

Will Santa Claus Come to Hollywood?

After a Year of Ho-Ho-Hum Box Office, the Movies Hope for a Happy Ending

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It's starting to look a bit like Christmas for the movie industry, and not a moment too soon.

If 1991 were a film, it would be a real year-erker for Hollywood. This year is likely to be the first since 1977 in which fewer than 1 billion tickets were sold. The industry trade paper Daily Variety estimates that ticket sales will be down about 10 percent this year, the second straight year of decline, putting the lie to the notion that moviegoing is the happy exception to recession.

There's still time for, if not a happy ending, at least a hopeful note, however. The flood of year-end pictures has encouraged some optimism among theater owners and studio executives. The period from Christmas Day to the weekend following New Year's Day is typically one of the busiest of the year, as would-be patrons quit shopping and start relaxing.

"It's a decent Christmas. I don't think we really have to be embarrassed about it," said Peter Dekom, a prominent enter-

tainment industry lawyer in Los Angeles. "But I don't think that reflects the overall state of the movie business."

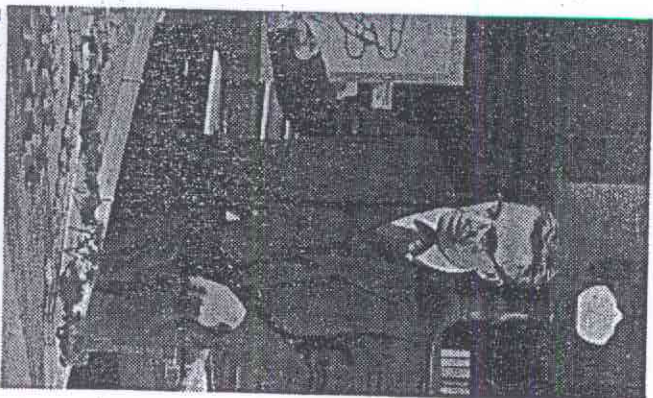
The year-end period has produced some solid performers—Paramount's "Addams Family," which has taken in \$78.1 million after 31 days, and Disney's animated "Beauty and the Beast," with a take of \$45.7 million after six weeks, according to Baseline II, an entertainment research firm.

In addition, "Star Trek VI" has collected \$37.9 million with the most successful opening of the "Star Trek" series.

But there are no breakaway hits this season. The month's two most heavily hyped movies, Steven Spielberg's Peter Pan update "Hook" and Oliver Stone's Kennedy-assassination movie "JFK," are experiencing so-so results.

While "Hook" may still have "legs"—it has pulled in \$30.2 million to lead all pictures in its first two weeks of release—it seems unlikely to be the blockbuster some expected.

"The industry has talked about 'Hook' as a savior," said Ed Russell, a spokesman. See HOLLYWOOD, E2, Col. 1



Kevin Costner in Oliver Stone's "JFK."

Searching For Profits

HOLLYWOOD, From E1

for TriStar Pictures, the Sony Corp.-owned studio that released the film, which reportedly cost \$80 million. "That hype was generated outside the studio."

Russell insists that TriStar is pleased with "Hook's" showing and that the movie will top \$100 million in sales by early January. But even at that level, "Hook" may not show a profit because of its extravagant cost and the hefty percentage of the profits that have been guaranteed to Spielberg and stars Dustin Hoffman, Robin Williams and Julia Roberts.

"JFK" has received enormous attention in the media, with cover stories in Newsweek and Esquire, a "Nightline" segment on ABC and a multipart series on NBC's "Today" show, as well as articles in The Washington Post, New York Times and other papers.

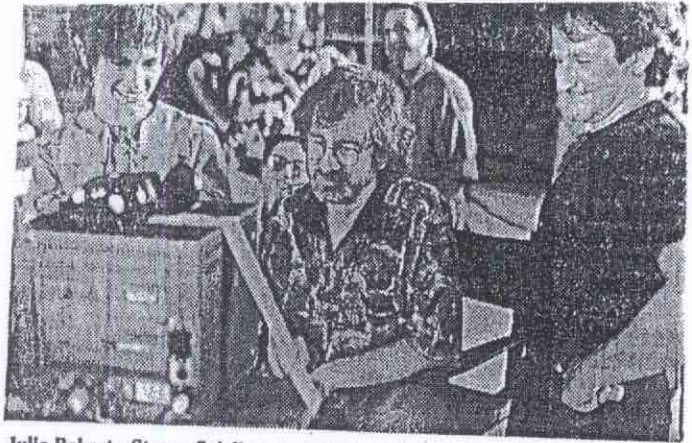
There's only one problem: The media are paying more attention than moviegoers. The controversial tale about an alleged conspiracy to murder President Kennedy opened last week to \$5.01 million in business, a figure several people called disappointing given that controversy normally draws the curious to a film's opening.

Warner Bros.' spokesman Rob Friedman called "JFK's" performance "excellent." But one industry analyst said, "I'm surprised it even did that much [business]. Who really wants to see it? The dating crowd doesn't, the women don't. Younger people don't, unless they're political activists."

Another source said the film's length, at just over three hours, was excessive. Theater owners, he said, were annoyed that they could not schedule an extra showing each day.

Even if the holiday season exceeds expectations, it's not likely to relieve the sense of wooziness in the movie business. Earlier this month, debt-laden Orion Pictures Corp., the studio that released "Dances with Wolves" and "Silence of the Lambs," filed for Chapter 11 bankruptcy court protection.

Another "mini-major," Carolco Pictures (best known for "Total Recall" and the Rambo movies), has laid off 25 percent of its staff, while MGM-Pathe Communications Co.—the remnants of two of Hollywood's golden-age giants—is virtually dormant. Most of the other big studios are undertaking belt-tightening measures.



Julia Roberts, Steven Spielberg and Robin Williams on the set of "Hook."

requested anonymity. He suggested that studios will need to cut costs more aggressively. "The question is, can Hollywood change quickly enough? I think it can."

Theories on what has gone wrong abound. The marketplace is now crowded with a wealth of alternatives, such as cable television and videocassette recorders. Theater owners acknowledge that their business has become overbuilt, with the number of screens nationwide up more than 60 percent in the past 15 years, meaning slimmer slices of the pie for all. Meanwhile, ticket prices have risen steadily, reaching \$6.50 in the Washington area, making an excursion to the movies a more expensive proposition in the middle of a recession.

"I'm 47 years old and this is the first time I've seen almost a true depression," said Ron Goldman, chief executive of KB Theaters, the largest independent chain in the Washington area. "In times of recession, movie

theaters have always done well because they provide inexpensive, escapist entertainment. But we've had triple whammy this time" because a recession, ticket price increases and competition from within and without.

Goldman and others say the answer to Hollywood's problem is self-evident: make pictures people want to see.

"To my way of thinking, what impacts moviegoing most is momentum," said Jack Holland, marketing vice president at American Multi-Cinema Inc., a Kansas City, Mo.-based chain that operates 77 screens in the Washington area and 1,625 in the United States. "Once people see the trailers, word of mouth gets going and things begin to feed on themselves. We've had six months where there hasn't been that much good product. We have some good product this holiday season and if people respond we can stop the bleeding."