 1955, the same basic

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[1] New York Times, March 24, 1955, p. 39.

[2] Robert Mamoulian, "Controlling Color for Dramatic Effect," American Cinematographer, June, 1941, p. 262.

theme was expressed by Carl Dreyer:

> Color is a valuable help to the director. When colors are chosen with due regard to their emotional effect, and selected to match each other, they can add an artistic quality to a film that black-and-white lacks. But it must always be borne in mind that color composition is as important in color film as composition is in black-and-white.
>
> In black-and-white films light is set against darkness, and line against line. In color films surface is set against surface, form against form, color against color.[1]

Therefore, though the black and white film may express changes through adjustments in shading and lighting, the color film is a more delicate balance of color combinations in conjunction with lighting to produce a desired visual and emotional effect. The use of color demands that attention be paid to the individual set pieces and costumes as well as to how the total will blend in producing the desired result:

> The coloration of the settings and costumes for each scene and sequence must be keyed to the emotional mood of the particular action in exactly the same way a cinematographer keys his lighting to match the mood of the action. In the same way, the color-treatment of each sequence must be keyed to the dominant mood of the production, and planned so that the production, when assembled, will form a dramatically and chromatically coherent whole. Above all, every detail--sets, set-dressings, props and costumes--must be carefully coordinated with this plan and with each other.[2]

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[1]Carl T. Dreyer, "Color and Color Films," Films in Review, April, 1955, p. 166.

[2]Mamoulian, p. 262.

These special considerations made the film a more reliable medium by creating a more realistic environment through the use of color. People in black and white seem to lack the sensuality of those filmed in color, primarily because of the detail that color allows. Color in films did not require that a naturalistic use be the only effective one. Dreyer believed that: "To demand that color in color films should be natural is to misunderstand all that is involved. Indeed, the spectator can have a much greater esthetic experience because color in film differs from that in nature."[1]

An analogy may be found in lighting. If a man is playing a scene portraying someone broken-hearted and contemplating suicide, the language of lighting demands low-key lighting for heightened dramatic effect. Yet in reality, such a situation might occur at mid-day or in a brilliantly lit room. The low-key lighting may be unnatural, but more expressive. Color allows an added tool in the filmmaker's hands to be expressive of emotion or feeling.[2] In "Blood and Sand" (1941), in the death scene of El Nacional, the hospital equipment, including sheets, was sprayed a dull gray-green. The reason for this unnatural use of color was to prevent ". . . a

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[1]Dreyer, pp. 165-166.

[2]Mamoulian, p. 288.

jarring, discordant note in the scene," which would have been created by white enamel. In this case, the green equipment fitted perfectly into the scene and somehow blended into the reality demanded for this emotional scene.[1]

Color was definitely an enhancement to film art. Color's positive aspects outweighed the special attentions it demanded. Besides color coordination, composition, and symbolism, editing a color film demanded an individual approach:

> In some instances, the fact of color makes for faster cutting; in others, for slower. There can be no general rule, for as in everything else in cinematics, each scene must set its own rules. But things which are of little or no importance in black-and-white become vital to either make or break a sequence in color.[2]

The use of new screen processes hurried the more widespread use of color and added to the film's attraction for the audience. Dore Schary feels that ". . . color was a big factor, along with the realization that you could deal with things in a more sophisticated fashion. The most important innovation was that of creative people having more to say about their work."[3] Color was not the only addition to the art of the producer,

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[1] Ibid.

[2] Ibid.

[3] Schary interview, June 6, 1972.

director and cameraman. In 1952, a very important court decision changed the industry at least as much as the anti-trust suit of 1946. Only this time, the industry was allowed greater freedom instead of being restricted.

The Film Becomes More "Adult"

Perhaps the most important factor in the growing maturity of the Hollywood film was what came to be known as "The Breakdown of the Code." In 1952, a decision was reached by the United States Supreme Court which would ultimately change the film's approach to serious subjects as well as the audience which would attend these new films.

This decision, known as "The Miracle" case, centered on the question of censorship and the film. Public discussion of the case in the press afforded an opportunity to explore the legitimacy of censorship laws regarding the motion picture and the candid treatment of sensitive material. One of the most thought-provoking was written by Bosley Crowther during the debate before the final court decision:

> While our American film industry has justifiably boasted of the growth in the artistry and cultural stature of motion pictures, it has somehow neglected to request the same freedom for its medium that is enjoyed by the overall press.[1]

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[1]Bosley Crowther, "The Strange Case of 'The Miracle'," The Atlantic Monthly, April, 1951, pp. 35-39.

There had been warnings of the coming change in film's role. The anti-trust suit settlement of 1948 had used language similar to that of the Supreme Court decision four years later:

> Tucked away in the big motion picture anti-trust case decision yesterday was a sentence which may turn out to be the most significant feature of all. In writing on the manner of monopoly and divestiture, the high court declared: "We have no doubt that moving pictures, like newspapers and radio, are included in the press, whose freedom is guaranteed by the First Amendment."[1]

"The Miracle" case was settled by the Supreme Court in May, 1952, and established the following definition of the motion picture's function:

> The importance of the motion picture as an organ of public opinion as respects liberty of speech and of the press is not lessened by the fact that they are designed to entertain as well as inform. [The fact that] motion pictures are a large-scale business conducted for private profit does not prevent them from being a form of expression where liberty is safeguarded by the First Amendment.[2]

"The Miracle" case opened the door for court cases to set

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[1] Variety, May 5, 1948, p. 3.

[2] Burstyn v. Wilson, 343 U.S. 495. A detailed account of "The Miracle" case and Bosley Crowther's involvement in the public discussion surrounding the case may be found in: Frank E. Beaver, "Bosley Crowther: Social Critic of the Film, 1940-1967" (unpub. Ph.D. diss., University of Michigan, 1970).

aside censorship laws in each state.[1] This decision would also eventually bring the dissolution of the production code in effect since 1930.[2]

Along with this new freedom came a turning toward more adult themes. This new approach to the subjects treated in films added a whole new dimension to the motion picture. "In the early 1950's, all the restraints were being taken off and you could be more liberal in a film.[3] People began to be fascinated by the prospect of

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[1]Hollywood began a drive against state and local censorship boards. "State legislatures will be asked to repeal local censorship laws based on the theory that the recent high court decision on 'The Miracle' cast doubt on the legality of local film prohibitions." New York World-Telegram, August 7, 1952, p. 13.

[2]In 1922, Will H. Hays, Postmaster General of the United States, was appointed to head the Motion Picture Producers and Distributors of America. Known as the Hays Office, the author of the codes which ruled the industry, the MPPDA was established to save the industry from outside censorship and develop a better public image. The code itself was written in 1930.

[3]The HUAC investigation of the late 1940's had made Hollywood reluctant to deal with some subjects. Certain producers such as Jack L. Warner, after the investigation, ". . . flatly stated that so far as he was concerned, his studio would make no more pictures dealing with the 'little man.' Other producers were perhaps less forthright but no less decided. William Wyler observed in 1948, 'I wouldn't be allowed to make "The Best Years of Our Lives" in Hollywood today. This is directly the result of the activities of the Un-American Activities Committee.'" Knight, p. 247. "The Miracle" case did much to solve these problems of suitable subject matter for films.

seeing all kinds of new subjects."[1]

Hollywood quickly discovered new subjects which could not be treated during the years of moralistic censorship. "Come Back, Little Sheba" (1952) contained what were then considered "startlingly suggestive love scenes." The marriage bed was discussed in John Ford's "The Quiet Man" (1952), and in "Streetcar Named Desire" (1951) lust and nymphomania were openly portrayed.[2] The studios' attitude was expressed by one film executive: "We've found the way to get across an interesting idea involving Marilyn Monroe or Jane Russell, but without being boldly indecent about it."[3]

The new freedom enabled Hollywood to deal with subjects other than sex. Serious themes such as drug addiction ("The Man with the Golden Arm," 1955) and sophisticated comedy dealing with a sexual theme ("The Moon is Blue," 1953) were indications of Hollywood's

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[1]Crowther interview, May 31, 1972. Dore Schary's account of the period is much the same as Crowther's. "Again, under pressure, they [the studios] looked around and said, 'Jesus, these pictures are making fortunes. They got naked girls and they say those dirty words and they can say all the dirty words and you can see everything happen. And, what the hell, if its good enough for them, it's good enough for us.' And they began and nobody blew the whistle. The people who were administering the codes just threw up their hands and said, 'What are we going to do about it?'" Schary interview, June 6, 1972.

[2]Variety, February 4, 1953, p. 1.

[3]Ibid.

interest in serious and adult films.[1]

Exhibitors differed in their reactions to the new themes. Fearful of any change in the usual way of making and exhibiting films, most exhibitors outside the large metropolitan areas remained unconvinced of the growth of the adult audience. "They are not unmindful /though/ of the argument that the arty touch, if properly applied, can sell tickets to both the regular customers while attracting a portion of the carriage trade at the same time."[2] "Art" and "sex" became somehow blurred in discussion of the film's new freedoms. One reporter coined the phrase, "'Movies are sexier than ever' . . . instead of 'Movies are better than ever.'"[3] This confusion persists in films today when nudity is claimed as art by the producers, but as "clinical"[4] by some exhibitors. The exhibitor was a businessman and if the

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[1]This desire for more freedom of expression for the film had been hinted at from 1945 to 1951 with films on alcoholism ("The Lost Weekend" 1945), anti-Semitism ("Gentlemen's Agreement" 1949) and political themes ("All the King's Men" 1949).

[2]Variety, December 31, 1952, p. 3. Aware of the lucrative nature of foreign distribution, producers began evaluating scripts for foreign appeal as well as U.S. distribution.

[3]New York World-Telegram, August 7, 1952, p. 13.

[4]Richard Murphy uses this term in his reaction to "Midnight Cowboy" (1968). Murphy interview, March 31, 1972.

public wanted sexy movies, the theatres would buy them. A studio executive, Sol Lesser, felt that a new type of audience had developed, the patron of the art theatre.[1] "Television [provided] a new medium of casual entertainment for the masses, the cinema became an art for a minority, though a large minority, and the new status brought new freedom."[2] The audience for the film had matured and with this new maturity came the ability to discern between the virtues of television and the new attractiveness of some films. "People are much more selective than they used to be. They don't go to see every picture. That's why you have tremendous success [with] some and complete bombs with others."[3] The film industry adapted to this selectivity and, supported by new internal successes, was able to recover from the blows of the post-World War II situations and emerge intact, if restructured and changed in form and content.

Summary

The early 1950's saw a change of attitude in the film industry. The fear of television had turned to a realization of the great financial potential available in

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[1] *Variety*, April 4, 1951, p. 55.

[2] George R. Kernodle, *Invitation to the Theatre* (New York: Harcourt, Brace and World, Inc., 1967), p. 547.

[3] Zeltner interview, March 21, 1972.

making films for television. All the major studios set up subsidiaries for the distribution of films to television. The problems of cost and sponsorship for filmed television programs were being solved.

Industry morale was aided in three ways by the use of blocked currency for foreign production: (1) utilizing this currency cut the total production costs for American films, (2) having to seek new locales placed an emphasis on location shooting, and (3) being filmed away from Hollywood added a freshness to the studio film. In the United States, business was improving. Spurred by technical innovations and promise of more adult themes, the theatre revenues began to climb once more. Part of the reason for this economic triumph was the studios' economy moves in reorganizing the industry. Not only were executive salaries cut, but a method of production known as "semi-independent" became the predominant form of production. The unit production, with the creative responsibility assigned to the producer and director, allowed studio films to have the mark of the individual artist.[1] Out of

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[1]Harry Rapf and Dore Schary were combined as the Rapf-Schary unit at MGM in 1941. Some of their first films as a unit include: "Joe Smith, American" (1942), "Journey for Margaret" (1942), and "Lost Angel" (1943). Crowther refers to this group of films as, ". . . a remarkable assortment of interesting low-budget films." Crowther, Lion's Share, p. 290.

the unit production plan grew a policy of the studios' backing independent productions and promising distribution for a percentage of the revenues. The combination proved to be advantageous to both studio and independent producer and the practice spread until, as Bosley Crowther says:

> A company today is primarily a finance company. The company doesn't even loan the money, but arranges for a producer to get a loan from a bank. The company backs the producer's loan and guarantees payment. When the picture is taken for distribution, the company charges a distribution fee as well as a percentage of the profit. But there are no rules. Practically every picture made now is negotiated in a different way.[1]

This description is not one of an artistic concern, but that of a business based on an artistic product. Even in 1953, that trend was growing and consuming the film industry:

> The old Hollywood order is obviously giving ground at an increasingly rapid pace and the dominant influence exercised by a few studio heads over subject matter and styles in cinematic expression is dwindling accordingly.[2]

While the business of production was being altered, the actual filmmaking process itself was undergoing changes. The wide screen and the increased use of color had forced a re-evaluation of accepted lighting and

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[1]Crowther interview, May 31, 1972.

[2]New York Times, August 29, 1953, p. 10.

shooting practices. The wide screen demanded less movement and longer scenes. Color required careful set and costume construction as well as improved lighting technique. These technical demands were a predictable outgrowth of the innovative period of 1952-53. When sound had swept the industry in the late 1920's, extras were required to wear rubber-soled shoes, and microphone placement was a difficult part of the new technology. The technical innovations of the 1950's brought difficulties that the industry had to overcome in order to utilize the full potential of wide screen and color.

One external force in the early 1950's was the increased freedom of expression gained for the film industry by "The Miracle" case. This decision by the Supreme Court gave the industry a lever with which to open doors on subjects previously closed by state and local censorship boards. The new freedoms brought a new force to the scene--the patron of the art film. This discerning new audience found the new Hollywood product more appealing and Hollywood obliged with such adult films as "Come Back, Little Sheba" (1952), "The Moon is Blue" (1953), "Lili" (1953) and "Moulin Rouge" (1952). Exhibitors were not immediately pleased with the new venture, but increased revenues were an appeal

they could not refuse.[1]

The film industry had been through a time of trial, but the innovations of the 1950's which prompted new techniques, combined with the increased freedom of expression in selecting themes and story-lines for the motion picture, allowed the industry to find a new place among the forms of available entertainment.

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[1]Exhibitors speak of the new film stories with disdain and disgust. Harold Zeltner said, "Some of them are filthy pictures and there is no reason for it--except to make money." Gerald Hoag echoed Zeltner in response to the film "Straw Dogs." "It's not my kind of picture. I don't personally like it. I can't stand it. You say, 'Why do I play it?' Because of taxes and union help and the landlord that have to be paid." These men have been in the film business all their lives and now they are involved in showing films they detest. This change in the industry is a financial boon and an emotional loss, but there does not seem to be any other answer. It is a very different industry than it was in the days of Marcus Loew, or even L.B. Mayer, and it has not been an easy transition. Hoag and Zeltner interviews, March 14 and 21, 1972.

CHAPTER VI

SUMMARY

The film industry after World War II underwent a ten-year transition period which may be divided into two parts. The first five years, from 1946 to 1951, were characterized by mounting pressures from primarily external sources, and the last five years, from 1952 to 1956, was predominantly a period of stabilization and reworking of the industry as it sought to find its proper place as one of the available and popular forms of entertainment.

The first period began with the end of World War II and the recording of the best year in motion picture history for admissions and theatre revenues, 1946. In that year of great successes, the Justice Department reopened a suit under the Sherman Anti-Trust Act against the major studios in Hollywood. There had been previous suits, but the Justice Department was now asking for the divorcement of the production-distribution part of the industry from exhibition. The studios felt this would destroy the industry by depriving the studios of an available market for their product.

Eventually, by 1951, divorcement of distribution in all but one (MGM) major studio was accomplished and a system of competitive bidding was established. Competitive bidding and a policy of fewer productions created a

misunderstanding between the distributor and the exhibitor. The distributor was confused between exhibitor demands for large numbers of films and the lower revenues received from individual films. The exhibitor came to believe that once exhibition was separated from distribution, the studios no longer felt compelled to provide enough product for the theatres' consumption. In order to accommodate the exhibitor, the studios would have had to produce enough films for a change-of-film three times a week. Because the exhibitor was no longer obliged to buy low-budget and less desirable product, the studio could not produce the great number of high budget, quality films demanded by the exhibitors. This lack of understanding between exhibitors and distributors kept them from joining in a common effort to combat the inroads of still another post-World War II phenomenon--that of television.

Television's rise was rapid once it was approved for commercial development after World War II. During the war, television was sent back to the laboratory, but in 1946, it emerged to capture an audience intrigued by its special qualities. From 1946 to 1951, the sale of television sets increased at a rapid rate. The film industry responded to television with little interest and professed no immediate concern over possible losses of audience to television:

> Our experience with television is not unlike the experience we had with radio. When radio first came in, patrons were diverted to radio. Soon they returned, which meant a place for radio and a place for pictures in their activities. So we assume it will be with television.[1]

This time the assumption was incorrect. Television had an instantaneous visual appeal unmatched by radio or existing films. The novelty did not wear off, but perhaps the television set was not the only reason. The economy had changed. Credit purchases were commonplace for needed appliances and other products. This created a situation of tighter restrictions on the family's entertainment budget:

> Television has grown and spread throughout the country. The purchase of television sets, like the purchase of stoves, refrigerators, washing machines, automobiles and homes, has been founded on installment buying, the payment for which has meant a lessening of expenditures on entertainment. This amount of installment buying has reached a peak of over $20 billion, all of which must be paid in weekly or monthly installments, so of course our business has been affected somewhat by that.[2]

Television was not the only new form of entertainment available to the post-World War II American. Other forms of amusement, such as night baseball, amusement parks and horse racing, were increasing and

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[1]Report of Annual Meeting of Loew's Inc., March 23, 1950, p. 13.

[2]Report of Annual Meeting of Loew's Inc., March 15, 1951, p. 9.

becoming more profitable. Because a person or family has a set amount of leisure time, these other activities diverted the attention of formerly regular movie-goers and so reduced the motion picture audience. Downtown theatres were not situated so as to allow easy parking facilities or a desirable environment for family outings.

During the same period, European markets were tightening control of distribution by American studios. Blocked currency after the war amounted to over fifty million dollars and the restrictions for the conversion of this currency to dollars were very stringent, forcing potentially unprofitable investments or greater involvement in foreign production. This caused even more blocked currency to accrue through revenues from foreign production. One of the requirements of foreign agreements was the promotion of distribution of foreign films in the United States. At a time when studios were fighting for adequate exhibition of American films, the distribution of foreign films cut into an already reduced market.

These pressures were largely external. The anti-trust suit was a governmental action, television was a new form of competition and the tightening of foreign distribution was due to the war-torn European countries' efforts to regain the ability to decide what was best for their countries and to promote nationalism. Within the industry, there was dissension between the

production-distribution and exhibition sections of the industry. Exhibitors were distrustful of distributors and the distributors constantly battled the demands of the exhibitors for a rapid flow of product. The industry could not resolve this conflict because of mutual distrust and, therefore, Hollywood was incapable of presenting a unified front to the onslaught of external pressures.

In searching for answers, Hollywood looked inward to stem the decline of the industry. Studios reacted in ways that did not help achieve their goals, but at that point action of any kind seemed preferable to waiting for external pressures to subside. Industry morale was very low for a business that rose and fell on whims, was riddled with nepotism, and depended on an unsure product; the belief in the industry's ability to survive was most important. In 1948, the industry groped for solutions that would not materialize until four years later. Its groping included abandoning a Hollywood tradition--the star system.

Stars in Hollywood were usually signed to seven-year contracts. While this enabled the studios to use five and six stars in each film without added expense, at the time of an unsure future market for films, it was felt that, in the light of a reduction of overhead, large star salaries would have to be cut. At the same

time, some stars were attracted by television and their agents began to try to compromise with the studios on existing exclusive contracts. The studios would not allow contracted stars to appear on television. They felt that if audiences could see stars on television at home, people would be even less likely to attend films. This decision angered the agents, the stars, and even the FCC, which threatened the studios with rejection of future applications for broadcast licenses. The reduction of the number of stars did not really help Hollywood and in later years, when stars began to demand a percentage of a film's revenues instead of salary, it was apparent that the contract system could have been less expensive.

Just as Hollywood refused to allow stars to appear on television, the studios also fought the sale of feature films to the new competitive medium. The exhibitors were against any sale of films to television, but the studios were waiting for the practice to become profitable. Some independents and the British producer, J. Arthur Rank, were willing to sell features to television, but the major studios held back until the sponsorship of such programs became profitable.

Another outlet for Hollywood was the market for films made for television. Again, the expense involved for limited return forced a very cautious approach to this new economic venture and the major studios did not

deeply involve themselves in production for television until after 1950.

The exhibitor was able to find some satisfaction in developing theatre television. Though expensive and eventually abandoned in all but large metropolitan areas, theatre television was a great aid to exhibitor morale. The excitement that it caused helped set aside the financial problems of the late 1940's and gave the exhibitor hope for the future. Theatre television was not the answer, but it was a positive, although temporary, action for a besieged business.

One helpful aspect of the early efforts to combat dropping revenues was the analysis of the film's audience. The growing maturity of the audience had seemingly escaped the attention of Hollywood. Now it was recognized, but only some concessions were made. A trend toward more realistic location shooting and more violent themes was calculated to attract a segment of the audience which was tired of musicals and worn-out themes. But that was all the action studios were willing to attempt.

An effort to cut production costs was another successful industry program during this period. The new byword became "retrenchment" and an effort to make quality films on smaller budgets turned the once lavish productions into a coordinated business venture. Problems resulted because of the large number of films the studios

wished to produce. It was impossible to produce the same number of films consumed during the war while improving each film beyond the pre-war requirements. Eventually, by 1950, Hollywood began planning an era of fewer films per year, but all of the finest quality in every way.

This five-year period of 1946 to 1951 was the most trying in motion picture history. The attempts to stop economic decline were for the most part ineffective. It must have seemed to Hollywood that the day was fast approaching when the old style films and filmmakers would no longer exist. The studios would have been right in this assumption, but at least there would arise a newer, healthier form of the old film industry. By 1952, the industry began to climb back on its feet and make decisions that would help return the high morale of the war years. In 1952 and 1953, technological innovations which had been available for years were utilized in giving the film a new, larger than life image. Just as sound had helped the film industry surmount competition with radio, the technology of the 1950's reinstated the industry's belief in itself as master of the film's destiny.

In 1952, 3-D and Cinerama were both introduced to the movie audience. 3-D faded fairly quickly after relatively few films; the polaroid glasses required, and the poor scripts used for early productions, ended 3-D's

popularity when it had barely begun. The process was used too often for shock value and too seldom for enhancing the film's ability to create realism. Unlike 3-D, Cinerama did not require the audience to wear glasses. It did require that the exhibitor spend fifty to one hundred thousand dollars to convert his theatre for the showing of Cinerama films. The effect of an added dimension was successful at first, but, as in 3-D, the producers of Cinerama chose to appeal to the audience through gimmick-laden films with little emphasis on plot or script. The problems of conversion and the expense involved doomed Cinerama to a limited number of theatres and therefore a limited national audience.

CinemaScope was introduced by 20th Century-Fox in 1953 and was immediately embraced by the industry. The expense for conversion was lower, five to thirty-five thousand dollars per theatre, and the large curved screen gave the viewer the feeling of being surrounded in the theatre. There were complaints about CinemaScope's tendency toward visual distortion, but these complaints faded in the light of full industry acceptance. Theatres quickly converted to the new process and directors began utilizing the wide screen in breathtaking spectacles.

The innovations of 1952 and 1953 were aided by an increased use of color and stereophonic sound. Color was used to the exclusion of black and white in both Cinerama

and CinemaScope; stereophonic sound replaced the old monaural system. Both innovations contributed to the realistic nature of film. Color gave an added dimension to actors and situations, while stereophonic sound enabled the director to utilize fully the wide screen and to direct audience attention at the same time. CinemaScope gave the industry a new tool and one that would change the industry. The years 1952 and 1953 would be turning points for the film industry:

> For show biz, 1952 was a year of dramatic tension. The old patterns of operation . . . were clicking no longer, and all the facets of the entertainment world were seeking new points of support. The 1952 watchwords were Experimentation and Novelty.[1]

CinemaScope would eventually be modified, but the concept of the wide screen was a permanent contribution. The language of the film was altered, but the film's ability for diversity was unchanged.

The wide screen demanded quality in order to utilize its potential. Better sets were required as well as a new approach by both the actor and director. The actor was forced to learn more lines for each shooting day as there were fewer cuts in the scenes; there was less cutting because of the jarring effect it created. So the director had to learn to direct audience attention through sound and lighting and a sense of placement in the wide

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[1] New York Times, December 31, 1952, p. 1.

screen. Eventually, problems of distortion were solved and directors, actors and crews began to work in a more relaxed fashion with this new approach to filmmaking:

> The early wide-screen productions had some of the static quality of early talkies. There were many distortions and focus problems. Closeups were difficult, mainly because it was hard to fill up the border areas of the frame without causing distraction. This was overcome, to an extent, through careful composition and lighting. Cinematographers also learned that the third dimensional illusion could be greatly enhanced through a combination of camera placement, lighting and careful positioning of objects or players.[1]

Combined with color, CinemaScope gave additional tools to the filmmaker with which to build more realistic and compelling films.

The ability to attract the audience was aided by the breakdown of the production code and statutory censorship. For thirty years, the code had restricted the industry in the treatment of adult themes. After "The Miracle" case in 1952, in which the Supreme Court equated film with other disseminators of information such as newspapers and radio, the freedoms of the First Amendment were guaranteed the industry. This breakthrough enabled the industry to deal with sexual, social and political themes that had previously been considered risky material. Exhibitors complained that this was not family fare, but

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[1] "Fifty Years--or more--of Evolving Cinema Technique," American Cinematographer, January, 1969, p. 161.

when the new films proved profitable, most exhibitors began competing for films with Jane Russell and Marilyn Monroe. The audience for films was rejecting the old themes and demanding more permissive themes:

> There is evidence to substantiate a growing belief that the industry's economic problems are fundamentally attributable to increasing selectivity on the part of the public as to the type of entertainment it chooses to support.[1]

While the studios were making films for the new type of audience in the theatres, they were becoming more and more involved in making films for the television audience. All the major studios had subsidiaries for distributing films to television and more and more of the Hollywood sound stages were used for the production of films for television. The increase in morale given the industry by its renewed theatrical successes allowed the involvement with television without fear.

Just as the period 1946 to 1951 seemed to be one of constant assault, the period of 1952 to 1956 was one of success. Even the foreign problem turned into an asset. Blocked currency was utilized in foreign production, saving the studios the high cost of American labor. In addition, the films quite often profited from on-location shooting and a more relaxed atmosphere, away from the pressures of the studio.

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[1] New York Times, August 29, 1953, p. 10.

In Hollywood, the structure of the studios was changing. Independent production units replaced the multi-supervised productions of the past. These units were almost completely autonomous and it was made clear that the responsibility for a film, from selection of script to final editing, was the producer's. This new system evolved to a policy of backing independent producers and allowing them studio space and facilities in return for a percentage of the film's revenues and the distribution fees. The large studio-controlled production methods were out-of-date. This new structure allowed the studio to function with less overhead and more versatility.

The film industry was not the same as it was in 1946. In reviewing the changes, Eric Johnston believed:

> The process of adjustment which production is going through probably should have happened quite a while ago. It is something that every industry has to do as important changes occur in its market. It is a healthy sign of economic awareness.[1]

The film industry had perhaps adapted to a lesser role in the entertainment world, but its ability to adapt proved its versatility in the face of trial and competition. The film industry of 1956 had not completed the transition, but by that time the trends of change were begun and the industry began to stabilize.

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[1]Variety, September 9, 1953, p. 1.

One effect of this period was the increased emphasis on financial success. The fact that the industry did stabilize is brought out by a study by an investment research group in 1961:

> The film industry today is a changed business . . . The past whimsical nature of the business appears no longer with us. Instead, efficient management techniques are now being utilized to reduce excess costs, and to revitalize the industry's financial structure. The prime motivating factor today is the profit and loss table.[1]

In later years, conglomerates would absorb many of the studio complexes and the old Hollywood would begin to disappear, but in 1956, the industry could be proud of its achievements in making the necessary changes needed to survive.

Hollywood has continued the trends begun in the period, 1946-1956. There are still films made in the old lavish traditions ("The Godfather," 1972), but the independent producer has worked on themes more appropriate for small, frequently low-budget films. The wide screen has survived and become part of almost all Hollywood films. The trends begun in this period were born of pressure and trial and the industry was able to adapt to meet the needs of that period.

Since 1956, the film industry has been under more

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[1]Hayden, Stone and Co., Motion Picture Industry (pamphlet), April, 1961, p. 1.

pressure. Labor and production costs have risen steadily and Hollywood has had to become even more economical in filmmaking and the marketing of films. The industry has continued to exist in a constant state of adaptation in response to new and increasing difficulties:

> The industry has gone through metemorphi many times in recent years. The best examples are mini-theatres (seating capacity under 100 to 350 seats), twin theatres, triples, quads, quints and sextets all with small capacity, all showing a different film in each auditorium.[1]

Although Hollywood is constantly adapting in order to provide a sound economic and artistic base, the period 1946 to 1956 was a period in which changes took place which altered the industry in both economic and artistic areas. These changes would be the bases for further economic and creative innovations in the film industry.

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[1]Letter from Edwin Bigley of the Motion Picture Association of America, May 25, 1972.

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