motion picture association of america

## News release

MOTION PICTURE ASSOCIATION OF AMERICA, 522 FIFTH AVENUE, NEW YORK, N. Y. 10036
TN 7 -1200
FOR RELEASE
IMMEDIATELY
"It's been a good vintage year for motion pictures. Many films were honored and will be remembered. New writers and directors came into prominence. New stars were born. There were innovations and experimentation," states Jack Valenti at the beginning of an Annual Review covering his second twelve months as President of the Motion Picture Association of America, the Motion Picture Export Association of America, and the Association of Motion Picture and Television Producers.
"The screen's horizons stretched wider and the films themselves touched a wide variety of subjects," said valenti. "Old themes were given new forms and imaginative treatments even as verve, vigor and excitement marked the year of the cinema."

Valenti stated that the MPAA member companies plan to increase by 46 per cent the number of feature films produced in the United States during 1968. The companies have
committed an estimated investment of $\$ 333,000,000$ for 117 such films. The companies made 80 films in the U. S. in 1967. As usual, many American films also will be produced abroad. Pointing to the extraordinary interest of younger persons in films, especially college and university students, Valenti said that "the meeting between today's young, receptive, better educated, and more sophisticated audience with the creative ideas of new film-makers might become a landmark that could influence the course of motion picture history."
"Today", he said, "close to 80,000 students are enrolled in approximately 3,000 graduate and undergraduate film courses in some 200 institutinns of higher learning in the United States."

Valenti hailed the industry's long and continuing dedication to self-regulation, and opposed all measures for government control of films through censorship or classification by law. Seif-regulation imposes a dual responsibility, one on the industry, the other on the public. Valenti stated: "We in motion pictures have an obligation to observe reasonable standards in films; the public has an equal obligation to select movie entertainment with foreknowledge and discretion. These dual obligations haven't yet joined but they are coming closer and the code furnishes a bridge.
"We cannot expect,"said valenti, "the maximum realization of the benefits of the code without greater sensitivity and response on the part of the public.
"Freedom from censorship-classification by law," he declared, "does not relieve any medium, including the motion picture, from an obligation to the public and particularly to children." The Association has accepted the challenge, though the task is enormous, and, said Valenti, "we are currently studying precisely how we can improve the present methods of self-regulation, restraint, and informational advice under the code system."

Valenti also emphasizes the international and interdependent qualities of the motion picture, saying: "More than ever, the motion picture is entrenched and integrated as an international medium. It is shown in around 144,000 theatres in the United states and in the world. It is the mainstay of television in 100 countries."
"In 1967," he said, "more than 3.500 feature films were produced in the world -- amost 10 every day. Although the United States makes only about 5 per cent of this total. our films are seen by 50-60 per cent of the free-world market."

In a tribute to the world-wide influence of the motion picture, Valenti said: "The motion picture has
developed on a world scale a broader conception of mas and his life and his meanings; it has enabled man to share experiences with strangers far off as well as with neighbors down the block; it has raised man's sights and his goals and heightened his sense nf being part of a common humanity. "With its faults and frailties and failures -which none of us excuses -- this is what the motion picture is -- an unnatched entertainment, artistic, cultural, horizen-broadening and beneficent force in the world today."

Full text of Annual Review is attached.

A Year in Review<br>Motion Picture Association of America



## Four Objectives

On the day that I became president of the Motion Picture Association of America, two years ago, on May 16, 1966, I set these four objectives to guide what we strive to do in behalf of the film:

## Objective Number One

To assure the free and unfettered movement of the American motion picture everywhere in the world.

## Objective Number Two

To make certain the American motion picture is continually refreshed with new young talent and skills so that the creative nerve-springs of this art-industry are always alive, active, and breeding excellence.

## Objective Number Three

Never to turn away from the obligation which we believe the motion picture enterprise has to the society in which it lives, and that is to assure the freedom of the screen, and to make clear that freedom must be responsible.

Objective Number Four To develop growing and discerning audiences for films of excellence; to explore constantly the heart and mind of the American and world audience; to know what movie-goers think, believe, what they object to, what they need, what they desire and enjoy.

## The Second Twelve Months

This is a review of my second twelve months as president of the following three Associations:

## Motion Picture Association of America <br> Motion Picture Export Association of America <br> Association of Motion Picture and Television Producers

The period runs from May 16, 1967 to May 16, 1968, but I glance back a little and look forward a farther distance.

Any review of achievements and hopes must pause to pay just and honest tribute to the chief executives of the member companies and their associates:

Emanuel Wolf and Roger Hurlock of Allied ArtistsAbe Schneider and Leo Jaffe of ColumbiaRobert O'Brien and Benjamin Melniker of MGMCharles Bluhdorn and Martin Davis of Paramount-
Darryl Zanuck, Richard Zanuck, Harry McIntyre, and Spyros Skouras of Twentieth Century-Fox-
Arthur Krim, Robert Benjamin, and Arnold Picker of United Artists-
Lew Wasserman, Chairman of the Association in California, and Milton Rackmil of Universal-
Eliot Hyman, Benjamin Kalmenson, and Kenneth Hyman of Warner Bros.-Seven Arts-

These are all unusual, able, and in many ways extraordinary men. Some go back to the pioneering days and have spanned the compass of time and innovation with no slackening of their skills. Some are recently in the business. Some are wise with the experience of age and others of uncommon brilliance in their youth.
But all have given support without stint and if this Association has been able to thrust its way toward new ideas and hopeful beginnings it is because the company executives have not spared their encouragement and their counsel.
If there are two words that could possibly sum up the progress of the motion picture in the year, they would be, I think, "moderate" and "rational." Should the plus factors and the minus factors be listed in two columns, the plus side would be the longer and the stronger, although the minus column would display a vitality of its own.
When a reader outside the industry lays aside this review

I trust he will know us better and have a heightened respect for the film, as well as share our belief that what counts above all in the motion picture is excellence. The creators don't always achieve excellence in every film; but I know few who don't try every time.

Now for a thumbnail sketch of each Association:

1. The Motion Picture Association of America, which was the first, starting in 1922, deals with the major issues of concern to the motion picture in the United States. It has offices in New York, Washington and Hollywood. Among its primary functions is the administration of the voluntary Codes on Production, Advertising, and Titles. These Codes were adopted in 1930. This Association also reaches out into the American community to tell the public about pictures, to assist its moviegoing choices, to advance education in the film as a living and creative art form.
2. The Motion Picture Export Association of America, with headquarters in New York and ten offices abroad, functions as a separate diplomatic arm. As more than half the business of American motion picture companies is done abroad, this requires attention to emergencies and to planning to improve economic conditions and to keep world markets open and viable.
3. The Association of Motion Picture and Television Producers, located in Hollywood, directs research for the studios and handles industrial relations including labor negotiations almost daily with guilds and unions.

The memberships of the three Associations are almost identical except that the California Association includes an additional number of motion picture and television producers. No theater companies belong to the Associations.
The eight distributing company members of the Motion Picture Association are:

## Allied Artists Pictures Corporation <br> Columbia Pictures Corporation

## Metro-Goldwyn-Mayer Inc.

Paramount Pictures Corporation
Twentieth Century-Fox Film Corporation

## United Artists Corporation

Universal Pictures, a division of Universal City Studios, Inc. Warner Bros.-Seven Arts Distributing Corporation


## Highlights of the Year

"How lucky you are to be in America, because that's where the really vital films are coming from."

## Jiri Menzel, director,

"Closely Watched Trains," Czech film awarded Oscar as best foreign film of 1967.

It's been a good vintage year for motion pictures. Many films were honored and will be remembered. New writers and directors came into prominence. New stars were born. There were innovations and experimentation. New opportunities were opened to young film-makers.
The screen's horizons stretched wider and the films themselves touched a wide variety of subjects. Old themes were given new forms and imaginative treatments even as verve, vigor and excitement marked the year of the cinema.
The motion picture is the new goddess of the campus, where films are passionately studied and argued, praised and criticized, and taken to the heart. A renaissance became an era, as schools and colleges and universities installed and multiplied courses on the film. More teachers on films were being trained to teach more students. The Association assisted in these developments.
From the large number of films released in the United States each year it may be somewhat unfair to single out from the many only a few to mention. But, knowing this, I shall nonetheless name them because they will serve in a limited way to indicate what it's like in films these days. Moreover, they will show the panorama of choices open to the theater public. The following 15 features have been released, or are to be released, in 1967-68:

## Fifteen Noteworthy Features

## A Man and a Woman (Allied Artists)

A tender and poignant romance, set against a French background of artful and poetic visual imagery, of a young widow and widower whom love exalts; starring Anouk Aimee and Jean-Louis Trintignant; adaptation and dialogue by Pierre Uytterhoven and Claude Lelouch; produced and directed by Claude Lelouch.

## Barefoot in the Park (Paramount)

A too-conservative groom and a flighty bride return from a six-day honeymoon to a Greenwich Village fifth-floor walkup apartment where nothing, at first, works, including the sanity of the couple. A rousing comedy from the Broadway hit; starring Robert Redford and Jane Fonda; screenplay by Neil Simon and based on his play; directed by Gene Saks; produced by Hal B. Wallis.

## Bonnie and Clyde (Warner Bros.-Seven Arts)

The National Catholic Office for Motion Pictures selected this evocative story of two young Southwest bank robbers of
the Thirties as "the best mature-audience" film of 1967; starring Warren Beatty and Faye Dunaway; written by David Newman and Robert Benton; directed by Arthur Penn; produced by Warren Beatty.

## Chitty Chitty Bang Bang (United Artists)

Spies, love, adventure-danger, mystery, music-an automobile which flies-all concocted by Ian Fleming; starring Dick Van Dyke, Sally Ann Howes, and Lionel Jeffries; screenplay by Roald Dahl and Ken Hughes; directed by Ken Hughes; produced by Albert R. Broccoli.

## Doctor Doolittle (Twentieth Century-Fox)

The beloved children's stories of animals and humans come to gay and happy life on the screen as entertainment for all; starring Rex Harrison; screenplay by Leslie Bricusse; directed by Richard Fleischer; produced by Arthur P. Jacobs.

## Far From the Madding Crowd (MGM)

A modern pastoral taken from Thomas Hardy's love story set in his Wessex country in England; starring Julie Christie and Terence Stamp; screenplay by Frederic Raphael; directed by John Schlesinger; produced by Joseph Janni.

## Finian's Rainbow (Warner Bros.-Seven Arts)

After 21 years the honored Broadway musical comes to the screen in a high new style; starring Fred Astaire, who made his Broadway debut half a century ago, and two British relative newcomers, Petula Clark and Tommy Steele; screenplay by E. Y. Harburg and Fred Saidy; directed by Francis Ford Coppola; produced by Joseph Landon.

## Funny Girl (Columbia)

Broadway star Barbra Streisand, in her first film role, recaptures the life of Broadway's Fanny Brice, noted for roles on stage and as a pioneer in radio, with Omar Sharif playing Nicky Arnstein; screenplay by Isobel Lennart; directed by William Wyler; produced by Ray Stark.

## Guess Who's Coming to Dinner (Columbia)

The first American film to deal with racial intermarriage, and hailed for its power and sensitivity. It was Spencer Tracy's last starring role; co-star Katharine Hepburn won the Oscar as best actress for 1967; Sidney Poitier completed the starring triumvirate; written by 1967 Oscar-winner William Rose; produced and directed by Stanley Kramer.

## In the Heat of the Night (United Artists)

Hatred between a Negro detective from the North and a white sheriff in a small Southern town dissolves into understanding. Laden with honors, this film was voted the best picture of 1967 by the Academy, and co-star Rod Steiger received the Oscar as best actor. Sidney Poitier co-starred in a memorable performance; screenplay by Stirling Silliphant; directed by Norman Jewison; produced by Walter Mirisch.

## Star! (Twentieth Century-Fox)

A musical based on the life, career and times of the late famous British actress, Gertrude Lawrence; starring Julie Andrews; written by William Fairchild; produced and directed by Robert Wise.


NOTE: Correct credits $\int$ f/r Universal's SWEET CHARITY are:
Shirley MacLaine and Sammy Davis, Jr. star at the head of a large cast in this lively screen version of the popular Broadway musical hit; screenplay by Peter Stone; directed by Robert Fosse; produced by Robert Arthur.
The Odd Couple (Paramount)
On the stage this comedy sent audiences into gales of laughter. It is the same on the screen with the frantic and zany touches of two comic masters, Jack Lemmon and Walter Matthau; screenplay by Neil Simon and based on his play; directed by Gene Saks; produced by Howard W. Koch.

## Thoroughly Modern Millie (Universal)

This lighthearted film of song, dance and tall story evokes and spoofs the Roaring Twenties of prohibition and the Charleston; Julie Andrews in the starring role; abetted by Carol Channing and Beatrice Lillie; written by Richard Morris; directed by George Roy Hill; produced by Ross Hunter.

## 2001: A Space Odyssey (MGM)

An adventure into space and time that takes man, in a new age of cosmic exploration, half a billion miles to the planet Jupiter; starring Keir Dullea and Gary Lockwood; screenplay by Stanley Kubrick and Arthur C. Clarke; produced and directed by Stanley Kubrick.

## $46 \%$ Increase in Film-making in U.S. in 1968

Member companies of the Motion Picture Association plan a 46 per cent increase in the number of feature films produced in the United States during 1968. The companies have committed an estimated investment of $\$ 333,000,000$ for 117 such films.

The number of films and the dollar investment would be the highest in the last five years. 'The companies made 80 films in the U.S. in 1967. There is a possibility that the MPAA companies in 1968 will initiate production in the U.S. of another eight to ten features.

## The Audience Survey

The Association last year commissioned Daniel Yankelovich, Inc., a leading research organization, to make a survey of the American public, 16 years and older, to tell us who goes to the movies and who doesn't; to ascertain what the public feels, likes and thinks; to explore the outlook for the future. The firm concluded:

The American public finds a lot to like about the motion picture today and the future of the film business "looks very promising indeed."

There were disturbing findings too. While the young adult audience is increasing, older persons, in the last 10 years, have tended to go less frequently to the movies. Young couples with children sometimes find it inconvenient to go out to theaters, although they patronize drive-ins. None of these groups is lost. They can be won back if we do more things to accommodate their needs and preferences. Findings included:

- Most significant finding: the more educated the public the larger the interest in and attendance at movies. The less educated are less interested.



## Sweet Charity (Universal)

Shirley MacLaine and Sammy Davis, Jr. star at the head of a large cast in this lively screen version of the popular Broadway musical hit; screenplay by Seeleg Lester and William D. Gordon; directed by Robert Fosse; produced by Robert Arthur.

## The Odd Couple (Paramount)

On the stage this comedy sent audiences into gales of laughter. It is the same on the screen with the frantic and zany touches of two comic masters, Jack Lemmon and Walter Matthau; screenplay by Neil Simon and based on his play; directed by Gene Saks; produced by Howard W. Koch.

## Thoroughly Modern Millie (Universal)

This lighthearted film of song, dance and tall story evokes and spoofs the Roaring Twenties of prohibition and the Charleston; Julie Andrews in the starring role; abetted by Carol Channing and Beatrice Lillie; written by Richard Morris; directed by George Roy Hill; produced by Ross Hunter.

## 2001: A Space Odyssey (MGM)

An adventure into space and time that takes man, in a new age of cosmic exploration, half a billion miles to the planet Jupiter; starring Keir Dullea and Gary Lockwood; screenplay by Stanley Kubrick and Arthur C. Clarke; produced and directed by Stanley Kubrick.

## $46 \%$ Increase in Film-making in U.S. in 1968

Member companies of the Motion Picture Association plan a 46 per cent increase in the number of feature films produced in the United States during 1968. The companies have committed an estimated investment of $\$ 333,000,000$ for 117 such films.

The number of films and the dollar investment would be the highest in the last five years. The companies made 80 films in the U.S. in 1967. There is a possibility that the MPAA companies in 1968 will initiate production in the U.S. of another eight to ten features.

## The Audience Survey

The Association last year commissioned Daniel Yankelovich, Inc., a leading research organization, to make a survey of the American public, 16 years and older, to tell us who goes to the movies and who doesn't; to ascertain what the public feels, likes and thinks; to explore the outlook for the future. The firm concluded:

The American public finds a lot to like about the motion picture today and the future of the film business "looks very promising indeed."

There were disturbing findings too. While the young adult audience is increasing, older persons, in the last 10 years, have tended to go less frequently to the movies. Young couples with children sometimes find it inconvenient to go out to theaters, although they patronize drive-ins. None of these groups is lost. They can be won back if we do more things to accommodate their needs and preferences. Findings included:

- Most significant finding: the more educated the public the larger the interest in and attendance at movies. The less educated are less interested.


## Education is an important factor in movie-going*

Daniel Yankelovich, 1967,
"The Attitudes of the
Movie-Going Public."
*The most significant finding of the Yankelovich Report commissioned by the MPAA was the substantiated fact that
the higher the education
background of Americans, the greater interest in movies and the greater the attendance.

|  | Higher <br> Education | High School <br> Education | Less than <br> High School <br> Education |
| :--- | :--- | :--- | :--- |
| Go to movies <br> once a month or <br> more often | $39 \%$ | $27 \%$ | $25 \%$ |

- Nearly 85 per cent of the public would like to go to the movies more often than they do now.
- Persons between 16-24 account for 48 per cent of adult admissions; 74 per cent of the total audience is in the age group 16-40.
- Movies are a shared experience, with 94 per cent of moviegoers attending with someone else.
- Sixty per cent of the audience usually attends suburban and drive-in theaters.
- Fifty-seven per cent of Americans believes that changes in films in recent years have been for the better.
This is a good start. Surveys pay off (1) when they are heeded, and (2) when continuing findings are fed into the corporate and creative stream.


## A Statistical Glance

| Theaters |  |  |
| :--- | :---: | :---: |
| U.S. | 13,400 | 13,600 |
| Features Released by |  |  |
| 8 member company distributors | 187 | 194 |
| Approvals by MPAA Code |  |  |
| Features | 168 | 215 |

The 215 features approved in 1967 marked a six-year high. Two hundred and eleven of these films were in color; only four were in black and white.

## The Source of Films

Original stories and screenplays went up in 1967 over 1966. The source of the features approved by the Code Administration for the two years follows:

| Source | $1966(\%)$ | $1967(\%)$ |
| :--- | :---: | :---: |
| Originals | $81(48)$ | $119(55)$ |
| Books | $63(37)$ | $69(32)$ |
| Plays | $6(4)$ | $17(8)$ |
| Short Stories | $10(6)$ | - |
| Other | $8(5)$ | $10(5)$ |
| Total Features | $168100 \%$ | $215 \quad 100 \%$ |

## The Code for Advertising

The self-regulation administered by the Association, for member as well as for cooperating non-member distributors, also covers advertising. Advertising and publicity and promotion materials-from posters to one-inch ads-for pictures receiving a Code Seal of Approval are processed and approved by the Director of the Code for Advertising. The total number of items reviewed in 1967 came to nearly 160,000 .
Advertising created and placed by theaters themselves is not submitted to the Code Director.

## The Communications Gap

The word "gap" is so overused and abused these days it has become threadbare but it can apply to the inadequacy of communications within the industry, between groups striving for a common goal but often unacquainted with what a neighbor may be doing.


The industry newspapers and periodicals perform a magnificent service, indispensable to each of us, but even the most alert and knowledgeable of editors and reporters can't be everywhere or print everything.
From the very beginning we felt that the three Associations should be known to and known about in the entire industry, and especially to the creative people upon whose talents and skills the film structure is bottomed. We are all in this business because a film is made.
Consequently, we inaugurated in September, 1967, the first of a series of M.P.A. Reports, directed to actors, actresses, writers, producers, directors, labor leaders, as well as film company executives. A second was issued last February, and the next will be prepared in the fall.
The prison guard captain in Cool Hand Luke said: "What we have here is a failure to communicate." That's precisely what we are trying to avoid with the creative people in motion pictures.

## A Sense of Community

On coming to the Association I found, as I had happily anticipated, not only friendships but a real sense of community throughout the industry. This was true in the studios in Hollywood, among the creators and the guilds and the unions; it was true with distributors not members of the MPAA, and with exhibitors.
I have tried to consult with all these groups. I have wanted their points of view. I have been benefited by their advice and suggestions.
The leadership has given sincere, strong direction to the National Association of Theater Owners. Marshall H. Fine, Sherrill C. Corwin, and Julian S. Rifkin have been NATO presidents during my time in the Association. I am indebted to them for friendship, for guidance, for cooperation, and for understanding that rises above narrow and personal interest. NATO and MPAA can team together for the common good of films, as experience and example so convincingly demonstrate.

## Motion Picture Research Center

During the year, a Motion Picture Research Center was created by the Association of Motion Picture and Television Producers. Three eminent scientists were employed to initiate the work of the Center and inaugurate a research program for the industry.
Wilton R. Holm, former technical administrator and motion picture specialist for du Pont in Hollywood, was named executive director of the Center. Herbert Meyer, former executive of Electro-Optical Systems, a subsidiary of the Xerox Corporation, and Petro Vlahos, former head of the physical sciences branch of Systems Development Corporation, joined the Center as chief scientists. All three have been importantly involved in recent developments in the field of optics and with the many remarkable technological film advances made by the aerospace industry, government agencies and private research and educational institutes.
In the first year of activity, the Research Center is concentrating on documenting technological material relating to these advances, in order to establish a base for examining specific areas of future research and development within the motion picture industry. Particular emphasis will be given to possible changes in cameras, sound, lighting, and materials for set construction.


## All the World's a Screen

"All the world's a stage," said Shakespeare. Now it can be said: "All the world's a screen."
More than ever the motion pieture is entrenched and integrated as an international medium. It is shown in around 144,000 theaters in the United States and in the world. It is the mainstay of television in 100 countries.

In 1967, more than 3,500 feature films were produced in the world-almost 10 every day. Although the United States makes only about 5 per cent of this total, our films are seen by $50-60$ per cent of the free-world audience.
The 15 leading foreign markets for U.S. company films in order of business volume are:

| United Kingdom | South Africa |
| :--- | :--- |
| Italy | Brazil |
| Canada | Mexico |
| West Germany | Argentina |
| France | Sweden |
| Japan | Belgium |
| Spain | Venezuela |
| Australia |  |

The international market accounts currently for more than 53 per cent of the gross film rentals of member companies, which do business in 117 countries.
Through their export sales, member companies of the Motion Picture Export Association make a major, multi-milliondollar contribution to the country's favorable balance of payments. The dollars brought back each year to the United States, however, are not profits but represent a major part of the funds needed to produce new feature pictures, whose average cost is $\$ 3,000,000$ each, and to repay the essential disbursements for distribution, wages and salaries, and studio operations and management.

In its wide-ranging programs the Export. Association has been ably supported by the executives in charge of world-wide distribution in the member companies. The knowledge and vision of these men have been invaluable:
Roger Sultan of Allied Artists-
Mo Rothman and Marion Jordan of Columbia-
Maurice Silverstein of MGM-
Henri Michaud of Paramount-
David Raphel of Twentieth Century-Fox-
Eric Pleskow of United Artists-
Orlando Calvo of Universal-
Wolfe Cohen of Warner Bros.-Seven Arts-

## Business Building

The activities of the Motion Picture Export Association have always been targeted toward two main areas -

1. Crisis-solving: to anticipate, head off, meet, and resolve emergencies; and
2. Business building: to search out better ways of doing old things; to explore areas where business might be improved and expanded; to lead into territories as yet hardly mapped.
In the past the greater concentration often had to be on the crisis side. There was little other choice in a diverse, divided and disturbed world. To meet and conquer emergencies in such a world was often beyond the capacity or means of individual companies and producers, and the Export Association offered an instrumentality which could demonstrably produce results.

Crisis-solving mechanisms must always be on the alert for alarms but in more recent times we have made a significant shift to greater emphasis on business building. Here lies the greater, more secure future and the greater opportunity to make the film a medium even more popular in the world.

## Foreign Films Do Well in U.S.

The United States is an expanding market for foreign films. Several foreign films have grossed multi-million dollars each. The ten leading exporters to the United States-the largest single market for imported films-in 1967 were:

| United Kingdom | Canada |
| :--- | :--- |
| Mexico | Hong Kong |
| France | West Germany |
| Italy | Spain |
| Japan | Sweden |

## Wave of the Present

It is a rare film today which is wholly national in character, creatively or commercially. It is a rarer film which can pay off its investment from showings only in its national territory.

So the stage for the films is-and must be-the world. The screen, whether large in a theater or small in a home, is the center of that stage. The visual image is no longer an international wave of the future. It is the wave of the present, for it is here now and can be counted to enlarge in the future.
It cannot be strictly descriptive to speak these days of the motion picture industry of the United States . . . or of Great Britain . . . or of France . . . or of Italy . . . or of Japan. The facts of film-making and film-distributing and of public acceptance and support make it more apt to speak of the international film industry of the United States ... or of Great Britain ... or of France . . or of Italy . . . or of Latin America . . or of Japan; and, to an increasing degree, of the Soviet Union.

## World-Wide Operations

Global operations by member companies require a worldwide staff for the Export Association, and we have regional representatives located in the following cities:

| Bombay | Mexico City |
| :--- | :--- |
| Frankfurt | Paris |
| Lagos | Rio de Janeiro |
| London | Rome |
| Manila | Tokyo |

Each central office is responsible for a large territory, some continental in size.
No single part of the world offers greater promise for U.S. films than the Soviet Union and the countries of Eastern Europe. Soviet and Eastern European film audiences have demonstrated a growing affection for U.S. movies. Today, the sale of films is relatively minor, both in numbers and in dollar volume. Rentals are for flat sums nowhere close to the value of individual pictures.

When these countries come ultimately to accept normal film-trading patterns - rentals based on a percentage of boxoffice receipts-the mutual benefits can be inestimable. It will take cultivation, patience, understanding-and an improvement in the international political climate-before it is possible. But it will come.
Our program was elevated to a higher status during the year by the appointment for the first time of a multi-lingual Motion Picture Export Association representative to be responsible for the Soviet Union and all of Eastern Europe. He is stationed in Rome, whence he also deals with several South European countries, but makes regular visits to the capitals of the East and maintains close liaison with authorities there. He finds a good reception in all the capitals, stretching from Moscow to Sofia. His task is facilitated by the cooperation and assistance of the Department of State in Washington and by the U.S. Ambassadors and the staffs of the American Embassies in the area.

## Lifting Roofs

Thornton Wilder refers to the old story that if you lift the roofs of Coaltown, U.S.A. and Vladivostok, U.S.S.R., "you will hear the same phrases." If you lift the roofs of a theater in the Ginza in Japan, and in Piccadilly in London, you will see the same pictures playing. The movie theater is everywhere and what it puts on the screen comes from everywhere.
Next year in the United States we celebrate the 75th Anniversary of the first public showing of Edison's Kinetoscope. From a converted store on Broadway in New York has grown the vast international enterprise of the film, the first uniquely American indigenous art-form.

## Sharing of Experiences

There are more than three million in the United States and millions around the world who cannot read or write, not even such elementary words as "cat" or "dog." The motion picture speaks to them in a language they can understand, for the illiterate in words are literate in films.
There are millions in the United States and around the world who only too rarely see newspapers, or magazines, or books; rarely hear great music or view works of renowned art. The motion picture brings these treasures to them and their lives are enhanced by it. The motion picture encourages them to read and to seek out and enjoy man's cultural riches for themselves.
There are millions in the United States and around the world who are unfamiliar with lands other than their own. The motion picture brings the world to them and they find that human beings everywhere are not unlike themselves. The motion picture has promoted peace among peoples by breaking barriers of intolerance, ignorance, and iron nationalism.
The American motion picture has shown America to all Americans.
It has shown America to the world; our culture, our manners, our ideals, our institutions, the nature of our society and our people. (Indeed, some marketing experts say that the American motion picture has been the key generative force in exciting foreign interest in American products.)
The motion picture has developed on a world scale a broader conception of man and his life and his meanings; it has enabled man to share experiences with strangers far off as well as with neighbors down the block; it has raised man's sights and his goals and heightened his sense of being part of a common humanity.
With its faults and frailties and failures-which none of us excuses-this is what the motion picture is-an unmatched entertainment, artistic, cultural, horizon-broadening and beneficient force in the world today.

## A Dual Responsibility

The revised Code of Self-Regulation is going on two years old. This is the same period of experience that we've had with the new system of designating certain films with the informational label: Suggested for Mature Audiences, as a guide of particular value to parents.
When the Code underwent major surgery in the fall of 1966, I said as president of the Association that I would be prepared to recommend changes to the Board of Directors at any time that alterations might be indicated to preserve voluntary self-regulation as a vital industry function.
In the ensuing months we have kept close watch on the Code, on its administration, on the response of producers and the industry as a whole to the Code, and on the reactions, the praise and the criticism, of the movie-going as well as of the nonmovie-going public in the United States.

## To Inform the Public

We cannot expect the maximum realization of the benefits of the Code without greater sensitivity and response on the part of the public.
At every opportunity we tell people that they should be selective and discriminating in choosing films to see. A moviegoer should know that a film is "my kind of movie" before he goes to the theater. Abundant advance information is available to assist in this choice.
We have tried to make the public's choosing easier and more knowledgeable.

1. In the past year we have written to nearly 2,300 publishers, editors and motion picture writers on newspapers all over the country to suggest that they print regularly, at least once a week, a special column briefly describing the contents of films playing currently in their communities and indicating their own audience level ratings, such as family or mature. Already 113 newspapers with a total daily circulation of $19,223,888$ are providing this valuable service to the public.
2. We have increased the circulation of Film Reports (formerly The Green Sheet), which carries reviews and suggested audience categories prepared by representatives of ten independent national organizations. Some 63,000 copies of Film Reports are distributed every month. As the reviews and ratings are widely reprinted, it is estimated that the annual total readership is between 14-15,000,000.


In 1967 Film Reports reviewed 184 feature films. Of these, 150 were spread among the following suggested audience categories:
General Audience-Children; Adult-Mature Young PeopleYoung People; and Adult-Mature Young People.
Thirty-four-18-1/2 per cent of the 184-were placed by Film Reports solely in the category of Adult.
The Association's Code Administration, reviewing a larger number of films, 215, designated 44-27.3 per cent-as Suggested for Mature Audiences in 1967. The percentage is running higher in 1968.
So there is an abundance of films for families and younger persons if the public will choose them-and support them. Choice must be a deliberate function of the mind.

## The Code Is a Bridge

As we see it, there is a dual responsiblity: we in motion pictures have an obligation to observe reasonable standards in films; the public has an equal obligation to select movie entertainment with foreknowledge and discretion. These dual obligations haven't yet joined but they are coming closer and the Code furnishes a bridge.
Some would turn to the law and surrender their rights and privileges to censors or classifiers sanctioned by law. The evidence is that such devices do not work.

What will work and what is right, I suggest, is voluntarism: a voluntary willingness by film creators and managers to temper freedom with responsibility; a voluntary willingness by the public to be discerning movie-goers, and by parents to know what's playing in the theaters in order to guide the attendance of their children.
Voluntarism has a good foothold in the industry and, I think, with the public. In the Association we are dedicated to its advancement.

## Censorship-Classification by Law

The entire motion picture industry strongly opposes censorship or classification of films by law. Both are alien to the democratic conception and the American spirit. We shall fight such bills when introduced in legislatures, and fight in courts such ordinances or laws as may be enacted anywhere.
The U.S. Supreme Court long ago said that the film, along with all other media of expression, came within the scope of the First Amendment-the Free Press Amendment-to the Constitution.
After hearing arguments from Louis Nizer, MPAA general counsel, the Suprme Court, in a decision in April 1968, knocked out the Dallas classification plan. It was a significant step in the industry's fight to free itself from government control.
But freedom from an administrative superstructure of censorship or classification does not relieve any medium, including the motion picture, from an obligation to the public and particularly to children.
It is difficult, very difficult, to draw the line between acceptable presentation for adults and standards for the young, but the enormity of the task cannot turn us aside from the challenge. We are currently studying precisely how we can improve the present methods of self-regulation, restraint, and informational advice under the Code system.
There will be no hesitancy to change if we are able to find or develop methods which we are convinced will enable us even better to fulfill our obligations to the communities we serve and in which we live.

## The American Film Institute

The Motion Picture Association assisted in the birth of the American Film Institute, which launched its operations within the year, and is determined to help nourish its growth. Member companies are contributing $\$ 1,300,000$ as one-fourth of the Institute's initial three-year budget.

In archives (the preservation of the American cinema art), in education (both to aid universities in their cinema teaching and to train young film-makers), in film production (short films as well as features ), the AFI's aims are carefully targeted and both the staff and the Board of Trustees are committed to fulfilling the objectives.

One of the many and imaginative sides of the AFI is to offer the young film-maker an avenue along which he can journey in quest of a career in motion pictures. To locate, inspire, encourage and train new film-maker talent is a dominant goal of the AFI.

The meeting between today's young, receptive, better educated, and more sophisticated audience with the creative ideas of new film-makers might become a landmark that could influence the course of motion picture history. Such is the hope and the expectation; and it is to fulfill these hopes and expectatations that so many in all branches of films are devoting so much energy and time and talent to the purposes of the American Film Institute.

## To Seize the Future

It doesn't take a clairvoyant to determine that if the motion picture is to seize the future, new, young talent must be inspired, encouraged and accommodated. Creativity is the very life of the film. It cannot be allowed to stunt or shrivel.

Nor does a clairvoyant need to discover for us that the art of the film will reach its fulfillment only when afforded eager receptivity by an audience which understands, appreciates, and supports it.

## College Film Courses Proliferate

Courses in film-making, film teaching, and other aspects of the art are proliferating at a high ratio in American colleges and universities. The initiatives have come largely from students themselves. They "discovered" the film and made campus heroes of its leading directors, writers, and exponents often before the faculty and usually long before the administration took any action.

Today, close to 80,000 students are enrolled in approximately 3,000 graduate and undergraduate film courses in some 200
institutions of higher learning. There is a heavier concentration in the Los Angeles and New York areas, both centers of filmmaking for theaters, television, education, and industry, but there is hardly a major university which does not now have, or which is not planning, such courses. Universities in the Midwest and in the South are among the leaders.

## And in High Schools Too

The interest of the young in films is also effecting changes in the curriculum of secondary and even of elementary schools. The movement is hardly bigger than a snowball now, but like a snowball cascading down a mountain slope, it is fast gaining adherents and practitioners. High schools are providing cameras and equipment for film-making; they are teaching courses in film appreciation; they are using feature films to enrich courses. Many schools are cooperating with exhibitors to utilize theater facilities for school-sponsored film-study programs. More and more high school newspapers are carrying film reviews.

The burgeoning of the film movement in secondary schools was strongly impressed upon me when I addressed three major conventions of educators and administrators on the subject: the New York State Association for Supervision and Curriculum Development, the National Association of Secondary School Principals, and the National Association for Supervision and Curriculum Development. The interest was high, the questioning intense.

A query frequently put to me at the conventions and in communications afterwards was: "What's the best way for us to install film courses in our schools?" To answer that inquiry the Association has prepared and makes available to schools special informational materials designed to assist such filmstudy programs.

## Prizes for Student Films

To aid student film-makers the Motion Picture Association joins with the United States National Student Association and the Lincoln Center for the Performing Arts to sponsor the annual National Student Film Festivals. The third festival in 1968 drew 153 entries from 37 colleges. The Association presents grants of $\$ 500$ to each winner in the Festival's four categories.

The top films are shown publicly in Los Angeles (UCLA) and New York (Lincoln Center) and at scores of colleges and universities during the year. The high quality of the films, the breakthroughs and innovations, and the fresh thematic and stylistic conceptions have frequently been commended by professional film critics. Two of this year's prize-winning films won awards at the World Festival of Short Film in Oberhausen, West Germany.

## Seminars on Campus

During 1968 the Motion Picture Association sponsored twoday Campus Film Seminars at three leading universities: Stanford, Houston, and Northwestern. These are the first of a series that ultimately will extend to many campuses of famous universities around the country.

The president of the Association participates in each Seminar and is accompanied by creators from the feature film selected for showing.
"Guess Who's Coming to Dinner" was shown at Stanford, and Stanley Kramer, producer-director, participated. At Houston the feature was "In the Heat of the Night," and Norman


Jewison, director, joined the discussions. David Newman, coauthor, accompanied "Bonnie and Clyde" to the Northwestern University Seminar.
The pattern of each Seminar follows this format: it begins with a reception and dinner by the president of the Association for university and student leaders, followed by the evening screening of the feature. Each showing has packed the halls to overflowing. After the picture, the question-and-answer exchanges between the motion picture representatives and faculty and students have produced absorbing discussions which reveal the lively interest of the entire academic community in films and film-makers. Exhibitors in the area are invited to join and participate. Next day the Seminar features sessions for more penetrative discussions of motion pictures.
This kind of give-and-take involvement-free, frank, informal, embracive-provides a channel to fruitful dialogues and relationships between two worlds that are orbiting closer-the academy and the film.

## High School Film Reviews

To encourage and stimulate excellence in the writing of film reviews by high school students, the Association sponsored for the second year a national review contest. Co-sponsor of the nation wide competition is Scholastic Roto, a monthly publication distributed through more than 2,300 high school publications.

## The Year in Television

The pace of American television, which had for years grown fantastically, slackened off during the year, with two significant repercussions for the film industry:

## 1. Programming

The programming supplied by member companies during prime-time hours on the three networks, while still accounting for more than one-half the total, fell by an average of five hours weekly, from 44 hours in 1966 to 39 hours in 1967. The drop came in the hours devoted weekly to telefilm series, from 32 hours in 1966 to 27 in 1967. The hours occupied by feature films remained at the same figure of 12 for both years. The softening was also noted in hours other than the prime-time ones from 7:30 to 11 p.m. In 1966 member companies furnished an additional 18 to 20 hours of daytime programming on the networks; in 1967 the figures were 15 to 18 hours.

## 2. Employment

Changes in the format of television programming were the chief causes of a decline in employment in the studios. Television is turning away from half-hour series to one-hour, one-and-one-half hour, and two-hour programs. Expressed in halfhour units, 3,060 such TV programs produced in 1960-61 decreased almost by half to only 1,784 in the 1967-68 season. A further drop appears in sight for 1968-69. These program changes, with the resulting effects on employment, are beyond the control of the Association's member companies.

The general slowdown in television's growth rate is revealed in the figures for gross-time sales, which reflect the levelling off in total 1967 advertising expenditures in the United States. TV's gross-time sales were up almost 10 per cent in 1966 over 1965 but the 1967 total of $\$ 1.8$ billion rose by less than one per cent over 1966.

## Appears Brighter Ahead

Looking ahead the prospects seem better. Network time sales are improving. An additional two hours in prime time will be devoted by the networks to features during the 1968-69 season, for a total of 14 hours a week. Much of the revenue from this source, as from all television income, will be plowed back into feature and TV production and will provide jobs in the studios.

## Color

Color has taken over almost completely on network television, as it has in theatrical motion pictures. Continuing a rapid pace, color sets in the United States jumped by 45 per cent to a total of $14,500,000$ and are found now in 25 per cent of American households. Network programming is practically all in color, necessitating the production of virtually all telefilms in color.

## On the Foreign Scene

Television abroad grew at a steady rate during the year. Near saturation was reached in such major markets as Australia, Canada, the United Kingdom, and Japan, and the world set count, outside the U.S., rose in 12 months by $14,000,000$ to a total of $144,000,000$. With the inauguration of TV systems in the Near East, Far East, and Africa, approximately 100 countries now have television. In a few years all countries, even the poor and less developed ones, will have TV, which has become a status symbol of nationhood.

## Difficulties Overcome

Color transmission began in a number of European and Asian countries during the year. The United Kingdom, France, West Germany, the Netherlands, Hong Kong, Mexico and the Soviet Union joined the United States, Canada and Japan as regular color broadcasters. This brought difficulties, however, because their different color systems, PAL and SECAM, and their different telecine mechanisms have presented production and printing problems to U.S. suppliers. But numerous conferences both in the United States and abroad, in which the Export Association and member companies have taken leadership, are pointing encouragingly toward a resolution of the difficulties.
The Export Association and its members also played an important role in negotiations to resolve an impasse which had kept U.S. programs off Australian television for a year.

## Competition Tougher

Competition is toughening. It stems from these main factors: bristling nationalistic protectionism; local labor pressures; stepped-up production in many countries; increasing penetration by Mexico and Argentina in Latin American markets, and by the United Kingdom, France, Italy, and Japan in Europe and Asia.
Competition is the stone on which quality is honed and is welcomed so long as it remains free and fair.

Jack Valenti President, MPAA


Ralph Hetzel
Executive
Vice President, MPAA

Louis Nizer General Counsel, MPAA


Charles S. Boren Executive Vice President, AMPTP


Columbia Pictures


Leo Jaffe President



Paramount Pictures


Martin S. Davis
Executive
Vice President and
Chief Operating Officer


United Artists


Robert S. Benjamin Chairman of the Board


Metro-Goldwyn-Mayer


George L. Killion Chairman of the Board

Darryl F. Zanuck President


Twentieth Century-Fox


Richard D. Zanuck
Executive Vice President in Charge of Production


Universal Pictures


Milton R. Rackmil President

Eliot Hyman
Chairman of
the Board and
Chief Executive
Officer


Warner Bros.-Seven Arts


Benjamin Kalmenson President and Chief Administrative Officer

## Motion Picture Association of America, Inc.

| Jack Valenti President |  |
| :---: | :---: |
| Louis Nizer General Counsel |  |
|  |  |
| Ralph D. Hetzel |  |
|  |  |
| Board of Directors |  |
| Charles G. Bluhdorn | Paramount Pictures Corporation |
| Martin S. Davis | Paramount Pictures Corporation |
| Louis F. Edelman | North American T.V. Productions, |
|  | Inc. |
| Arthur Freed | Producer |
| Ralph D. Hetzel | Motion Picture Association of |
|  | America, Inc. |
| Roger Hurlock | Allied Artists Pictures Corporation |
|  | Columbia Pictures Corporation |
| Benjamin Kalmenson | Warner Bros.-Seven Arts |
|  | Distributing Corporation |
| Arthur Krim | United Artists Corporation |
| Sidney H. Levin | Warner Bros.-Seven Arts |
|  | Distributing Corporation |
| Harry J. McIntyre | Twentieth Century-Fox Film |
|  | Corporation |
| Benjamin Melniker | Metro-Goldwyn-Mayer Inc. |
| Walter M. Mirisch | The Mirisch Corporation of Delaware |
| Edward Morey | Allied Artists Pictures Corporation |
| Robert H. O'Brien | Metro-Goldwyn-Mayer Inc. |
| Arnold Picker | United Artists Corporation |
| Milton R. Rackmil | Universal Pictures, a division of |
|  | Universal City Studios, Inc. Universal Pictures, a division of |
| Adolph SchimelAbe Schneider | Universal Pictures, a division of Universal City Studios, Inc. |
|  | Columbia Pictures Corporation |
| Spyros P. Skouras | Twentieth Century-Fox Film |
|  | Corporation |
| Jack Valenti | Motion Picture Association of |
|  | America, Inc. |
| Lawrence Weingarten | Marten Productions |
| Barney Balaban (Hon.) | Paramount Pictures Corporation |

Addresses
522 Fifth Avenue
New York, N.Y. 10036
918-16th Street, N.W. (Temporary)
Washington, D.C. 20006
8480 Beverly Boulevard
Hollywood, California 90048

## Motion Picture Export <br> Association of America, Inc.

Board of Directors

Directors At Large

| George D. Burrows | Allied Artists International <br> Corporation |
| :--- | :--- |
| Wolfe Cohen | Warner Bros.Seven Arts, Inc. |
| Marion F. Jordan | Columbia Pictures International |
| Corporation |  |
| Harry J. McIntyre | Twentieth Century-Fox <br> International Corporation |
| Henri Michaud | Paramount International Films, Inc. |
| Eric R. Pleskow | United Artists Corporation |
| Milton R. Rackmil | Universal International Films, Inc. <br> Maurice Silverstein <br> Metro-Goldwyn-Mayer Inc. <br> Jack Valenti |
| Motion Picture Export Association <br> President | of America, Inc. |

Representative Directors

| Andrew Albeck | United Artists Corporation |
| :--- | :--- |
| Albert A. Fisher | Metro-Goldwyn-Mayer Inc. |
| Max Greenberg | Warner Bros.-Seven Arts, Inc. |
| Donald H. Nathan | Paramount International Films, Inc. <br> David Raphel |
| Twentieth Century-Fox <br> Felix M. Sommer | Universal Inal Corporation |
| Roger H. Sultan | Allied Artists International <br> Corporation |
| Bernard E. Zeeman | Columbia Pictures International <br> Corporation |
|  |  |

## Address

522 Fifth Avenue
New York, N.Y. 10036

## Association of Motion Picture and Television Producers, Inc.

## Board of Directors

Lew R. Wasserman, MCA, Inc.
Chairman of the Board
Y. Frank Freeman

Chairman Emeritus
Jack Valenti
President
Charles Boren
Executive Vice President

| David B. Charnay | Four Star International |
| :--- | :--- |
| Bernard Donnenfeld | Paramount Pictures Corporation <br> Bonar Dyer |
| Walt Disney Productions |  |
| Frank Ferguson | Twentieth Century-Fox Film |
|  | Corporation |
| Anthony Frederick | Universal City Studios, Inc. |
| H.E. Holman | Warner Bros.Seven Arts, Inc. |
| Ronald Jacobs | Thomas/Leonard/Spelling Group |
| Herb Jaffe | United Artists Corporation |
| Milo Mandel | Columbia Pictures Corporation |
| Saul Rittenberg | Metro-Goldwyn-Mayer Inc. |
| Saul C. Weislow | Bing Crosby Productions, Inc. |

[^0]
[^0]:    Address
    8480 Beverly Boulevard Hollywood, California 90048

