

Chapter 5

The formation of the 'major independent'

Miramax, New Line and the New Hollywood

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While much of the economic film history of the New Hollywood has focused on the conglomeration of the industry and the globalization of media production, the industrial structure has changed not just for the major studios, but also for those distributors on the margins, the independent film and video distributors. In this chapter, I intend to analyse how the marketplace for independent film (films not released by the majors) has shifted in the past two decades by considering the development of the two largest independent companies, New Line Cinema and Miramax Films. The case studies of New Line and Miramax illuminate the diverse distribution, marketing and advertising methods developed and co-opted by the independents to weather an increasingly competitive economic climate. Perhaps strongest evidence of the two companies' success in traversing the marketplace can be seen by the recent mergers between these independents and major companies which have provided both New Line and Miramax with substantial financial backing.

In terms of independent production, the video and cable boom initially seemed to create an increased demand for product. As one industry analyst commented in 1987,

Why are there suddenly so many new companies joining the low-budget bandwagon – companies like Cinecom and Island, Goldwyn and Alive, Skouras, Cineplex, Atlantic, Vestron and Spectrafilm? The answer is home video. For one thing, the independent home video companies need products to fill their pipelines. Since the studios already have their own video companies, new movie forces need to be created.¹

This boom can be evidenced through the dramatic increase in independent production in the second half of the 1980s, particularly from 1988 on. Considering all films receiving MPAA ratings, independent films increased from 193 in 1986 to 277 in 1987 and to 393 in 1988.² The figures for 1989 through 1991 also remained close to the 400 mark.

This period of increased production was marked by a substantial growth in negative costs and by the widespread failure of most independent films: between 1986 and 1989, the years coinciding with the film production boom, negative costs doubled, while film rentals for independent companies dropped 33 per cent.³ Even those companies which were able to launch one or more breakthrough films overextended their assets and weakened their longevity in the marketplace. Vestron earned about \$63 million in domestic gross for *Dirty Dancing* in 1987, but then proceeded to double production. With failures ranging from art house films (Ken Russell's *Gothic* (1986), John Huston's *The Dead* (1987)) to teen pics (*Dream a Little Dream* (1989), *Big Man on Campus* (1989)), the company had financing cut from Security Pacific National Bank, and was forced to shut down production and distribution in 1989.⁴ Similarly, Cinecom, after *A Room With a View* (1986), and Sources, after *My Life As a Dog* (1987), were unable to replicate their initial major success. Other independent companies, such as New Century/Vista, Circle, Complex Odeon, Spectrafilm and Weintraub Entertainment Group, could not produce even one breakthrough success.

Video also has proven to be an unreliable market for the independents. Indeed, with rental and 'sell-through' (purchased directly for the home) videos have been characterized as 'A' title businesses. As Strauss Zelnick, former president and chief operating officer of Twentieth Century Fox, comments on this phenomenon,

Because video is released after theaters, the success in video tracks the success in theaters like every other market. Certain pictures outperform in video, but that would never induce you to make a picture because if it fails at the box office, video will not 'fix' the failure. A movie will perform in accordance with its performance at the box office which means you won't make enough money to justify the decision.⁵

Theatrical successes drive the push at every additional market window so that 'A' titles are most likely to translate to video and cable successes. Consider that among the top ten sell-through titles in 1991, five were distributed by Buena Vista (Disney Classics), with the remaining titles all grossing over \$75 million theatrically.⁶ While the video market expanded, independent companies were not the beneficiaries of this growth in the long run. Part of this phenomenon is explained by the shift towards sell-through spending in the video market: while rental spending also increased between 1985 and 1992, the amount allocated to sell-through videos multiplied seven times during the period.⁷ Only certain titles are launched with a sell-through approach: namely those videos which have already proven their appeal at the theatrical box office. Films that are star based and family oriented (and therefore possess repeatability in home use) also have a greater chance of

being sell-through items.⁸ These factors tend to privilege in the video market major releases with a track record of box office performance. Consequently, many of the independent companies initially 'helped' by video and cable eventually severely cut production (for example, Cinecom and Cannon) or exited the market altogether (for example, Island, Alive, FilmDallas, Skouras, Vestron, Atlantic Releasing, Avenue, DEG). By 1992, the top-grossing imports were distributed only by New Line, Miramax, Goldwyn, and the dying Orion Classics.⁹

New Line and Miramax have been able to withstand this shakeout by consistently developing movies with the potential to cross over beyond the art house market. The companies differ in the methods employed for long-run survival though. Whereas New Line has continually favoured gradual expansion and diversification only following breakthrough successes, Miramax's presence is based much more on marketing and targeting audiences beyond a narrow art house niche. In the process, both companies have been able to develop respectable market shares and some commercially impressive cross-over films.

New Line Cinema and franchising

Formed in 1967 by Robert Shaye, New Line Cinema began as a non-theatrical distributor focusing on the market for 'special events' on college campuses. Through such films as *Reefer Madness* (1936) and *Sympathy For the Devil* (1970) and a lecture series representing among others William Burroughs, Norman Mailer and R.D. Laing, New Line maintained a constant presence until 1973 when Shaye decided to open a theatrical distribution arm.¹⁰ Shaye targeted his product narrowly, distributing, as described by *Variety*, 'arty and freak' films. 'Arty' translates to films by Lina Wertmuller (*The Seduction of Mimi* (1974)), Claude Chabrol (*Wedding in Blood* (1973)) and Pier Paolo Pasolini (*Porcile* (1969)), while 'freak' would include *Reefer Madness*, *The Texas Chainsaw Massacre* (1974) and *Pink Flamingos* (1972). Shaye opened some of these films, such as *Pink Flamingos*, in a midnight screening pattern, followed by a larger theatrical release. By 1974, the New Line Cinema distribution slate mixed foreign, sexploitation, gay cinema, rock documentaries and 'midnight specials' reserved exclusively for midnight exhibition. The intent behind these choices was to tap those markets which would be ignored by the majors, and to maximize the difference of New Line's product from more traditional commercial film.

In 1978, New Line began a limited policy of film production inspired by two major factors. As the market for art films became more established, a greater number of distributors entered the marketplace and competition became more intense within this market. As a result, 'the bidding auction' for film distribution encouraged the price to rise. New Line had already begun to advance money

(albeit the small amount of \$150,000) in pre-production deals to acquire the completed pictures for distribution.¹¹ Shaye's decision to enter production was facilitated by access to a fresh source of production funds: Chemical Bank and a group of private investors supplied a \$5 million loan based on New Line's consistent track record.¹² Vowing to limit budgets to under \$2 million, Shaye maintained that his decision to enter production was also motivated by the growing availability of money from television, syndication, foreign territories and other subsidiary markets.¹³

Over the next decade, New Line continued to augment their distribution slate with pickups, often forming long-term alliances with production companies. For example, New Line signed an exclusive three-year deal with the British company Working Title Productions giving New Line all North American rights, excluding home video.¹⁴ Even more significant from a financial standpoint, New Line entered into a distribution partnership with Carolco Pictures, under which New Line agreed to release lower-budget Carolco features separate from their features for TriStar Pictures.¹⁵ During the decade, New Line also managed to translate the low-budget exploitation film *A Nightmare on Elm Street* (1985) into a wildly profitable six-part series by developing the iconic value of Freddy Krueger. Breaking from the expected decay from film to film in a series, *Nightmare III* (1987) grossed \$5 million more than *Nightmare II* (1985) and *Nightmare IV* (1988) grossed \$7 million more than *Nightmare III*. Revenue from the franchise was funnelled back into the company rather than into hasty and sizeable production and distribution expansion; as Shaye commented, 'We are a highly efficient operation with significantly low overhead. One *Elm Street* annually suffices to pay for it. We do not need to make pictures merely to support our distribution apparatus, so we can be selective in our judgments'.¹⁶

The *Nightmare* franchise was augmented by New Line's most successful film – the most successful independent film ever made – *Teenage Mutant Ninja Turtles*, grossing \$135 million in 1990. The film moved New Line from a loss position in 1989 to a \$5.3 million profit for the first half of 1990.¹⁷ Picking up the completed film, New Line's share of ticket sales amounted to only 15 per cent, yet this figure, added to the *Nightmare* franchise, transformed the company.¹⁸ Based on a comic book about crusading radioactive reptiles, the film possessed a wide level of awareness given the comic book and a host of assorted merchandised items: in 1989, a year prior to the film's release, over 100 companies licensed *Turtles* merchandise totalling approximately \$350 million. Immediately on release, New Line executives began referring to the Turtles as a franchise – *Turtles II* was released a year after the first film and *Turtles III* two years later. The lag on the third film did not lower the box office revenue. As New Line marketing and distribution president Mitchell Goldman described at the release date of *Turtles III*, 'There's no question that we knew the turtles weren't what they once were.

However, there's a second generation of children who are 3 or 4 years old and who love the turtles. We knew the videocassettes, TV show, and toys were still selling well.'¹⁹

New Line's franchises recall Paramount's adherence to 'tent pole' movies: in the mid-1980s, Paramount built their release schedule around commercial tent poles, like the *Indiana Jones*, *Star Trek* and *Beverly Hills Cop* movies, which could support less viable projects.²⁰ For New Line, the franchise permitted two developments: the creation of a home video division and a separate distribution arm, Fine Line Features, devoted to more specialized, hard-to-market films. While many New Line films had been distributed through RCA/Columbia Pictures Home Video, the benefits of retaining video rights were clear: control of another window of release and the advantage of further coordination of the theatrical-video release programme.

As early as 1983, New Line announced that they would split their product into mainstream and speciality items.²¹ Ira Deutchman, former marketing and distribution president of independent distributor Cinecom, was chosen to be the president of Fine Line Features, the specialized division of New Line launched in 1990. Distancing himself from the failed 'classics divisions' of the major studios, Deutchman highlighted the market appeal of the potential Fine Line films: 'We're looking for films that perhaps take a little more immediate special attention to launch them into the marketplace, a little more time to find their audiences, but they have more market, more crossover potential than classics-oriented films.'²² The move has allowed New Line to produce more commercial fare and to hire stars as insurance for their films. Most conspicuously, in 1994, New Line's product included two Jim Carrey vehicles, the comedy/special effects movie *The Mask* and another film for which they paid \$7 million for his talents, *Dumb and Dumber*. Ridiculed in the press at the time (Carrey had appeared in only one successful film, *Ace Ventura: Pet Detective* (1994), when the deal for *Dumb and Dumber* was signed), both films became blockbusters, with *The Mask* making \$119 million and *Dumb and Dumber* \$127 million domestically.²³ Fine Line Features enjoyed early success with the art house hit by Robert Altman, *The Player* (\$21.7 million) in 1992, but their track record since has been less auspicious: top grossers for each year include Altman's *Short Cuts* (\$6.1 million in 1993), the documentary *Hoop Dreams* (\$7.8 million in 1994), *The Incredibly True Adventure of Two Girls in Love* (a dismal \$2.2 million in 1995), and finally a breakthrough hit with *Shine* at the end of 1996 (\$36 million). Shaye vowed to concentrate on acquiring distribution rights for Fine Line Features, rather than being an active producer.²⁴ This decision was motivated by the lower revenue potential associated with specialized art house films. By separating product between the two arms, Shaye has been able to create a market identity for each company and to allocate advertising/distribution expenditures consistent with each film's potential pay-off.

Miramax Films and marketing media controversies

Miramax Films, run by Harvey and Bob Weinstein, also started by mining the college audience, through booking rock concerts and roadshow concert movies.²⁵ Their experience in film distribution began with acquiring distribution rights to films which, at the right pickup price, would enable them to reap at least a small profit. Consider Billie August's *Twist and Shout* (1986): with the North American rights acquired for \$50,000, Miramax was able to nurture the film to about \$1.5 million at the box office.²⁶ *I've Heard the Mermaids Singing* (1987), *Working Girls* (1987) and *Billy the Conqueror* (1988) were all successes for Miramax in the mid-1980s.

Miramax became more visible with the acquisition of Steven Soderbergh's *sex, lies and videotape*, which they advanced \$1.1 million for the North American theatrical rights alone. Appropriately enough the film was produced through pre-selling the video rights to RCA-Columbia Home Video. Winning the Audience Award at the Sundance Film Festival and the Palme d'Or at Cannes, *sex, lies* was sold by Miramax as a sexy and intense comedy about relationships: ad images displayed Peter Gallagher and Laura San Giacomo embracing, and James Spader and Andie MacDowell about to kiss. Highlighting the critical acclaim also, Miramax realized a gross of over \$26 million domestically. The film's success can be attributed to its topicality: many critics considered the film as primarily centred on the relationship between culture and technology in the age of 'safe sex'. With Graham (James Spader) videotaping interviews by women talking about their sex lives and his professed total reliance on masturbation as a sexual outlet, the film represents the intersection of the latest 'new technology' with sex, or rather with a form of sex that is completely safe. As Karen Jaehne astutely noted, 'Soderbergh wants Graham to explode the neo-conservative Eighties with video the way David Hemmings did the swinging Sixties with photography in *Blowup*.'²⁷ Soderbergh's technique was to start by exploring the limited sexual boundaries available in the 1980s, a move that was calculated to some extent by the director. When queried on the difficulty of the project in terms of funding, Soderbergh explains, 'Well, on the one hand, it may seem like a risk. On the other, remember that we've got four relatively young people drenched in sexuality in a film that can be made for \$1.2 million.'²⁸ Given the critical triumph, prizes and aggressive marketing by Miramax, the gross destroyed the previous benchmark for an art house hit. Independent marketing executive Dennis O'Connor, who has worked at Strand Releasing and Trimark Pictures, believes that the marketplace for independent or specialized film has changed drastically since the time of *sex, lies and videotape*. In terms of box office, whereas the mark of an independent success used to be a gross of about \$3 million, the figure currently is closer to \$10 million.²⁹ Perhaps because of his film's role in this phenomenon, Soderbergh now has mixed feelings:

The positive aspect is that it shows that 'art movies' can be a viable commercial product. They don't have to remain ghettoized as an art film. The bad thing is that it's established an unrealistic benchmark for other films. That's unfortunate. All you have to do is look at the Sundance Festival in the following years after *sex, lies* won, and you see films which may have been passed over since 'it's just not another *sex, lies*.' I actually think that my next two movies (*Kafka* and *King of the Hill*) will hold up better over time. I just feel that *sex, lies* is so much the beneficiary of being of that time that it's become so dated, like a Nehru jacket!³⁰

The experience with *sex, lies* has been replicated on many occasions by the company – more specifically, selling a product which lends itself to media-induced controversy. Repeatedly Miramax has maximized the publicity created by challenging the MPAA ratings system: Miramax films *Scandal* (1989), *The Cook, The Thief, His Wife and Her Lover* (1989), *Tie Me Up! Tie Me Down!* (1990) and *You So Crazy* (1994) all received X (or NC17) from the ratings board, with Miramax publicly announcing the injustice of the ratings system for independent companies compared to the majors.³¹ While in some cases, cuts were made to obtain the R rating, most often (*Cook, Tie Me Up!*) Miramax chose to release the film unrated. Despite this fact, Miramax waged often lengthy campaigns – all heavily reported in the media – against the 'arbitrary and capricious' ratings system which would assign an X to, for example, *Tie Me Up!*³²

This ratings battle also has occurred with Miramax's advertising, with the company receiving reprimands from the Classification and Rating Administration of the MPAA.³³ After releasing Peter Greenaway's *The Cook, The Thief, His Wife and Her Lover* unrated – yet foregrounding the letter X in the ad copy, 'X as in . . . ' – Miramax sought to advertise Greenaway's *Drowning By Numbers* (1987) through a silhouette of a naked man and woman embracing matched with a critic's quote stating, 'Enormously entertaining. No, no one gets eaten in this one.'³⁴ The MPAA believed that the combination was too suggestive for widespread advertising. Amid wide coverage in industry trades, Miramax surrendered the R rating for the film, rather than alter the advertising.

Enormous publicity was generated by the campaign for *The Crying Game* which, unlike the original British ad campaign, centred on a shot of supporting actress Miranda Richardson with a smoking gun. For its North American opening in November 1992, the tag line proclaimed 'Play it at your own risk. Sex. Murder. Betrayal. In Neil Jordan's new thriller nothing is what it seems to be.' By January, the ad line was replaced with the following: 'The movie everyone is talking about, but no one is giving away its secrets.' Miramax wanted to stay away from the film's political elements and instead position it as a thriller based around a core secret (the gender of the character Dil, played by Jaye Davidson, revealed

halfway through the film). This major secret was responsible for the film's cross-over success; due to the barrage of publicity and press coverage growing from the secret, an amazing \$62.5 million was grossed by this film which would seem to be firmly within the boundaries of the art cinema.³⁵ As *Variety* describes Miramax's marketing campaign, 'Miramax sold the film as an action-thriller with a big "secret". If it had been realistically pegged as a relationship film with gay connotations, it might never have broken beyond the major cities.'³⁶

As with *sex, lies and videotape*, *The Crying Game* benefited from engaging its audiences in current and timely issues – in this case, the national debate over homosexual rights, specifically the proposal to end the ban on gays serving in the military.³⁷ In many ways, the film's thriller plot line is secondary to the romance between Dil and Fergus (Stephen Rea) which addresses the blurry line between attraction and repulsion, not to mention constructed and essential differences across sexual, gender, class and national lines. As with the 'gays in the military' issue, the film confronts the fears of straight men being considered a sexual object by someone of the same gender. Less commented on during the release were the social politics inherent in such a position. While Jordan does feature an unlikely 'romantic' pairing of IRA member with a transvestite hairdresser, the film does nevertheless embody many clichés and stereotypes of gayness: the in-the-closet relationship, the continual drug-taking and nightclubbing, and the mental/psychological instability invoked by the character of Dil. Therefore, while the gimmick certainly placed and maintained the film in the domestic market, the cross-over popularity of the film must be considered in terms of its ideological stance. *The Crying Game* simultaneously allowed viewers to engage the subject of gayness while reinforcing 'traditional' and discriminatory views, all within the larger genre of the thriller.

The strategy of refocusing an advertising campaign also surfaced with Miramax's highest grossing film, *Pulp Fiction*. The campaign was designed to cross over as soon as possible from an art house audience to a wider action-thriller clientele. The trailer demonstrates this approach: the preview begins solemnly by announcing that the film has won the Palme d'Or at the Cannes Film Festival and that it has been one of the most critically acclaimed films of the year. Suddenly products appear through the screen, and a fast-paced barrage of shots from the film stressing the action, sexuality and memorable sound bites. Through the trailer, Miramax has been able to sell to the art house audience through the film's credentials, but, more significantly, an image was created of the film as being full of action, comedy and sex. This approach no doubt broadened the film's audience without alienating those drawn by the critical acclaim. This strategy can also be witnessed in *Pulp Fiction*'s one-sheet which defines the term 'pulp fiction' for those unfamiliar – a process clearly aimed at educating the masses who might have been alienated by an 'obscure' title.

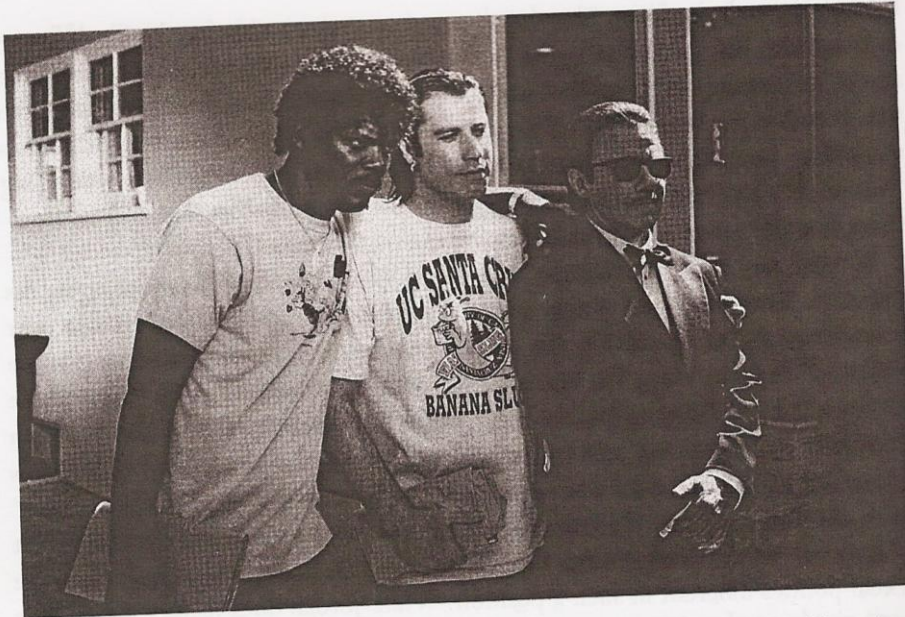


Figure 5.1 Samuel L. Jackson, John Travolta and Harvey Keitel in Quentin Tarantino's *Pulp Fiction* (1994). Courtesy of Buena Vista and the Kobal Collection

The impact of New Line and Miramax can be illustrated through the case of director Robert Altman.³⁸ Despite a strong critical reputation, a series of commercial failures in the late 1970s and the relatively disappointing box-office gross of the pre-sold, marketing-oriented *Popeye* in 1980, created a hostile climate for Altman within the major studios. Altman's only film for a major studio since *Popeye* was made in 1983 for MGM – *O.C. and Stiggs* – which was released in a handful of theatres four years later, and then directly to home video. Since his estrangement from the majors, Altman has been forced to work in other media (cable for *The Laundromat* (1985) and *Tanner '88* (1988), network television for *The Room* (1987), *The Dumb Waiter* (1987) and *The Caine Mutiny Court-Martial* (1988)) and for independent studios (Cinecom for *Come Back to the Five and Dime, Jimmy Dean, Jimmy Dean* (1982), United Artists Classics for *Streamers* (1983), Cannon for *Fool For Love* (1986), New World for *Beyond Therapy* (1987), Hemdale for *Vincent and Theo* (1990), Fine Line for *The Player* (1992) and *Short Cuts* (1993), Miramax for *Ready to Wear* (1994)).

Altman's return to media prominence relates directly to the efforts of New Line/Fine Line and Miramax in promoting and publicizing Altman's films. New Line chose to release *The Player* in 1992 through their art house distribution arm *Fine Line Features*, rather than directly through New Line Cinema. This choice indicates that the film, while probably among the most 'accessible' of Altman's career in terms of character and narrative, remained a challenge in terms of

placement within the marketplace. On release, Universal's Tom Pollock commented that the film's 'unbridled hostility' towards the studio system could have been turned into a 'brilliant marketing ploy had a "major" distributed it'.³⁹ I would argue that Fine Line's marketing strategy for *The Player* did indeed centre on Altman's alienation and independence from the studio system. Altman's 'iconoclastic' past and his return to form after a decade away from Hollywood centred many of the publicity opportunities developed by Fine Line.⁴⁰ While foregrounding Altman as auteur has been a consistent focus for selling his films, this effect with *The Player* was augmented by repositioning Altman as a famous director returned to form. This approach was repeated in 1993 with Fine Line's release of Altman's *Short Cuts*, with the advertising centred almost entirely on the match between Altman and the writings of Raymond Carver. The tag line describes, 'From two American masters comes a movie like no other.'

Miramax's selling of *Ready to Wear* expands this strategy even further. Miramax Films has thrived due to its marketing savvy, particularly the ability to apply 'exploitation' techniques to art house product. Their approach follows from several earlier Miramax campaigns. Miramax's ads for *Ready to Wear* ran without prior approval by the MPAA, creating a media frenzy over the scantily clad model Helena Christensen in the one-sheet. While the MPAA had banned the image from the film's advertising, the issue was extended even further when Columbia Records continued to utilize the shot in promotion for the soundtrack CD.⁴¹ Since the posters included the line 'See the Movie', the MPAA believed that the ads constituted movie promotion, and threatened to revoke the movie's R rating. Miramax hired high-profile attorney Alan Dershowitz to represent their case, with Dershowitz and Helena Christensen appearing at a press conference on 15 December, ten days before the film's premiere.⁴²

An ensemble comedy/satire of the fashion industry, with a narrative structure close to the crisscrossing of Altman's *Nashville* (1975), *A Wedding* (1978) and *H.E.A.L.T.H.* (1979), *Ready to Wear*'s release was propelled not only by the ad controversy, but also by a title change less than a month prior to release.⁴³ Miramax marketing vice-president Marcy Granata explained that the change from *Thin & Porter* to *Ready to Wear* was motivated by the feeling that Americans would find the original title 'difficult to pronounce and even harder to define'.⁴⁴ Altman concurred with the shift: 'Miramax is a company with incredible gut instincts about this kind of thing.'⁴⁵ These comments seem curious from the director whose biggest commercial success was *M*A*S*H*, a title which no doubt proved perplexing initially for many moviegoers in 1970. However, Altman realized the publicity opportunity presented by suddenly translating a title which had been covered in the press for over a year. The media controversy generated by the shift allowed the film to garner more press coverage as a means to compete in the competitive year-end release schedule.⁴⁶

Life under conglomeration

If Miramax and New Line represent the most ambitious and seasoned independents, their current claim to the label 'independent' is much more tenuous. In May 1993, Disney acquired Miramax, while the Turner Broadcasting Corporation merged with New Line. Paying close to \$60 million for Miramax, Disney acquired the Miramax film library (over 200 features) and the talents of the Weinsteins who signed contracts for a five-year period.⁴⁷ Disney agreed entirely to finance the development, production and marketing of Miramax's features. The benefits for the Weinsteins include better ancillary deals in markets such as home video and pay television. The brothers estimate that by aligning with Disney they will be able to extract in excess of \$750,000 to \$2 million per film. Bob Weinstein cites the example of two Miramax children's films – *Arabian Knight* (1993) and *Gordy* (1995) – which failed theatrically but were saved by aggressive selling at the video window by Disney: 'We were rescued by Disney in home video. Now, that's a clear case of synergy.'⁴⁸ Ted Turner acquired New Line Cinema, along with Castle Rock Entertainment, to provide fresh programming for Turner's television networks, TBS and TNT.⁴⁹ New Line/Fine Line was acquired for about \$600 million, while Castle Rock cost Turner \$100 million in cash and about \$300 million in assumed debt.⁵⁰

The intent for both Disney and Turner was to leave New Line and Miramax as separate from the allied companies. In this manner, both New Line and Miramax would be able to maintain some autonomy. This position is significant given the lessons learned from the 'classics' divisions of the major studios in the early 1980s. Established to distribute specialized product, the classics divisions, such as Triumph Films (Columbia) and Twentieth Century Fox International Classics, entrusted distribution for their films to the studios' domestic distribution arm.⁵¹ Focusing their energy on the mainstream (and more costly) films, domestic distribution bungled release after release from the classics divisions. New Line and Miramax have retained control of distribution and marketing for their releases. The most impressive difference given their new affiliation was a greater access to funds and more latitude in production decisions.

Indeed, these major independents, Miramax and New Line, have served to polarize the market for independent film. Miramax, in particular, has become even more aggressive in buying distribution rights to completed films, with their efforts increasing the price for product. As Ira Deutchman of Fine Line comments, '[The Disney era] Miramax has definitely affected the marketplace. People are buying films earlier and earlier, and paying more and more.'⁵² Marcus Hu of the independent company Strand Releasing repeats this observation: 'It's tough when you find a Miramax buying up stuff like *Clerks*. If *Crush* had come out this year, a bigger company would have snapped it up.'⁵³ Even executives at Miramax

admit that this syndrome is problematic: acquisitions vice-president Tony Safford comments, 'We think other people have overpaid. We are all having to make strategic decisions that may involve overpaying because of lack of product.'⁵⁴

Since the mergers in 1993, against professed intentions, corporate domination has somewhat constrained both Miramax and New Line despite their greater access to capital. With Miramax, the policy of marketing through media controversy has occasionally created friction with Disney. In 1995, this conflict was evidenced with the releases both of *Priest*, a British film directed by Antonia Bird about a conservative gay priest fighting inner and outer battles to gain peace, and *kids*, Larry Clark's exposé of debauched youth in New York. In a move that was described by William A. Donohue, president of the Catholic League, as placing 'salt on the wounds of believers', Miramax scheduled the release of *Priest* for Good Friday. Miramax, expressing surprise at the vehemence with which the film was being protested, shifted the release date amid a great deal of publicity. A representative headline over the incident read, 'Protest Delays Wide Release of Priest; Miramax Bows to Catholic Group and Reschedules Controversial Film's General Distribution Till After Easter'.⁵⁵ Advertising maximized the controversy: the title carried the letter 't' in the shape of the cross, while the ad line referenced both the gay priest's secret and the secondary tale of incest which the priest must expose: 'In the world of rituals, in a place of secrets, a man must choose between keeping the faith and exposing the truth.' Given Miramax's affiliation with Disney, the effects persisted though: several stockholders, including the Knights of Columbus and Senator Bob Dole's wife Elizabeth Dole, sold stock in Disney soon after the *Priest* scandal. The Knights of Columbus, selling \$3 million of Disney stock, cited the company's ties to Miramax and *Priest*, while a Dole spokesman commented, 'Mrs. Dole was surprised to learn that Disney owned Miramax and Hollywood Records and has decided to sell her stock.'⁵⁶

kids was able to maintain an almost consistent flow of publicity and promotion from its appearance at the Sundance Film Festival in January 1995 through its release in July. Ostensibly a cautionary tale, *kids* follows a day in the life of 17-year-old Telly, a 'virgin surgeon' whose mission in life is to seduce virgins. One of his earlier conquests, Jennie, discovers that she is HIV-positive and, while Telly is pursuing more girls, Jennie tries to find Telly to tell him the news. Playing into the media's most florid depiction of forgotten urban youth, the film's *cinéma vérité* style furthered the critics' and reviewers' beliefs that Clark was depicting only a thinly veiled reality: as *New York* magazine titled their cover story on the film, 'What's the Matter with *kids* Today?'⁵⁷ *kids* received an NC17 rating (for 'explicit sex, language, drug use, and violence involving children') from the Motion Picture Association of America. Contractually Miramax, as a subsidiary of Disney, cannot release NC17 films. Thus the Weinsteins were forced to form another company, Shining Excalibur Pictures, just to release *kids*. Although some industry

analysts viewed this move as an attempt by the Weinsteins to distance themselves from Disney, the brothers denied any such intention.⁵⁸

Whereas Miramax has been able to continue its strategy of marketing through controversy, albeit with occasional institutional difficulties, New Line's fate under the Turner regime has been more precarious. The long-term differences in their life under conglomeration can be appreciated by contrasting two releases from 1996, Miramax's *Trainspotting* and Fine Line's *Crash*. *Trainspotting*, a mixture of hyperbolic music video visuals with a downbeat tale of heroin addiction among a set of friends in Scotland, became the second most popular British feature in UK box-office history and was adopted by Miramax for North American release. The Weinsteins partly dubbed the film to make the Scottish accents more comprehensible and sold it more along the lines of disillusioned youth than on heroin addiction. The trailer shifted the narrative trajectory to the heist of the last third of the film, limiting mention of drugs to an absolute minimum, while the print ad positioned the film in terms of lifestyle choices for the young ('Choose life. Choose a job. . . ' through to 'Choose rotting away at the end of it all'). While the film's advertising diminished the role played by heroin in the narrative, a secondary level of publicity detailed the 'heroin chic' culture of emaciated and drugged fashion models and the rise of heroin use among the young. The result was a solid gross of \$16.5 million, not a cross-over hit, but certainly a respectable art house box-office figure.

David Cronenberg's *Crash* describes a subculture of people sexually aroused by car accidents, following a young couple's descent into this world after their own crash. Admittedly, the subject matter strictly limited the film to art house exhibition, but New Line's owner Ted Turner reportedly delayed the release of the film after finding it distasteful: the release date was moved from October 1996 to March 1997, putting *Crash*'s American release after many other territories, including Canada and France. Turner's intervention in his subsidiary companies over 'difficult' projects had already impacted Anjelica Huston's television film *Bastard Out of Carolina*, depicting the rape of a 12-year-old by her stepfather. Huston's film was dropped from Turner's TNT cable network after Turner called the film 'extraordinarily graphic' and 'inhuman'.⁵⁹ Apart from shying away from controversy, the merger of Time Warner with Turner Broadcasting in 1996 further complicated New Line's position through making New Line directly compete with Warner Bros. for feature films. By mid-1996, industry trade papers reported that New Line was for sale by Time Warner as a result of this conflict of interest.⁶⁰ Around the same time, the Weinsteins extended their deal with Disney for another seven years.⁶¹

While historically New Line and Miramax were able to develop strategies – franchises and aggressive marketing/publicity – to maintain a consistent market presence, their merger with the larger companies has created a curious hybrid, the

'major independent'. The major independents have fragmented the marketplace for independent film further and further – through producing films parallel to the majors and through stressing art house acquisitions which have the potential to cross over to a wider market. While New Line and Miramax have gained financial backing through their affiliations, the remaining unaffiliated companies have experienced greater difficulty in acquiring product at a reasonable price. The net effect is a contraction in the market for independent film, bolstering the status of the majors and major independents, and creating an increasingly competitive market for those smaller companies. This movement towards the major independent as a market force constitutes a key shift in the industrial parameters of independent film, studio moviemaking and the New Hollywood. These two companies, seemingly on the margins of Hollywood, actually illustrate a number of the ways through which the New Hollywood has been refigured in industrial, aesthetic and institutional terms.

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Notes

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