

UCLA

UCLA Electronic Theses and Dissertations

Title

The Patriotic Play: Roosevelt, Antitrust, and the War Activities Committee of the Motion Picture Industry

Permalink

<https://escholarship.org/uc/item/9fk5691d>

Author

Samuelson, Mary Gelsey

Publication Date

2014

Peer reviewed|Thesis/dissertation

UNIVERSITY OF CALIFORNIA

Los Angeles

The Patriotic Play: Roosevelt, Antitrust, and the
War Activities Committee of the Motion Picture Industry

A dissertation submitted in partial satisfaction of the
requirements for the degree Doctor of Philosophy
in Film and Television

by

Mary Gelsey Samuelson

2014

© Copyright by

Mary Gelsey Samuelson

2014

ABSTRACT OF THE DISSERTATION

The Patriotic Play: Roosevelt, Antitrust, and the
War Activities Committee of the Motion Picture Industry

by

Mary Gelsey Samuelson

Doctor of Philosophy in Film and Television

University of California, Los Angeles, 2014

Professor Janet Bergstrom, Chair

This dissertation examines the role antitrust law played in the collaboration between the motion picture industry and the U.S. government during Franklin D. Roosevelt's presidency. It is largely an industrial analysis that incorporates legal, political, and social histories in its attempt to investigate the impact of antitrust law on the industry during the Great Depression and World War II. Antitrust law in the U.S. was relatively new when the first round of lawsuits were filed against the Hollywood studios in the 1910s, and it played a key role in the development of the business and economic structure of the industry. This study offers a basis for a more complete understanding of how antitrust shaped the motion picture industry by addressing three areas of historical specificity: first, government-industry relations during the Great Depression; second, antitrust law and its on the structure and behavior of the motion picture industry throughout the decade; and, finally, the reasons behind (1) the Department of Justice issuing a consent decree in

the middle of the *United States v. Paramount*; (2) the subsequent creation of the Motion Picture Committee Cooperating for National Defense (later renamed the War Activities Committee—Motion Picture Industry); and (3) Hollywood’s substantial efforts to aid the government in its national defense work for the duration of the war. Ultimately, this dissertation argues that the motion picture industry’s close relationship with the Roosevelt administration played a key role in its ability to stave off the commencement of government actions against them until the postwar period.

The dissertation of Mary Gelsey Samuelson is approved.

John Caldwell

Richard B. Jewell

Stephen Mamber

Janet Bergstrom, Committee Chair

University of California, Los Angeles

2014

For my parents,
and for AW—Thank you

TABLE OF CONTENTS

Acknowledgements.....	viii
Vita.....	xi
Introduction.....	1
Chapter 1: Battling the Depression: Roosevelt and the Media (1933–1940)	16
Positioning the Media: Stephen Early and the Press	19
Early Exploitation of the Media: Newspapers	25
Early Exploitation of the Media: Radio	31
Early Exploitation of the Media: Newsreels (1933–1939)	42
Roosevelt and the Motion Picture Industry—The Implications of Film Regulation.....	51
The Roosevelt’s and the Motion Picture Industry—A Family Affair	64
Soft-Selling the New Deal: Examining Roosevelt’s Politics on Film	77
The Road to Government Filmmaking	92
Pare Lorentz: Roosevelt’s Filmmaker	103
Chapter 2: The Shape of Things to Come: Early Interactions with Antitrust Law and the Development of the Hollywood Studio System Pre- <i>Paramount</i> (1915–1935)	132
Developing the Business Pattern: Early Antitrust Litigation in the Motion Picture Industry	140
Innovations and Corporate Organization	150
Crystallizing the Pattern: Block Booking, Vertical Integration, and the Rise of the Studio System	159
Antitrust and the Federal Trade Commission: The Famous Players-Lasky Case	173
Cooperation and Self-Regulation: The National Recovery Administration’s (NRA) Fair Code of Competition and the Hays Office	185
Underwriting Monopoly: The NRA and the Motion Picture Producers and Distributors of America, Inc. (MPPDA)’s Implementation of Uniform Trade Practices in the 1930s	200
Chapter 3: Battling It Out in the Courts: Historicizing the <i>Paramount</i> Case and the Collective Cooperation of the Motion Picture Committee Cooperating for National Defense (1938– 1941)	211
Pre- <i>Paramount</i> Private Antitrust Actions (1934–1939)	215
Actions Involving Conspiracy	216
Criminal Conspiracy Action: <i>United States v. Warner Bros. Pictures, Inc.</i>	218
Actions Involving Protection: Clearances and Zoning	221

Actions Involving Protection: Admission Price Fixing	226
Actions Involving Block Booking: The Neely-Pettengill Bill.....	232
Strange Bedfellows: The Not-So-Secret Pre- <i>Paramount</i> Meetings	239
“Nothing Short of Divestiture is Acceptable at this Point”—The Department of Justice and the Filing of the <i>Paramount</i> Case (1938).....	246
In Limbo: Preparing for Trial (1939–1940).....	252
The Five-Day <i>Paramount</i> Trial	268
The Patriotic Play: The Formation of the Motion Picture Committee Cooperating for National Defense and the <i>Paramount</i> Consent Decree.....	272
Chapter 4: The Collaboration: The Domestic Motion Picture Work of the War Activities Committee—Motion Picture Industry, 1941–1945	285
Industry and War Activities: “...For the Duration...yes, and Beyond”	288
A Bi-Coastal Organization: The National Divisions of the War Activities Committee..	304
Theatres Division	306
Distributors Division.....	314
Hollywood Division.....	349
Newsreel Division.....	357
Trade Press Division.....	361
Foreign Managers Division.....	362
Public Relations Division	363
The Official Government-Hollywood Liaison: The War Activities Committee and the Office of War Information’s Bureau of Motion Pictures.....	364
Miscues and Misfires: The Perils of Voluntary Collaboration	371
Conclusion	389
Bibliography	393

Acknowledgements

Several people offered me guidance and support during the writing of this dissertation. First and foremost, I'd like to thank my dissertation chair, Janet Bergstrom, for her immeasurable insight, candor, and guidance. I cannot thank her enough for her support, encouragement, and commitment to seeing me through this project. Janet never let me lose sight of my goal, and has been a wonderful advisor and friend. Without her, this dissertation would not have been possible.

I also want to give special thanks to my committee members, Steve Mamber, John Caldwell, and Rick Jewell, for their constant support and mentorship. Steve's invaluable advice and feedback has made this a stronger piece of historical scholarship. I am forever grateful for the long talks and matter-of-fact guidance he gave me throughout the writing of this dissertation. Much of the early writing of this project came out of papers I wrote in John's seminars. His productive and extensive comments helped me think about the interdisciplinary focus of my work. Without a doubt, my scholarly pursuits in cinema and media studies owe a great deal to Rick. My interest in 1930s and 1940s American film took shape during the many courses I had with him as an undergraduate at USC. I am grateful for his friendship, as well as his unwavering support and encouragement over the past fifteen years. It has been both a privilege and a treat to have Rick sit on my committee and see me through this dissertation.

In addition to my committee members, I also want to thank the rest of UCLA's Cinema and Media Studies faculty—Nick Browne, Allyson Field, Kathleen McHugh, Chon Noriega, and Steve Ricci—for believing in this project and helping me find the funding for my research endeavors back east. Jan-Christopher Horak has been a fierce cheerleader from the moment I arrived at UCLA, and has been a source of guidance and encouragement ever since. This dissertation was first developed in a research design seminar taught by the effervescent Teshome

Gabriel. He is greatly missed. I would also like to thank Jonathan Kuntz and Maria Elena de las Carreras for their friendship and role in my professional development as a classroom teacher. A very special thanks to my Writing Programs mentor and friend, Sonia Maasik, for her constant encouragement over the years. My teaching and writing owe much to Sonia and the wonderful people who work for Writing Programs.

I am indebted to several librarians and archivists who aided my research over the years. Thanks to Barbara Hall, Jenny Romero, and the knowledgeable library staff at the Margaret Herrick Library. Thanks also to Lauren Buisson and Julie Graham at UCLA's Performing Arts Special Collections. Robert Clark and the rest of the archival staff at the Franklin D. Roosevelt Presidential Library in Hyde Park, New York were invaluable resources during my research. I am grateful for their assistance and generosity.

I must also thank my PhD cohort—Rowena Aquino, John Bridge, Erin Hill, Brian Hu, Jason Skonieczny, Daniel Steinhart and Andy Woods—for challenging me intellectually. I can't think of a better group of people to have shared this experience with. Thanks to all of the wonderful friends who provided support throughout the years: Laurel Westrup, Rob Cavanagh, Ross Melnick, Emily Carman, Jen Porst, Maya Smukler, Jen Moorman, Lauren and Chris Kobe, and the men of the John Ford Yacht Club—Phil Wagner, Alex Kupfer, and Andy Woods. I am forever grateful to the Woods family—Nanci, Eric, Doug, Jessica, Reed, Katie, and Owen—whose kindness and support helped me immeasurably during the final stages of this project.

This dissertation would not have been possible without my family. My wonderful big sister, Amy, and the entire Tafoya clan—Bob, Zack, Brett, and Claire; my good-natured older brother, Andrew, and his family—Jen, Henry, Jack, Charlie, and Grace; my fabulous little brother Joe and his wife, Elisha; my Aunt Kathy, Dave, Ray; and Bob K. all provided

unconditional support, love, and good cheer as I wrote this dissertation. I am so lucky to have all of you in my life!

I am incredibly fortunate to be the product of two amazing individuals who have been supportive of my efforts from the very beginning. My mother's tremendous work ethic, generosity, and unqualified love and support has had a profound impact on me over the years. Our research trip to Hyde Park will always be one of my favorite memories. I am equally indebted to my father, a professor himself, who fostered my love of film and history at a young age. His intellectual curiosity was inspiring, and his sage advice is sorely missed. He would have been very proud of this dissertation.

Finally, I must thank Andy for his encouragement, tough love, patience and steadfast support. His confidence in my work lifted my spirits countless times during my final writing push and I hope the finished product does not disappoint. He is my best friend, and I could not have done this without him. I am eternally grateful to have him on my team.

VITA

2003
B.A. Critical Film Studies
B.A. English Literature
University of Southern California
Los Angeles, CA

2006
M.A. Cinema and Media Studies
Department of Film, TV and Digital Media
University of California, Los Angeles

2006-2011
Teaching Fellow/Associate/Assistant
Department of Film, TV and Digital Media
University of California, Los Angeles

2008-2010
Plitt Southern Theaters Employees Trust Fellowship
University of California, Los Angeles

2009-2010
Research/Archival Assistant: Center for Primary Research
Training Plus, Performing Arts Special Collections
University of California, Los Angeles

2009-2014
Teaching Fellow
Writing Programs
University of California, Los Angeles

2010
Gil Cates Fellowship
University of California, Los Angeles

2010-2012
Kemp Niver Fellowship for Film History
University of California, Los Angeles

2011-2013
Teaching Assistant Consultant
Writing Programs
University of California, Los Angeles

2011-2014
Lecturer
Cinema and Television Department
Los Angeles City College, Los Angeles

SELECTED PRESENTATIONS

Samuelson, Mary. March 2014. "Radical Moment: The National Recovery Administration and Hollywood's 'New Deal.'" Paper presented at the Society for Cinema and Media Studies Conference, Seattle.

———. March 2013. "Preparing for Battle: The Consent Decree and Hollywood's War Effort." Paper presented at the Society for Cinema and Media Studies Conference, Chicago.

Introduction

“People who know how such things are done in the political world deduce that Gen. Hays and the big-shots promised to ‘do their part’—which means pro-administration attitudes and cash—if the New Dealers would cease harassing them with inspectors, agents, lawyers, and accountants. The industry breast-beaters naturally condemn the thought as irreverent and contumacious but *they cannot hide the fundamental fact that the White House visit occurred while a bill of complaint was on the Attorney-General’s desk and before the Justice Department had decided between a civil and a criminal proceeding.*”

—Warren B. Francis, *Los Angeles Times*, July 24, 1938¹

“Understanding is that the Roosevelt administration, now bending every effort toward its national defense program in which the full resources of all American industries, including films is necessary, insisted on satisfactory wind up of the suit before the trial got too far under way to permit a settlement.”

—*Daily Variety*, June 8, 1940²

My dissertation examines the role antitrust law played in the collaboration between the Roosevelt administration and the motion picture industry between 1933 and 1945. Coinciding with the introduction of the Sherman Antitrust Act in 1890, the development and formation of the motion picture industry at the turn of the century was the direct result of early antitrust actions that began in the teens and culminated with the filing of *United States v. Paramount, Inc.* in 1938. These antitrust suits shaped the business and economic structure of the studios and played an integral part in defining the relationship between government and industry during World War II.

When Franklin Delano Roosevelt was elected to office in 1932, the studios were engaged in a number of disparate battles that impacted their day-to-day business operations. Like other service industries during the Great Depression, the motion picture industry was operating at significant losses. Box office receipts had plummeted and the massive theater holdings of the five vertically integrated studios—Paramount, Fox, Loew’s/MGM, Warner Bros., and RKO—had started to depreciate rapidly. While their financial woes were indeed alarming, so too were

¹ Warren B. Francis, “‘Political Trade’ Indicated in Federal Anti-Trust Film Suit,” *Los Angeles Times*, July 24, 1938, A5. Italics my own.

² “Agreement on Consent Decree,” *Daily Variety*, June 8, 1940, 1, 3.

the number of antitrust lawsuits filed by independent exhibitors against the majors during this period. These actions centered on various anticompetitive business practices involving protection measures that violated the Sherman Act, including clearances, runs, and admission price fixing.³ While the majority of these lawsuits would be settled out of court during the decade, they were nevertheless taxing on the studios. In addition to their on-going legal struggles, the industry found itself embroiled in yet another public relations crisis over motion picture content. Calling for government regulation, reform groups and the Catholic Church publically threatened to boycott motion picture theaters if studios continued to ignore their own corporate statement of policy (the Production Code). With a country in economic turmoil and the industry under fire, Roosevelt and motion picture leaders took their initial steps in cementing government-industry relations for the next twelve and a half years.

This study is an attempt to situate historically how the antitrust actions against the major motion picture studios during the 1930s led to the unprecedented collaboration between the Roosevelt administration and the industry during World War II. My task is to demonstrate how the government and motion picture industry got to this point after years of battling it out behind closed doors. In the following pages, I will offer a basis for a more complete understanding of how antitrust shaped the motion picture industry by examining three areas of historical specificity: first, a general historical overview of government-industry relations during the Great Depression; second, a closer look at antitrust law and its impact on the structure and behavior of the motion picture industry throughout the decade; and, finally, a thorough examination of the reasons behind the Department of Justice issuing the consent decree in the middle of the

³ The run of a film refers to its successive showing in a metropolitan area; a clearance is the period of time (usually stipulated in a licensing agreement) that must elapse between runs of the same film in a specific area.

Paramount trial; the subsequent creation of the Motion Picture Committee Cooperating for National Defense (later renamed the War Activities Committee—Motion Picture Industry); and Hollywood’s impressive efforts to aid the government in its national defense work for the duration of the war.

The quotes I selected to open this dissertation are at the core of my argument in the pages that follow. Before the *Paramount* antitrust case was filed by the Department of Justice in Federal District Court in New York against the eight major motion picture studios on July 20, 1938, it was widely anticipated that criminal charges would be brought against them.⁴ In a fit of rage, *Los Angeles Times* reporter Warren B. Francis insinuated that during a “secret” visit to the White House a few weeks prior to filing the suit, the delegation of executives that met with Roosevelt, including Motion Picture Producers and Distributors of America (MPPDA) president Will Hays, must have made a quid pro quo agreement with the government. Francis’s reporting was not far off from what happened during that meeting.

While there was no question that the Department of Justice lawsuit would be filed against the industry, Hays and the moguls did not want the stigma of criminal charges. During their meeting with Roosevelt at the White House, the primary goal was to carve out a plan that demonstrated the industry’s willingness to develop an equitable forum for the majors and the independents to discuss trade issues that would delay filing the suit.⁵ The following morning, June 29, 1938, *Film Daily* ran a story announcing that the industry was in the early stages of

⁴ *United States v. Paramount, Inc.* was filed against the “Big 5” vertically integrated studios and the “Little 3” studios. Paramount, Loews/MGM, 20th Century-Fox, Warner Bros., and RKO were the five vertically integrated studios; Universal and Columbia were producer-distributors; and United Artists was a distribution only company. The “Big 5” studios owned theaters; the “Little 3” did not. Chapter Three will discuss the 1938 filing of the lawsuit.

⁵ Memorandum, June 29, 1938, Will Hays Papers, Box 53—0156, Microfilm—Series, Reel 21, Charles Young Research Library, University of California, Los Angeles.

“developing a program for the solution of ‘such trade problems in the industry as are still matters of contention.’”⁶ The program, when completed, would be the basis of renewed co-operative efforts “with representatives both of all organized and individual exhibitor interests throughout the country for new steps in the self-regulation required for the further progress of the industry.”⁷ While the establishment of the committee was not the antidote for delaying the filing Hays had hoped for, it signaled an act of good faith by the producers and was enough for the charges to be reduced, much to the dismay of the independent exhibitors and their supporters.

During the first five years Roosevelt was in office, the vertically integrated studios maintained their monopolized control over the motion picture industry because of the very policies Roosevelt enacted. One of first New Deal measures put into action, the National Industrial Recovery Act (NIRA), was created in 1933 to meet the needs of the crippling economy. The principal objective of the bill was “the widespread and permanent re-employment of workers at wages sufficient to secure comfort and a decent living.”⁸ Industrial and trade groups were called upon to draft industry-wide “Codes of Fair Competition” that limited competition, fixed prices and wages, and established labor quotas. As an amusement trade, the motion picture industry submitted its Code of Fair Competition for the president’s approval without giving the independent exhibitors and producers any voice during the drafting and revision process. Because the Code (at least in theory) was designed for all workers in a given industry to make a livable wage, it was inconceivable that Roosevelt would approve a final draft that did not include provisions that condemned all unfair methods of competition that impaired

⁶ Chester B. Bahn, “Majors Act to End Trade Problems,” *Film Daily*, June 29, 1938, 1, 10.

⁷ Ibid.

⁸ Charles Dearing et al., *The ABC of the NRA* (Washington: The Brookings Institution, 1934), 13.

the ability of a theater owner to earn a decent living. By allowing the anticompetitive practices to continue (i.e. block booking, blind selling, zoning, clearances, admission price fixing), the U.S. government was effectively underwriting monopoly in spite of the fact that the NIRA was created to *eliminate* unfair competitive practices the majors engaged in to conduct their business. Unfortunately for the independents, the governmental sanctioning of the above stated business practices during the brief period the NIRA was the law of the land for eighteen months and encouraged the 31 local film boards of trade to continue the pattern of organized control long after the NIRA was held unconstitutional in 1935.⁹

There is no question that *United States v. Paramount, Inc.* is the single most important lawsuit in motion picture history from a legal standpoint. In addition to the eight major studios, 25 affiliates and subsidiaries, and 132 individual industry executives were named in the suit, making it one of the largest antitrust cases filed by the U.S. government against an industry in history.¹⁰ First filed in July 1938, and temporarily resolved in November 1940 through a consent decree, the decision that ultimately forced the majors to divest their theaters was not reached until 1948. There has been a great deal of literature produced by both film and legal scholars on the *Paramount* case.¹¹ However, little attention by film historians has been given heretofore to the hundreds of antitrust actions that led to the filing of the *Paramount* case in 1938. In this dissertation, I examine ten private and federal antitrust actions filed between 1927 and 1937 that

⁹ The eight major producers-distributors established thirty-one local film boards of trade in key cities across the U.S. These boards were created to settle disputes between exhibitors and the producers-distributors.

¹⁰ Warren B. Francis, "Film Anti-Trust Suit Launched," *Los Angeles Times*, July 21, 1938, 1, 4.

¹¹ Michael Conant, *Antitrust in the Motion Picture Industry* (New York: Arno Press, 1978); Giuliana Muscio, *Hollywood's New Deal* (Philadelphia: Temple University Press, 1996); Richard W. Steele, *Propaganda in An Open Society: The Roosevelt Administration and the Media, 1933-1941* (Connecticut: Greenwood Press, 1985); U.S. Temporary National Economic Committee, Monograph No. 43, *The Motion Picture Industry—A Pattern of Control* (Washington: Government Printing Office, 1941).

are almost never discussed in film history literature. Each of these cases involves specific anticompetitive business practices used to restrain trade including conspiracy, actions involving protection (clearances and zoning; admission price fixing) and block booking. My aim is to provide a better understanding of (1) the charges brought against the eight major studios in the *Paramount* case from a historical perspective; and (2) the enormous challenges independent exhibitors and the organizations that represented them faced during this period of organized monopolistic control.

As the industry awaited trial, talks between industry leaders and the independents were at a standstill because the major distributors' proposals continued to "fall short of curing the industry evils of which Allied [States Association of Motion Picture Exhibitors] and independent exhibitors have complained for years."¹² Not surprisingly, the issue of block booking remained hotly contested between the opposing parties. In 1939, the Department of Commerce was asked by the White House to conduct an investigation into the business practices of the motion picture industry and draft a potential consent decree plan that might satisfy both parties. However, with Europe now at war, and the lucrative foreign markets at stake, Hays was rightly concerned about the recommendations the Department of Commerce would make and, more importantly, what the next step would be—especially if Assistant Attorney General Arnold "still projects himself into the Commerce Department's own study before they make their own recommendations, which will be based on proper business and practical necessities and not solely on legalistic theories."¹³

Hays once again approached Roosevelt for advice on the matter. Much to his surprise, the president refused to get involved but reminded Hays that the findings in the Department of

¹² Al Steen, "Allied to Continue Trade Reform Negotiations," *Film Daily*, January 18, 1939, 1, 3.

¹³ *Ibid.*

Commerce's investigation could potentially lead to an "economically desirable" solution for the studios and might be one that would satisfy all parties in a potential settlement of the upcoming equity suit.¹⁴ However, any interference in a federal antitrust case right before trial would have been highly unusual for a sitting president even if Roosevelt had not been preoccupied with foreign affairs. After the initial filing of *Paramount* in 1938, the White House did not publically comment on the case or the pre-trial proceedings. Roosevelt's matter-of-fact response to Hays made it clear that the Department of Justice's suit against the motion picture industry would go trial as scheduled.

When the *Paramount* case commenced on June 3, 1940, no one would have predicted that the proceedings would be halted after five days of testimony. But on the second day of the trial something interesting happened that would change the course of government-industry relations for the next five years. Hays sent out a press release to industry trades announcing the formation of the Motion Picture Committee Cooperating for National Defense (MPCCND), a group committed to distributing and exhibiting short films made by the government to aid in the war effort abroad. The timing of the industry's pledge to aid the government raised some eyebrows. *Variety* reported: "Entire resources of the film industry have been placed at the disposal of the U.S. Government in national defense plans. Organization to this purpose is moving rapidly. Names of personnel who have volunteered their time and services are being withheld. Following a conference in Hollywood more than a week ago which was attended by 30 studio executives, a second meeting was held in New York last Wednesday ([June] 5), in order to coordinate all efforts...The important nature of the aid which the industry volunteers, and the

¹⁴ Letter from Franklin D. Roosevelt to Will Hays, November 21, 1939, President's Personal File 1945, Will Hays Folder, 1934-1941, Franklin Delano Roosevelt Library, Hyde Park, New York (hereafter cited as FDRL). The consent decree plan that was drawn up by the Department of Commerce was much more favorable to the industry than the independents who rejected the plan outright because it did not call for theater divorcement.

seriousness of the situation brought about by the European War, preclude disclosure at this time of industry undertakings for defense.”¹⁵

Without a doubt, the world events that unfolded three weeks before Hays’s announcement had much to do with the industry taking a sudden interest in making government films. When Congress raised the debt ceiling two weeks prior to the start of the trial, Roosevelt appropriated a significant amount of funds for national defense including “a half-billion to train new troops.”¹⁶ Just weeks after Pare Lorentz’s U.S. Film Service had been officially defunded by Congress, Hays and rest of the MPPDA board of directors decided to make their move by pooling their resources to help aid in the crisis abroad. Each of the five vertically integrated studios agreed to help produce films for the government—training or otherwise—and guaranteed the use of their theaters if the administration felt the public needed to see any of the films produced through their coordinated efforts. The formation of the MPCCND set in motion yet another strategy for self-preservation. There is no mistaking the coincidence of timing in this matter nor the motives of Hays and moguls: when studios pledged their full support to the Roosevelt administration on June 5, 1940, it was with the hope that the president himself would instruct the Department of Justice to cease its antitrust inquiries into the industry.

Two days after Hays’s pledge to the government, the Department of Justice and the motion picture industry had suddenly come to an agreement on a consent decree. What appeared to be a lengthy trial at the beginning of the week was now over. The one-line off the cuff comment buried at the end of a breaking story in *Daily Variety*—the second of the two opening quotes of this dissertation—spoke volumes about the turn of events: “*Understanding is that the*

¹⁵ “Film Industry Meeting,” *Variety*, June 12, 1940, 3.

¹⁶ Doris Kearns Goodwin, *No Ordinary Time* (New York: Simon & Schuster, 1994), 48.

*Roosevelt administration, now bending every effort toward its national defense program in which the full resources of all American industries, including films is necessary, insisted on satisfactory wind up of the suit before the trial got too far under way to permit a settlement.”*¹⁷

Five months after the trial was put on hold, on November 20, 1940, the five vertically integrated studios entered into a consent decree that satisfied the Department of Justice and the presiding Federal Judge Goddard.¹⁸

An important goal of this dissertation is to demonstrate that the motion picture industry’s participation in the government’s defense program in 1940 was not out of a sense of responsibility or a rush of patriotic fervor that had suddenly compelled the executives as they sat in court fighting to keep their theaters. Rather it was what I call a “patriotic play,” a bold move that was orchestrated and executed by the MPPDA and the White House to temporarily stall the *Paramount* case. With the exception of the newsreels, which regularly covered stories about the president and his administration’s policies, the industry had expressed very little interest in producing government films for commercial release. During Roosevelt’s first few years in office, there were several films that sprinkled in hints of pro-New Deal support—*Footlight Parade* (Bacon, 1933), *Wild Boys of the Road* (Wellman, 1933), *Gabriel Over the White House* (La Cava, 1933)—but no steps were taken to formulate a working agreement between the administration and the industry that required any such films to be made. The potential of motion pictures was not lost on the president or his press secretary, Stephen T. Early, who was

¹⁷ “Agreement on Consent Decree,” *Daily Variety*, June 8, 1940, 1, 3. Italics my own.

¹⁸ The “Little Three” studios—Columbia, Universal, and United Artists—refused to sign the consent decree on the grounds that (1) they did not own motion picture theaters which was what the case was originally about; and (2) if they acquiesced and signed the decree it would appear as an admission of guilt which was unacceptable to all three parties. Both Columbia and Universal relied on block booking and were displeased with the new provision that blocks would now be limited to five.

responsible for the administration's communications policy. However, the aforementioned public relations crisis over the content of motion pictures and the lack of infrastructure suggested to Roosevelt and Early that it might be best to limit studio involvement to the production of newsreels during the first few months of his presidency. But now, with the world at war and the growing concern that America would soon be involved, the president needed the film industry more than ever before. This time the quid pro quo arrangement was, at least in part, arranged by the White House.

Long before the ink dried on the consent decree papers, the studios went to work on government projects. With a deal in place, the studios produced training films, recruiting trailers, and short films for government agencies under the auspices of the Motion Picture Committee Cooperating for National Defense (MPCCND). Upon America's entry into the war in December 1941, the MPCCND renamed itself the War Activities Committee of the Motion Picture Industry (WAC). The coordinated efforts of the WAC's seven divisions—the Theatres Division, the Distributors Division, the Hollywood Division, the Newsreel Division, the Trade Press Division, the Foreign Managers (overseas) Division, and the Public Relations Division—exemplifies Hollywood's strategic "voluntary" cooperation with the U.S. government during World War II.

In viewing the WAC as a model that shaped the working conditions and means of production of the Hollywood studios during wartime, I trace the origins of the committee and explain the day-to-day activities of each division. Although I take into account the work performed by each of the seven divisions, I focus a great deal of time on the three divisions that played a prominent role in successfully executing national defense work, namely the Theatres Division, the Distributors Division, and the Hollywood Division. There are several important

studies on Hollywood and World War II.¹⁹ However, there is no existing literature on the WAC—the studios’ finely tuned infrastructure—which (1) produced and distributed training films, orientation films, newsreels, Victory shorts, and memorable morale feature films for Americans fighting on the home front; (2) had its theaters and employees sell war bonds, run charity campaigns for Army and Navy relief; and (3) participated in scrap and salvage drives. In order to substantiate the work done by the WAC as an instance of a collective collaboration between the studios and the U.S. government, I draw on primary documents from government personnel, the illuminating data compiled by the industry relating to its war work, and industry trade journals.

Chapter Overview

Chapter One examines the relationship between the Roosevelt administration and Hollywood during the 1930s. Here I introduce the various ways in which Roosevelt and his public relations team led by his press secretary, Stephen T. Early, positioned the media that went beyond the limits established by the Hoover administration. I investigate Roosevelt’s early exploitation of the media by looking at his interactions with the newspaper press, radio, and newsreels and how these different forms of media were used to bolster his image during the first years of the New Deal. Unlike the newspaper press and radio, Roosevelt did not immediately pursue the services of the motion picture industry during his first term in office. I argue that the industry’s financial troubles, its lack of internal infrastructure for producing and distributing government films, and the public relations crisis over film censorship were the primary reasons for this decision. While no commercial feature films were made by the studios at the behest of

¹⁹ Thomas Doherty, *Projections of War* (New York: Columbia University Press, 1993); Mark Harris, *Five Came Back: A Story of Hollywood and the Second World War* (New York: Penguin Press, 2014); Clayton Koppes and Gregory Black, *Hollywood Goes to War* (Berkeley: University of California Press, 1987).

the government in the 1930s, I take a closer look at various Depression-era films that deliver a “soft-sell” of the New Deal and its politics.

This chapter also explores the road to government filmmaking by taking a closer look at documentary films made by Pare Lorentz for U.S. government. When Hollywood proved unmotivated to readily help administration with various film projects for the New Deal in the mid-1930s, Roosevelt looked at the model created by John Grierson and the Empire Marketing Board (and later the General Post Office) in Great Britain as a point of entry and hired Lorentz to make government films. Although critically acclaimed, films like *The Plow That Broke the Plains* (1936), *The River* (1937), and *Power and the Land* (1940) did not sit well with Congressional conservatives, who viewed the films as New Deal propaganda. The dissolution of the U.S. Film Service in 1940 made it easier for Hays to convince the president in the industry’s time of need that they were able and willing to help the government make films, which led to the formation of Motion Picture Committee Cooperating for National Defense (MPCCND).

Chapter Two outlines the motion picture industry’s early interactions with antitrust law. Here I take a look at a number of important antitrust lawsuits that led to the crystallization of anticompetitive business practices and ultimately led to the formation of the Hollywood studio system including, *United States v. Motion Picture Patents Company* (1915), the Federal Trade Commission’s case against Famous Players-Lasky (*In Matter of Famous Players-Lasky Corp. et al.*, 1927), and *United States v. Paramount Famous Players-Lasky Corp. et al.* (1929). Additionally, this chapter will discuss the history and legal ramifications of the motion picture industry’s Code of Fair Competition that allowed the five vertically integrated studios to maintain their organized monopolistic control over the industry.

Chapter Three continues the discussion of antitrust action in the motion picture industry. This chapter has three main objectives: (1) to introduce a number of antitrust cases that led to the filing of the *Paramount* case; and (2) to demonstrate the level of involvement Roosevelt had with the studios at the time of the filing; and (3) to examine the nature of the consent decree and quid pro deal that led to the motion picture industry's involvement in the government's national defense efforts.

The final chapter addresses the collective collaboration between the War Activities Committee (WAC) and the U.S. government during World War II. Here I examine the structure and formation of the WAC and focus on the various ways in which the studios contributed to the war effort. I outline the role of each of the seven working divisions (Theatres Division, the Distributors Division, the Hollywood Division, the Newsreel Division, the Trade Press Division, the Foreign Managers (overseas) Division, and the Public Relations Division), and examine the extraordinary efforts of the motion picture industry in its attempt to aid the U.S. government in its defense plans.

This chapter also examines the formation of the Office of War Information and its Bureau of Motion Pictures (BMP). The BMP was created as a central point of contact between the administration, the different branches of the military, and the movie industry. Lowell Mellett, director of the BMP Division of the OWI, was charged with the responsibility of advising and consulting the industry as to its proper role in the war effort as well as managing the production and distribution of government informational films for civilian audiences. Acting as a liaison between Hollywood and Washington, Mellett's office played a critical role in balancing the needs and demands of the government while attempting to maintain some level of control over industry practices. While the relationship between the BMP and the WAC was volatile during

the BMP's short tenure, government-industry cooperation continued to flourish for the duration of the war.

By moving from the general to the specific, I offer insight into the role antitrust played in government-industry relations during the first half of the 20th century. While the industry was able to dance around antitrust litigation during the teens and 1920s, its relationship with the Roosevelt administration played an integral role in its ability to stave off the commencement of Department of Justice (DOJ) actions against them. In late 1937, Assistant Attorney General and future Supreme Court Justice, Robert H. Jackson, went to Roosevelt and informed him that the DOJ was looking to “dissolve the motion picture combines.”²⁰ According to Jackson, Roosevelt “tended to think of economic matters as personal rather than impersonal forces” and the president’s response to the news was indicative of his inability to “envision...that [the industry] was caught up in a course of business practices that they were as powerless to escape from individually as if they were prisoners.”²¹ Roosevelt told Jackson: “Well now, of course, they’ve been doing wrong, but do you really need to sue these men? If you would bring them in here and let me talk with those fellows, don’t you think they would change their practices? I think they could be straightened out.”²² While the president was personally friendly with many Hollywood executives, it was his long-time feeling that the country’s antitrust laws were “inadequate” and “defective” that worked in the motion picture industry’s favor throughout his presidency.²³ All

²⁰ Robert H. Jackson, *That Man: An Insider’s Portrait of Franklin D. Roosevelt* (New York: Oxford University Press, 2003), 119.

²¹ *Ibid.*

²² *Ibid.*

²³ *Ibid.*, 121. In a letter to Jackson dated October 22, 1937, Roosevelt wrote: “One of the problems that continues to require attention is the inadequacies and defects in our anti-monopoly laws...I want to ask you...to assemble for me the following: (1) The important facts bearing upon the success or failure of our present anti-monopoly laws, their

together, these chapters offer a greater insight into in government-industry relations during the 1930s and 1940s, and provide a useful critical framework for understanding how antitrust law shaped the motion picture industry.

economic and social results, and the necessity for revision or amendment; [and] (2) The different proposals or alternatives worthy of practical consideration, with the advantages and disadvantages of each.” Letter from Franklin D. Roosevelt to Robert H. Jackson, quoted in *That Man: An Insider’s Portrait of Franklin D. Roosevelt*, 121.

Chapter 1: Battling the Depression: Roosevelt and the Media (1933–1940)

When Franklin Delano Roosevelt took office in 1933 he was determined to restore public confidence in the midst of the worst economic crisis in American history. He was, however, far less certain of what he would do. Faced with unprecedented challenges both at home and abroad, Roosevelt assumed the presidency under a cloud of skepticism. President Herbert Hoover's excessive spending, restriction of trade, and aggressive taxation legislation, including the Smoot-Hawley Tariff Act and the Revenue Act of 1932, worsened the economic depression and led to Roosevelt's landslide victory.²⁴ Unlike his predecessor, Roosevelt understood the changing face of American politics. His family's lifelong connection to government and his personal experiences as a state senator and governor of New York, as well as his seven-year post as the Assistant Secretary of the U.S. Navy during the Wilson administration, made him more disposed to experiment and try innovative policies that would ultimately test both the public's patience and his ability to ensure their success.²⁵ Roosevelt knew that in order to make good on the promises he made on the campaign trail his first actions as president had to be both bold and decisive. His first hundred days in office were marked by a series of federal programs that were designed to create instant relief, recovery, and reform for struggling Americans.²⁶ To achieve

²⁴ The Smoot-Hawley Tariff Act of 1930 raised the tariffs on over 20,000 imported goods. Smoot-Hawley had a devastating effect on the economy. U.S. imports decreased by almost 70% and exports decreased by 60%. President Hoover passed the Revenue Act of 1932, which significantly raised taxes for individuals and corporations. Both pieces of legislation were unpopular with the American public and led to Roosevelt's White House victory. See Tariff Act of 1930, ch. 497, 46 Stat. 590 (1930) and Revenue Act of 1932, ch. 209, 47 Stat. 169 (1932).

²⁵ Roosevelt served in the New York State Senate from 1911–1913. In March 1913 he accepted the position of Assistant Secretary of the U.S. Navy in the Wilson administration and remained in his post until 1920. Before winning the presidential election in 1933, Roosevelt was the governor of New York (1929–1932).

²⁶ Arthur Krock, "100,000 at Inauguration: President, Grim, Terse, Pledges 'Adequate but Sound Currency,'" *New York Times*, March 5, 1933, 1, 3.

these immediate goals, cooperation and political support rested on the public's confidence in the president.

Groundbreaking and risky, Roosevelt's New Deal with the American people was handled delicately. Americans had grown weary of political propaganda and were fully cognizant of the manipulation of domestic issues by the popular press in recent years. In order to quell the public's uneasiness, Roosevelt launched an educational effort that was relatively candid and ultimately persuasive. Two weeks after his inauguration, the John Day Company, a New York publishing firm specializing in current affairs, published a 288-page book penned by the president himself. Outlining the terms of his New Deal with the American people, *Looking Forward* offered a course of action for the country and provided plans for immediate economic relief.²⁷ In addition to government reorganization, Roosevelt pledged to do something about "the crisis in agriculture, the burden of taxation and the need of a more unified system of taxation, the threat of the power interests, the plight of the railroads, the condition of foreign trade, the need for judicial reform, [and] the problem with crime."²⁸ While most of the information provided in the book was common knowledge at the time of publication, Roosevelt's message was clear: he was willing to do whatever it took to provide the economic and social recovery the country so desperately needed. At the conclusion of the second chapter on the "Need for Economic Planning," Roosevelt grimly wrote:

The country needs, and unless I mistake its temper the country demands, bold, persistent experimentation. It is common sense to take a method and try it; if it fails, admit it frankly and try another. But above all try something... We need enthusiasm, imagination and ability to face facts, even unpleasant ones, bravely.

²⁷ *Looking Forward* presents Roosevelt's initial conception of the New Deal. It is often cited as his written contract with the American people.

²⁸ "An Outline for the 'New Deal,'" *New York Times*, March 19, 1933, 1, 19.

We need to correct by drastic means if necessary the faults in our economic system from which we now suffer. We need the courage of the young.²⁹

The tone of Roosevelt's final thoughts encapsulates his commitment to alleviating the economic strain of the American people. More importantly, his appeal to the public to keep an open mind during these early days of experimentation gave him the wherewithal to proceed with the difficult task of reorganizing the political, social, and economic structure of the U.S. government.

Roosevelt's advisors believed that the only way the president could pull off his New Deal policies and earn popular approval was to keep the public informed of his efforts strategically. The challenge Roosevelt faced in terms of reshaping the public's image of government was twofold; on the one hand, he had to determine how much he should share with the American people and, on the other, he had to figure out the best manner to deliver the information without it coming off as propaganda. In order to do this, Roosevelt needed to have a working relationship with the privately owned media outlets that reported on his administration's every move. The men who shaped media policy were influenced by circumstances and prejudices that were not always in line with the White House and were ultimately outside the president's purview. Without a centralized propaganda bureau that dictated newspaper, radio, and film strategy, Roosevelt had to skillfully manage an informal set of "alliances" and "understandings" with those in a position of power in the media.³⁰ These relationships were amiable for the most part, but the president was not beneath using any leverage he had in order to get the results he wanted. Roosevelt's quest to get close to the public through communication channels gave the popular media a chance to dictate the boundaries of their respective relationships with the White House during the first half of his presidency. However, when the economy started to stabilize

²⁹ Franklin D. Roosevelt, *Looking Forward* (New York: Touchstone, 2009), 33.

³⁰ Richard W. Steele, *Propaganda in an Open Society: The Roosevelt Administration and the Media, 1933–1941* (Connecticut: Greenwood Press, 1985), x.

and war erupted in Europe in 1939, Roosevelt looked to the most vulnerable of the three media sources to cooperate with the government's needs.³¹

Between 1933 and 1945 the relationship between the White House and Hollywood was tested and altered. This chapter will address the ways in which Roosevelt used the media at the beginning of his presidency (1933–1938) and why he became intent on using film for political purposes during the war years. As the dominant form of mass entertainment, Roosevelt knew that film was the most effective way to get his message to the American people. With the exception of his popular “fireside chats” that were broadcast live on the radio, Roosevelt used film in some capacity to introduce a number of his New Deal programs.³² Relying initially on newsreels to cover the unveiling of his cultural programs, Roosevelt continued to explore the possibilities of film with his creation of the short-lived U.S. Film Service (1935–1939) until full cooperation between the White House and Hollywood studios became essential to the U.S. war effort.

Positioning the Media: Stephen Early and the Press

During his now famous inauguration speech on March 4, 1933, Roosevelt told the crowd of 100,000 that the country was facing “the darkest realities of the moment” and assured the

³¹ On July 20, 1938, Assistant Attorney General of the United States, Thurman Arnold, filed the first of several antitrust lawsuits against the Hollywood studios on behalf of the Department of Justice (*United States v. Paramount, Inc.*). The lawsuit claimed that the studios had violated the Sherman Anti-Trust Act (restraint of trade) and accused them of forming a non-competitive monopoly. Arnold's complaint stated that the U.S. government was reacting to “numerous complaints by independent producers, distributors, and exhibitors and by the theatre-going public.” This lawsuit will be discussed in detail in Chapter Three of this dissertation.

³² Newsreels covered all 30 fireside chats during Roosevelt's presidency. However, the newsreel coverage did not make it into theaters until three days after the original broadcast. The Roosevelt administration wanted every American to feel that the president had a special appointment with him to speak on a pressing subject. While many Americans watched newsreels, the same amount of intimacy and effect could not be created three days after the fact in a movie theater. For more on the fireside chats see Linda Lotridge Levin, *The Making of FDR* (New York: Prometheus Books, 2008), 107–111.

American people that “the only thing we have to fear is fear itself.”³³ He made it plain right from the start that he was going to enlist the help of the American people. Making every effort to separate his administration from that of his predecessor’s, Roosevelt said that his primary task in the coming days was “to put people to work” and pledged to restore the economic stability of the country through legislative action by “treating the task as [Congress] would treat the emergency of a war.”³⁴ Determined to tackle the economic crisis head-on, Roosevelt and his closest advisors formulated a plan to get the country back on its feet and launched a historic media campaign to keep the people informed about his recovery and relief programs.

The president made his first bold move and appointed three former newspapermen to serve as the White House secretariat.³⁵ All three men had close relationships with Roosevelt and had worked for him in some capacity since his early days in politics. Louis Howe, a former legislative correspondent for the *New York Herald* and Roosevelt’s closest political advisor and confidant, was slated to act as the senior secretary, “a sort of democratic prime minister to the new President.”³⁶ Marvin “Mac” McIntyre, Roosevelt’s veteran “contact” man and appointments secretary, would continue to serve as the liaison between the president, members of Congress, and members of his Cabinet. The newest secretarial appointment was a new position altogether. Stephen T. Early, a former correspondent for the Associated Press, was put in charge of all press relations including newspaper, radio, and photographic organizations (newsreel and motion

³³ “Text of New President’s Address at Inauguration,” *Los Angeles Times*, March 5, 1933, 5.

³⁴ Kyle D. Palmer, “Roosevelt Sworn Into Office, Opens Action For Recovery,” *Los Angeles Times*, March 5, 1933, 1–3.

³⁵ “Roosevelt Secretaries: Howe, McIntyre and Early Named,” *Wall Street Journal*, March 2, 1933, 8.

³⁶ “Howe, McIntyre and Early to Be Contact Agents of New President,” *Washington Post*, March 2, 1933, 2.

picture studios).³⁷ Unbeknownst to him when he accepted the job, Early would act as the primary link between the White House and the public for the entire duration of Roosevelt's presidency.

Howe and McIntyre's respective roles in the new administration were already part of the Washington establishment. Almost every president had trusted political advisors and secretaries who managed the day-to-day working relationship between the president and Congress. As the president's sole press relations counsel, Early was swimming in somewhat uncharted territory. When newspaper circulation grew exponentially in the late nineteenth century during Grover Cleveland's administration, the White House assigned a senior official to handle the Washington press corps.³⁸ However, no president had a single high-ranking member of his administration assigned to handle the press exclusively until Roosevelt selected Early for the job.

Early first met Roosevelt while covering the Navy Department for the Associated Press during the Wilson administration.³⁹ Early's formidable reporting and inside knowledge of newspaper game made him an ideal choice for the advance man position in Roosevelt's campaign for the vice presidency in 1920. For the better part of nine months, Early traveled around the country ahead of campaign staffers and contacted reporters, politicians, and businessmen to get an initial read on local response to the candidate. His main job was to keep

³⁷ Ibid.

³⁸ Grover Cleveland was the first president to assign a senior member of his staff to handle reporters covering the White House. In addition to being Cleveland's executive clerk and official White House stenographer, George Cortelyou was the first person to manage press relations for the White House. Theodore Roosevelt was the first president to give the Washington Press Corps a large room in the Executive Office (currently called the West Wing of the White House) to write and conduct interviews with members of the administration. Understanding the value of the press, he held occasional press conferences, but much of what he said was "off the record." Woodrow Wilson was the first president to hold regular press conferences. Franklin D. Roosevelt's predecessor, Herbert Hoover, did not like reporters and requested that all questions directed at the White House be submitted in writing. For more on the early role of the White House Secretary see W. Dale Nelson, *Who Speaks for the President?: The White House Press Secretary from Cleveland to Clinton* (New York: Syracuse University Press, 1998).

³⁹ Levin, *The Making of FDR*, 11.

Roosevelt “well-informed on local issues and on the attitudes of the voters on topics such as the League of Nations, the economy, and prohibition” so that his then speechwriter, McIntyre, could formulate effective speeches along the campaign trail.⁴⁰ Although Roosevelt lost the vice presidency, Early had proven himself to be an integral part of his team, and his loyalty and hard work were praised by Roosevelt, McIntyre, and Howe. Referring to themselves as the “Unholy Trinity” during the campaign, the three newspapermen would later become the driving force behind Roosevelt’s ambitious climb to the presidency.

Following the defeat, Early returned to his post at the Associated Press before accepting a position as an executive for the newly established Paramount News in 1927.⁴¹ Early’s decision to work in newsreels surprised many of his colleagues but Early saw newsreels as an opportunity for growth as a newsman. Newsreels had been an important part in the American theater-going experience since their introduction in 1909. In a 1930 radio interview on WOR, Early expressed his enthusiasm for newsreels and claimed “[t]he newsreel brings to a modern world a truer picture of itself, and of its people than any other agency heretofore known to mankind.”⁴² His tenure at Paramount News would later become an important experience to draw from during his years as press secretary. Based in Washington, Early’s connections in the capital worked to the benefit of the fledgling newsreel. He was not only a highly regarded newsman, but also a man with coveted sources. A bona fide player in Washington, Paramount used Early’s access to government officials and powerful lobbyists to its advantage and, in just over a year, Paramount

⁴⁰ Ibid., 48. Before becoming Roosevelt’s appointments secretary, McIntyre was a speechwriter during his bid for the vice-presidency.

⁴¹ “S.T. Early Resigns From Staff of A.P.,” *Washington Post*, May 24, 1927, 20.

⁴² Stephen Early interview, “The Newsreels,” WOR Radio, October 15, 1930, quoted in Levin, *The Making of FDR*, 88.

News had become a serious news source. Furthermore, Early forged some important relationships with the Hollywood moguls during his brief tenure at Paramount. His ability to arrange sought-after interviews and gain entree to the private spaces of public figures, made him an important liaison to Washington elites.⁴³

Quietly, Early also acted as Roosevelt's eyes and ears in the capitol and kept him abreast of political happenings and gossip while he was Acting Governor of New York. When his old friend asked him to help run his campaign for the presidency and serve as his press secretary if elected, Early weighed his options. Economic conditions had forced Paramount to lay off employees and reduce salaries, which gave Early cause for concern about his future at the company. And while he was unsure what he would be made to do in terms of handling press relations for the president-elect, Early knew that Roosevelt would use his talents to his advantage. After the landslide victory, Early reported for duty "with the understanding that [he] would serve two years and then be permitted to return to private life."⁴⁴ He stayed for over twelve.

As the first modern press secretary, Early's background as a reporter and newsreel man made it easy for him to "translate events and information into news and to cater to the particular needs of newsmen covering the President."⁴⁵ His ability to supply a steady stream of news to the American public over the course of Roosevelt's presidency made him one of the most effective

⁴³ Paramount News had some of the best political coverage thanks to Early. For example, in 1929, he pulled some strings and was able to convince a camera-shy Herbert Hoover to appear in a sound newsreel congratulating Zukor on Paramount's success with sound motion pictures. In the early 1930s, Early was also able to get sound bites from senators and congressmen on important economic and social issues Americans were facing as a result of the collapse of the banking system.

⁴⁴ Letter from Stephen Early to Robert E. Sherwood, January 16, 1948, Box 17, Stephen T. Early Papers, Franklin Delano Roosevelt Library, Hyde Park, New York (hereafter cited as FDRL).

⁴⁵ Steele, *Propaganda in an Open Society*, 10.

press secretaries ever to serve in the White House. After the inauguration, Early's first order of business was to encourage Roosevelt to reach out to regional constituencies and demonstrate how government policies affected them. Early, Howe, and McIntyre all agreed that if the president was going to appeal to the American people, he was going to have to master the art of publicity.

Both Roosevelt and Early believed that most Americans were sensible and could be persuaded to support the New Deal programs if they understood them. It was not enough to garner support from city slickers; he needed to reach out to people who lived in rural areas and lost everything they ever owned. Although the job of reaching out to the American people rested entirely on his shoulders, he knew he could not do it alone. Roosevelt's paralysis made it difficult for him to travel easily on his own.⁴⁶ In his place, he dispatched his wife, Eleanor, and several close aides to canvas various small towns and cities all over the U.S. to act as his "eyes and ears."⁴⁷ These New Deal ambassadors, acting in both official and unofficial capacities, spoke on behalf of Roosevelt and his programs. After spending some time with the American people, Mrs. Roosevelt and the other ambassadors reported directly to the White House and let the president know what they saw on their travels. Roosevelt put great value in the reports that were relayed to him—especially those given to him by his wife. Commenting on the first lady's role as a New Deal ambassador, Labor Secretary Frances Perkins said, "[Eleanor] saw many things the President could never see. Much of what she learned and what she understood about the life of the people in this country rubbed off onto FDR. It could not have helped to do so because she

⁴⁶ Roosevelt contracted infantile paralysis (polio) in 1921 at the age of 39 while vacationing with his family at their summer home at Campobello Island. Although Americans were aware of his disability, he downplayed it publically. Newspaper photographers and newsreel men respected his privacy and did not photograph him in his wheelchair. Thus, it made it difficult for him to travel around the country and meet new people.

⁴⁷ Doris Kearns Goodwin, *No Ordinary Time* (New York: Simon & Schuster, 1994), 27.

had a poignant understanding...Her mere reporting of the facts was full of sensitive quality that could never be escaped...Much of his seemingly intuitive understanding –about labor situations—came from his recollections of what she told him.”⁴⁸ In this way, with the help of his wife and the others, Roosevelt could directly show the American people that he was listening. For the next seven years, he took every opportunity to impress upon the public that economic recovery was going to be a difficult task but it was one that, if faced together, the country would overcome.

Early Exploitation of the Media: Newspapers

From the moment Roosevelt took the oath of office, Howe, McIntyre, and Early did everything they could to cultivate strong relationships with the media to ensure their cooperation in reporting the White House’s message. The administration’s aggressive public information campaign sought to make transparent the policies of the programs in order to justify the necessity of the New Deal programs to the American people and to rally support from members of Congress.⁴⁹ Widespread public support of the newly implemented policies was crucial to the success of the New Deal. Roosevelt’s media handlers recognized that the administration’s biggest asset in dealing with the press, radio, and film moguls was the president himself. Indeed, Roosevelt’s ability to use these media sources to “reach out to the country to shake hands daily with millions” did not go unnoticed by the American people or the men reporting on his administration’s every move.⁵⁰

⁴⁸ Frances Perkins interview (for television), Graff Papers, FDRL. See also Goodwin, *No Ordinary Time*, 28.

⁴⁹ Betty Houchin Winfield, *FDR and the News Media* (New York: Columbia University Press, 1994), 87.

⁵⁰ Paul Mallon, “Roosevelt Gets His Story Over,” *New York Times Magazine*, November 19, 1933, 1–3.

Like his distant cousin Theodore (“Teddy”) before him, Roosevelt relished the newspaper game and met with reporters twice a week in the Oval Office. As a former editor of the Harvard *Crimson*, Roosevelt enjoyed being the source of news and often gave journalists advice based on his own experiences. He began each meeting with a general statement about current domestic issues and allowed reporters to ask questions in an open forum. Like the majority of Americans, most reporters backed the New Deal program. But the simple fact that the president was willing to engage with reporters so intimately and openly made him popular with the press corps.⁵¹ Moreover, the White House’s willingness to provide a steady stream of news directly from the president himself endeared him to liberal and conservative reporters alike.

According to Roosevelt media historian Betty Houchin Winfield, the rise of interpretive reporting in U.S. newspapers was brought about by the Washington press corps as “a method of explaining the New Deal’s political-social-economic revolution.”⁵² This new form of journalism “challenged the old-style objective of sticking to a factual account of what had been said or done. “Why” and “how” became especially important because readers wanted background information and context about the new government agencies and the flurry of New Deal activity.”⁵³

Interpretive journalism complicated Early’s role as press secretary. It was clear from the start that the administration was going to have to be proactive in its dealings with the news media. During the Hoover administration, months would go by without a single press conference and, like Presidents Harding and Coolidge before him; reporters were required to submit

⁵¹ “New Deal Sprung by Gridiron Club,” *New York Times*, April 30, 1933, N1.

⁵² Winfield, *FDR and the News Media* 53.

⁵³ *Ibid.*, 53.

questions beforehand.⁵⁴ On the rare occasions when Hoover did meet with the White House press corps about important issues (i.e. the introduction of new banking legislation in Congress), he tended to relay the information by providing reporters with “fact” sheets to use for their stories.⁵⁵ Many journalists publically criticized his refusal to be more forthcoming with the American people about the measures being taken by the White House to improve the state of the nation. By the end of the Hoover administration, there was no direct link between the president and the American people.⁵⁶

Determined not to repeat history, Early knew first hand that distributing fact sheets and press releases about the stated goals of the New Deal agencies for the newspapers to print was not going to be enough for members of the Washington press corps after Roosevelt’s landslide victory. The newly elected president had made promises during the campaign and the American public expected him to make good on them. After the election, Early immediately began coordinating press relations. Both he and the president agreed that the White House would have open communication channels with the press. The domestic crisis Roosevelt was faced with upon taking the oath of office was personal to Americans. It was absolutely necessary that he maintain

⁵⁴ Ibid., 5. Hoover’s hands off approach took newspapermen by surprise. When he was the Commerce Secretary during the Harding and Coolidge administrations he made himself accessible to the press. His unwillingness to hold regular press conferences during the Great Depression infuriated the press corps. In a 1935 interview for *Redbook*, Early recalled his days covering the White House and said that relevant questions were so rarely answered that, “many of the correspondents gave up the idea of submitting them.” See Stephen Early, “Hobgoblins—1935 Model,” *Redbook*, April 1935, 25.

⁵⁵ Richard V. Oulahan, “President Is Encouraged,” *New York Times*, October 9, 1931, 1, 16. By 1931, Hoover was only holding press conferences when there was some evidence of public approval in his decision-making. This is just one example of a journalist noting that Hoover himself did not officially comment on other recovery plan, but that it was indeed “found in reports.” As the depression continued to take a toll on the country, Hoover became less and less accessible with reporters and, by extension, the American people.

⁵⁶ Early, “Hobgoblins—1935 Model,” 25.

public sentiment as he introduced experimental agencies to help revitalize the economy and the American spirit.

On March 8, 1933, Roosevelt called his first press conference at ten o'clock in the morning. Over two hundred newspapermen attended and the conference itself lasted just over forty minutes.⁵⁷ Correspondents were notified two days beforehand that they would be permitted to ask the president questions directly. Before the conference commenced, Roosevelt went over the ground rules. Just as he had done during his tenure as governor of New York, he was willing to answer questions “on the fly” as “frankly and fully” as he could.⁵⁸ However, if he could not answer a particular query or if a hypothetical came his way, he would simply move on. The president made plain that he did not have time for hypotheticals, explaining that this line of questioning was based on “a probability which no one could possibly know anything about.”⁵⁹ Impressed with the amiable yet frank discourse that took place at the White House that morning, writer Leo C. Rosten recounted the details of the president’s first meeting with the Washington press corps in *Public Opinion Quarterly*:

Mr. Roosevelt was introduced to each correspondent personally. Many of them he already knew and greeted by name—first name. For each he had a handshake, a gracious word, and the Roosevelt smile. When the oral questioning began, the full virtuosity of the new Chief Executive was demonstrated. Cigarette holder in mouth at a jaunty angle, he met reporters on their own grounds. His answers were swift, positive, illuminating. He had an astonishing amount of exact information at his fingertips. He showed an impressive understanding of public problems and administrative methods. He was lavish in his confidences and “background information.” His “off the record” remarks, designed for the exclusive consumption of the correspondents, provided them with valuable insights into the

⁵⁷ “Questions Fly at Roosevelt at First Press Conference,” *Washington Post*, March 9, 1933, 3. Several newspapers had varying accounts of the number of correspondents at the first press conference. The *Washington Post* claims that there were 200; *Los Angeles Times* “more than 100;” etc.

⁵⁸ “Reporters Finally Meet ‘White House Spokesman,’” *Los Angeles Times*, March 9, 1933, 2.

⁵⁹ “Questions Fly at Roosevelt at First Press Conference,” 3.

motivations of political action. He was informal, communicative, gay. He indulged in humor and laughed at reportorial quips. When he evaded a question it was done frankly, with a disarming smile, not—à la his predecessors—with a scowl. He was thoroughly at ease: poised, confident, indicating his pleasure in the give and take of the press conference.⁶⁰

The conference was hailed in the press as “perhaps the most satisfactory White House news exchange.”⁶¹ He made it clear that morning that he intended on keeping the American public informed and asked the press corps to cooperate with his administration. It was the first of many *quid pro quos* Roosevelt entered into with the media during his presidency.

By establishing personal relationships with members of the press corps, Roosevelt skillfully used them to dramatize and personalize the important issues of the day in order to garner positive reviews and shape public opinion in favor of the New Deal. Like Rosten, veteran Washington correspondent for the United Press, Raymond Clapper, enjoyed covering the White House. It was not uncommon for the president and the first lady to invite members of the press corps to their home for Sunday tea or picnics on the lawn. Roosevelt made sure that they were “carefully provided for, their comfort and working conditions considered;” and, more importantly, “[h]e never sent the reporters away empty-handed... and reporters are all for a man who can give them several laughs and couple of top-head dispatches in a twenty-minute visit.”⁶² His determination to win over the press did not go unnoticed and the nearly unanimous praise of his administration during the first two years of his presidency helped him reach out to the American people.

⁶⁰ Leo C. Rosten, “President Roosevelt and the Washington Correspondents,” *Public Opinion Quarterly* 1 (1937): 38.

⁶¹ “Questions Fly at Roosevelt at First Press Conference,” 3.

⁶² Rosten, “President Roosevelt and the Washington Correspondents,” 40. See also Raymond Clapper, “Why Reporters Like Roosevelt,” *Review of Reviews*, 1934, 15.

When the president initially rolled out the New Deal policies, the newspapermen did not understand the nuances of the various agencies any better than their readers. They were left to interpret the information they were given as they saw fit. In a stroke of genius, Early went against the grain and hired established newspapermen to disseminate the information about the new agencies and their programs instead of party insiders.⁶³ By having veteran reporters supply members of Roosevelt's cabinet, agency officials, and their former newspaper colleagues with "inside scoops," Early was ensuring that the president's policies were touted in the press even when the president was not holding court with reporters himself. The press corps trusted Early; after all, he was one of them. Additionally, correspondents trusted information that was brought to them by former reporters who not only understood the newspaper game, but also had proven to be reliable sources.

For Early, the goal was to "maximize personal contact with the press" early on and this often meant that information officers went so far as to "[write] speech and magazine articles for the department chiefs, [determine] publicity strategy for support, and [design] campaigns to cover negative actions."⁶⁴ During their initial engagements with the president, the White House press corps made the determination that the administration was doing its best to provide accurate information about the New Deal; as a result, Roosevelt and his programs received glowing reviews during his first hundred days in office and won the support of the American people.⁶⁵

⁶³ Memorandum from Marvin McIntyre to Stephen Early, November 1, 1933; and Memorandum from Early to McIntyre, November 2, 1933, Official File 36, FDRL. Both McIntyre and Early were behind the idea of hiring informers to get the inside scoop of stories before they went to press.

⁶⁴ Winfield, *FDR and the News Media*, 87.

⁶⁵ Arthur Krock, "President Tells Plans," *New York Times*, March 9, 1933, 1, 2.

The primary goal of Roosevelt's interactions with the press was to raise public awareness about the New Deal during his first hundred days in office. Instead of being bombarded by the dire issues facing the nation on the front page every day, readers slowly learned about the social, economic, and cultural programs of the New Deal. The administration's biggest fear was that the American people would interpret his programs and new agencies as propaganda. Roosevelt did not feel that the economic crisis needed to be featured on the front page of the national papers every day of the week; he was content having factual information supplied by federal agencies on New Deal programs sprinkled throughout the paper. This strategy of overloading the American public with information relied on the expectation that readers would look at the administration's real accomplishments in carefully selected stories and walk away convinced that the president was on the right track. To what degree this daily scoop of propaganda in the press helped sell the New Deal to hopeful Americans remains uncertain, but the carefully constructed subliminal message set forth by the administration was helpful to the cause.⁶⁶

Early Exploitation of the Media: Radio

From the beginning, the Roosevelt administration understood the potential of radio and orchestrated a vigorous public relations campaign for the New Deal. Roosevelt was not the first president to use the technology to appeal to the American public nor would he be the last.

Woodrow Wilson had spoken on the radio during its infancy; Warren Harding and Calvin Coolidge each delivered speeches to a growing national audience.⁶⁷ In the early days of the Great

⁶⁶ There is no way to know how effective the newspaper propaganda campaign was in helping sell Americans on the New Deal. The press was initially supportive of the administration and carried nearly every story released by the White House. However, by 1936 some of the New Deal programs began to wane and the press began reporting on other stories that were critical of Roosevelt's policies. This criticism strained the relationship between the president and press until the U.S. entered the war effort in 1941.

⁶⁷ Wilson's first radio broadcast attempt was his Memorial Day address to a naval crew on the U.S.S. Washington en route back to the U.S. from France. It was difficult to make out complete sentences. Harding was the first president to deliver a full speech on the radio in the summer of 1923. After his sudden death, his successor, Coolidge,

Depression, Herbert Hoover was urged by his aides to use the airwaves with some regularity to communicate with desperate Americans looking for answers.⁶⁸ Uncomfortable speaking in front of a microphone, Hoover did not enjoy his broadcast obligations. His radio speeches were ineffective and did not help sway public sentiment during the darkest days of the Depression.⁶⁹

Roosevelt demonstrated his superb public speaking skills early in his political career. Born into an upper class New York family, Roosevelt was a privileged only child who benefited from the excellent education he received at Groton, Harvard, and Columbia Law School. During the years he spent at Harvard and Columbia Law, Roosevelt honed his oratory skills and excelled at debate.⁷⁰ As the governor of New York, Roosevelt often used the radio to “counteract legislative impasses and Republican press reports.”⁷¹ During the 1932 presidential campaign, Roosevelt and Hoover’s use of the radio was commented on in newspapers across the country with some regularity. In a *New York Times* article dated July 10, 1932, Columbia Broadcasting System’s (CBS) production manager, John Carlile, commented on the two candidates’ radio personalities. According to Carlile, President Hoover’s monotone voice was “typical of the engineer” while Governor Roosevelt’s was “one of the finest on the radio, carrying a tone of

delivered the first address to a joint session of Congress on December 6, 1923. Coolidge’s 1925 inauguration was the first to be broadcast over the airwaves. Twenty-four stations coast to coast covered the event and 23 million Americans were said to have tuned in. See “Coolidge Epigrams on Radio,” *New York Times*, January 15, 1933, X10.

⁶⁸ Hoover’s inaugural address was broadcast live on March 4, 1929. Between March 1929 and December 1930 Hoover took to the airwaves 38 times—27 of which were in 1930 alone. See “Hoover’s Radio Speeches Equal Coolidge Mark,” *Los Angeles Times*, December 29, 1930, 1. His monotone delivery did little to convince the American people that he understood the gravity of their situation.

⁶⁹ Winfield, *FDR and the News Media* 104.

⁷⁰ *Ibid.*, 12.

⁷¹ *Ibid.*, 104.

perfect sincerity and pleasing inflection.”⁷² Roosevelt’s ability to identify with average Americans, to reassure them that he was there and that he was listening to them, made him instantly popular. Mrs. Roosevelt later recollected, “My husband had the very remarkable ability to project his personality through his speeches and he certainly had the ability to put into understandable English even quite difficult thoughts. He gave his listeners a feeling of gracious friendly familiarity and sincere concern.”⁷³ With radio, Roosevelt and his aides could control the flow of information that came out of the White House. More than that, the president could “give his point of view and overall impressions without any intermediate journalistic filter to interpret or change his words.”⁷⁴ The direct and immediate results that radio instantly guaranteed made it a valuable resource for the administration.

During the first half of Roosevelt’s presidency, the radio industry was the object of political pressure. The passage of the Radio Act of 1927 led to a federal licensing system that sought to avoid the overlapping of transmitted frequencies and chaotic competition between novice broadcasters who were staking their claim over the airwaves.⁷⁵ Unlike the newspaper press, radio did not enjoy First Amendment immunity from governmental intervention.

⁷² Orrin E. Dunlap, Jr., “Hoover, Roosevelt and Radio,” *New York Times*, July 10, 1932, XX5.

⁷³ Winfield, *FDR and the News Media*, 105.

⁷⁴ *Ibid.*, 104.

⁷⁵ When Hoover was the Secretary of Commerce during the Coolidge administration, one of his tasks was regulating radio. Dubbed by the newspapers as the early “czar” of radio, Hoover was in charge of granting broadcast licenses to anyone who requested one. It became apparent that there were too many people trying to be heard on a handful of frequencies. Senator Clarence Dill (D-Washington) and Congressman Wallace White, Jr. (R-Maine) introduced separate pieces of legislation to Congress in 1926 calling for a regulatory committee to be put in place. In the White bill, “appointment of these members is left entirely in the hands of the Secretary of Commerce, whereas Senator Dill requires that the members of this proposed commission shall be named by the President with the consent of the Senate.” Combining their forces, the Dill-White Bill was eventually passed as the Radio Act of 1927, which gave regulatory control to a committee (whose members are appointed by the president and confirmed by the Senate) rather than the Secretary of Commerce. See also, “Politicians Seeking Credit for Radio Legislation,” *New York Times*, January 10, 1926, XX8.

Broadcasters were assigned to separate radio frequencies by the newly formed Federal Radio Commission (FRC) and were subjected to harsh regulations that cracked down on the content heard over the airwaves.⁷⁶ In 1934 the FRC was replaced by the Federal Communications Commission (FCC), which regulated interstate radio, telephone, and telegraph communication. Almost identical to its predecessor, the FCC was specifically charged with “assuring that that issuance of licenses was consistent with ‘the public interest, convenience, or necessity.’”⁷⁷ The FCC was granted the authority to “choose between applicants for broadcasting rights and to prescribe rules and regulations, mostly technical in nature designed to ensure the orderly use of the ether.”⁷⁸

Despite the power of the FCC, license renewals were almost always granted and a collegial relationship between the agency and the industry developed. However, this did not stop broadcasters from worrying about the political threat that loomed over them. Radio network titans David Sarnoff and Henry Bellows of the National Broadcasting Company (NBC) and Columbia Broadcasting System (CBS), respectively, were both concerned about the government’s regulation of the industry and repeatedly spoke out about censorship of the medium.⁷⁹ The value of a broadcasting license and the propaganda potential of radio made every

⁷⁶ “Legal Rights of Broadcasters Discussed By Judge Davis,” *New York Times*, June 12, 1927, XX19. The Federal Radio Commission (FRC) was a five-person committee that had the power to grant or deny federal licenses. Created in 1927, the FRC was not given any official power of censorship, but programming could not include “obscene, indecent, or profane language.” When broadcasters had to renew their licenses, the FRC could take into consideration programming. Their ability to take away a broadcaster’s license enabled them to control content to some degree. See also, Judge Eugene Sykes, “Constitutionality of Radio Law Is Not Thoroughly Tested,” *New York Times*, September 18, 1927, R21.

⁷⁷ “Insidious Censorship,” *Washington Post*, June 19, 1934, 8.

⁷⁸ Steele, *Propaganda in an Open Society*, 18. Licenses were granted for six months and were subject to review and possible revocation for violation of federal regulations.

⁷⁹ Henry Bellows, “Is Radio Censored?,” *Harpers*, November 1935.

licensee vulnerable to political pressure. While the executive branch did not directly control the FCC, the president appointed its members and influenced their decisions. After Roosevelt took office in 1933, his senior secretary, Louis Howe, carefully recommended to the then FRC that all operating radio stations must supply federal regulators with copies of “all addresses on public affairs.”⁸⁰ This “request” came with a warning that any future report that was critical of the Roosevelt administration’s new policies could result in license revocation. Unwilling to risk their licenses, broadcasters around the country acquiesced to the government’s interest in using the medium for political (and propaganda) purposes.

Historian Richard W. Steele suggests that “radio’s cooperation [with the Roosevelt administration] stemmed mostly from the broadcasters’ acute awareness of their vulnerability to government regulation.”⁸¹ Broadcasters recognized that in order to avoid federal regulation and loss of independence they had to play ball with the White House. In an effort to show their solidarity, the two largest broadcasting companies—the National Broadcasting Company (NBC—“Red” and “Blue”) and the Columbia Broadcasting System (CBS)—maintained close ties with the White House for the duration of Roosevelt’s presidency. By volunteering free air-time for government/educational programming, both NBC and CBS made the argument that their service to the country should be commended and that any further sanctions or additional regulations should be put to rest.⁸²

⁸⁰ Letter from Louis Howe to Frank Walker, July 25, 1933, and Thad Brown (acting Chairman, Radio Commission) to Howe, July 28, 1933, both in “Secretary to the President” file, Howe papers, FDRL. See also Steele, *Propaganda in an Open Society*, 19–21.

⁸¹ Steele, *Propaganda in an Open Society*, 17.

⁸² Several historians have written on the symbiotic relationship between the radio industry and the government. See Steele, *Propaganda in an Open Society*; Paul F. Lazarsfeld and Robert K. Merton, “Studies in Radio and Film Propaganda,” *Transactions of the New York Academy of Sciences* 6 (November 1943): 58–79; Jeanette Sayre, “Radio,” *Public Opinion Quarterly* 5 (1941): 303.

On March 12, 1933, eight days after his inauguration, Roosevelt spoke directly to the nation over the airwaves in the first of what came to be known as the fireside chats.⁸³ He addressed the banking crisis on the eve of the reopening of banks across the nation, assuring Americans that the new currency was sound and that “it [was] safer to keep [their] money in a reopened bank than under the mattress.”⁸⁴ He closed his statement by asking for their cooperation, telling them that “[The government] has provided the machinery to restore [the country’s] financial system; it is up to [every American citizen] to support and make it work...It is [the country’s] problem no less than it is [Roosevelt’s]. Together [the country and Roosevelt] cannot fail.”⁸⁵ Americans from all over the country responded overwhelmingly to his address. By outlining the role that the government would play in the nation’s economic recovery, Roosevelt won the support of millions of Americans.

The term “fireside chat” was coined by the manager of CBS’s Washington bureau, Harry Butcher, who was inspired by Early’s statement that “the President likes to think of the audience as being a few people around his fireside.”⁸⁶ His ability to identify with those who were struggling and to convey empathy by using such expressions as “my friends,” “you and I know,” and “together we cannot fail” made it seem as though he were in their homes, speaking easily as

⁸³ Between March and October of 1933, Roosevelt delivered four fireside chats: (1) March 12, 1933—On the Bank Crisis; (2) May 7, 1933—Outlining the New Deal Program; (3) July 24, 1933—The Recovery Program; (4) October 22, 1933—The Currency Situation. He delivered an additional 15 speeches on the radio that year. The fireside chats were informal and much shorter than his formal speeches, which were often directed at a specific audience (i.e. Congress, the Supreme Court, international heads of state, etc.) and appealed to special interest groups.

⁸⁴ Franklin D. Roosevelt, Fireside Chat #1: “On the Bank Crisis,” Washington D.C., March 12, 1933 (Radio Address).

⁸⁵ Ibid.

⁸⁶ Winfield, *FDR and the News Media*, 104.

a friend directly to them.⁸⁷ For the first time in several years, Americans felt that they had a president who was working for them. A consummate showman, Roosevelt's calm, resonant voice reassured Americans across the country. *Variety* reported that an estimated 60 million people—"the biggest radio listening audience of all time"—tuned in to listen to the president speak.⁸⁸ Those moved by his eloquent speech responded by flooding the White House the following day with letters remarking on how encouraged they were by his assuredness that the country would recover.

An extraordinary public relations move, the fireside chats remained popular with Americans throughout Roosevelt's presidency. People took comfort when his familiar voice came into their homes, and many saw him as a sort of father figure who inspired much-needed confidence in the country's future. The administration took special care in planning the president's radio addresses and was prudent about when he would speak directly to the nation and how long the speech would last.⁸⁹ When he addressed the public over the radio, he used "simple words, concrete examples, and everyday analogies to make his point" and "paid careful attention to his delivery and to the sound of his voice."⁹⁰ Not wanting to oversaturate the airwaves, Roosevelt deliberately limited his radio appearances to 25 broadcasts a year, including two fireside chats, to preserve their impact.⁹¹

⁸⁷ *Ibid.*, 105.

⁸⁸ "60,000,000 U.S. Listeners-In," *Variety*, March 14, 1933, 1.

⁸⁹ The fireside chats were enormously popular with Americans. However, there were only 31 fireside chats—the first 13 of which dealt directly with the New Deal policies.

⁹⁰ Goodwin, *No Ordinary Time*, 58.

⁹¹ "Roosevelt Reasons," *Variety*, May 9, 1933, 1. Despite the popularity of the chats, he averaged fewer than two chats a year. He wrote that "the one thing I dread is that my talks would be so frequent as to lose their effectiveness," quoted in Winfield, *FDR and the News Media*, 105.

Roosevelt and Early's idea of responsible journalism meshed nicely with the broadcasters' educational programming. The networks worked closely with the administration to craft a public relations campaign weeks before he went on air to maximize the number of Americans tuning in to hear him speak. Just before the president was scheduled to go on air, Early would circulate advance copies of the speech to help reporters cover the talking points. If the president made last minute changes to the speech before the broadcast commenced, Early would point out significant sections to help them work their leads.⁹² Radio proved to be a vital resource for the Roosevelt administration because information could be relayed to the public in a matter of minutes. In a letter to NBC president Merlin Aylesworth, Early described the ways in which the new medium made it possible for open communication between the president and Americans across the country, and explained, "It cannot misrepresent nor misquote. It is far reaching and simultaneous in releasing messages given it for transmission to the nation or for international campaign."⁹³ One of the chief benefits of radio's cooperation with the administration is that Roosevelt's team had a great deal of input as to what made it on the air. Worried about the possibility of government-imposed regulations, the networks continued to support Roosevelt's agenda by remaining politically neutral. They agreed to carry the administration's programming as a public service and they dissuaded radio personalities from criticizing the government.

The relationship between the administration and the radio industry became all the more important when its honeymoon with the newspapers abruptly ended. By 1934 many newspapers across the country including the *Chicago Tribune*, the *New York Herald-Tribune*, the *Detroit*

⁹² Winfield, *FDR and the News Media*, 108.

⁹³ Letter from Stephen T. Early to Merlin Aylesworth, May 18, 1933, Official File 228, FDRL.

Free Press, the *Los Angeles Times*, and every paper controlled by media tycoon William Randolph Hearst, including the *San Francisco Examiner* and the *New York Journal*, opposed the majority of the New Deal programs, especially those that challenged their own interests.⁹⁴ In particular, publishers found the enforcement of the National Recovery Administration (NRA) codes to be especially arduous and openly criticized the Roosevelt administration for giving the president “a type of licensing power” which the publishers felt was “a blow to freedom of the press.”⁹⁵ After refusing to add a section to the code that guaranteed freedom of the press, Roosevelt’s support from the newspapers was virtually non-existent.⁹⁶

Between 1934 and 1941, Roosevelt’s economic and social programs were maligned in derisive opinion editorials that were critical of the administration and skeptical of the effectiveness of the New Deal programs. The president attempted to play nice by turning on the charm during press conferences and annual press gatherings. During a luncheon for the American Society of Newspaper Editors (ASNE), Roosevelt jokingly told a group of newspapermen that he often expressed to his son-in-law, John Boettiger, editor-in-chief of Seattle’s *Post-Intelligencer*, that an ideal newspaper did not contain opinion editorials and controversial stories were covered from two perspectives “in parallel columns on the front

⁹⁴ The National Industrial Recovery Act (NIRA) was “an Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes.” The National Recovery Administration (NRA) was the government agency that oversaw the drafting of hundreds of codes of fair competition that effectively allowed large industries to self-regulate their businesses by establishing quotas, fixing prices and wages, etc. The NRA was formed after Congress approved the NIRA on June 16, 1933. National Industrial Recovery Act, ch. 90, 48 Stat. 195 (1933).

Publishers were particularly angry about two of the NIRA codes: Section 7 (a) which gave workers that right to collectively bargain; and Section 4 (b) which outlines the maximum number of hours, minimum wages, and restrictions on child labor. For a closer look at the NIRA and the NRA see Chapter Two of this dissertation.

⁹⁵ Winfield, *FDR and the News Media*, 128.

⁹⁶ *Ibid.*, 127–128. Roosevelt continued to have the support of the public during his presidency, but not with the newspapers. By the 1940 election, he had “55% of the popular vote but the support of only 25% of the daily newspapers and 33% of the weekly newspapers.”

page...not too long, so that the reading public [could] get both sides at the same time.”⁹⁷ Coming from newspaper backgrounds, both Roosevelt and Early understood that the press needed to report on stories that attracted readers. With the alarming number of negative stories featured in the daily and weekly paper, they became increasingly concerned about the number of newspapers that were opposed to his New Deal agenda.⁹⁸ Roosevelt’s ideal newspaper was never going to materialize; he knew that. But with a carefully constructed strategy in place, Early felt that radio would come to exceed the president’s expectations. Everything Roosevelt wanted to say to the American people went on the air without intermediaries. Radio was able to reach millions of people at any given time, including those in far out places that newspapers could not reach. More importantly, if the right person was speaking, the results were far more effective than the printed word.

It is important to note that there were direct links between the radio networks, the FCC, and the White House right from the start. CBS’s Washington bureau chief, Henry Bellow, was Roosevelt’s Harvard classmate, a former radio commissioner, and an outspoken New Deal supporter; NBC commentator, George Holmes, was married to Early’s sister.⁹⁹ Both men played integral roles in shaping Roosevelt’s radio campaign. CBS and NBC regularly donated airtime to

⁹⁷ Franklin D. Roosevelt, *The Public Papers and Addresses of Franklin D. Roosevelt. Volume 7—The Continuing Struggle for Liberalism* (New York: Random House, 1938), 294–295. Boettiger left his post at the *Chicago Tribune* in 1934 after he proposed to the president’s daughter, Anna. While working as a correspondent at the *Tribune*, Boettiger had written several stories criticizing the Roosevelt administration. Citing conflict of interest, Boettiger resigned and took a job working for Will Hays, president of the Motion Picture Producers and Distributors of America (MPPDA), at the president’s request. Boettiger left the MPPDA in 1936 to take over as publisher of the *Seattle Post-Intelligencer*.

⁹⁸ Frank Luther Mott, “Newspapers in Presidential Campaigns,” *Public Opinion Quarterly* 8 (1944): 348. After the 1940 presidential election, Secretary of the Interior Harold Ickes quoted a statement made by *Editor & Publisher* about Roosevelt’s continuing lack of support from the press. The journal reported (and Ickes recited): “[E]ight years ago (1932) our citizens elected a President who was supported by only 49 per cent of our daily press. Four years ago we elected a President who was supported by only 36 per cent of the press. Last Tuesday we elected a President who was supported by less than 23 per cent of our daily press.”

⁹⁹ Winfield, *FDR and the News Media*, 109.

the White House whenever the president and members of his administration needed to speak about the New Deal. Roosevelt reciprocated their generosity by reappointing most of the commissioners when the FCC replaced the Radio Commission in 1934.¹⁰⁰

Several newspapers lashed out at the Radio Commission and openly accused its members of pandering to the president. The *New York Herald Tribune* claimed that the Roosevelt administration had made radio “the spokesman of the New Deal” by using its power to grant licenses as leverage in its dealings with the networks.¹⁰¹ Republican Robert McCormick, publisher of the *Chicago Tribune* and one of the chief critics of the New Deal, publically condemned the president for denying judicial powers and violating the constitution by implementing illegal legislation including the National Industrial Recovery Act (NIRA) and the Agricultural Adjustment Act (AAA) and by stifling the free press. At the 1934 Patriotic Conference of National Organizations McCormick declared, “The right of the free press remains for the present because of the epochal battle fought by the American newspapers against the coercion of the American government...but the freedom of speech is sadly scotched in its most effective form, the radio. The stations you are listening to are subject to the autocratic rule of officials depending for the terms of their offices on the will alone of the head of a political party.”¹⁰² Newspapers across the country continued to report on the threatening nature of a Roosevelt-appointed FCC and many of the president’s harshest critics viewed the new commission as a censoring body composed of high-ranking political officials. In a scathing *Washington Post* article titled, “Insidious Censorship,” the point is made clear that the selection

¹⁰⁰ Ibid. Roosevelt was careful about appointing men who were friends of the administration.

¹⁰¹ “Radio Board Replies to Press Criticism,” *New York Times*, May 19, 1934, 4.

¹⁰² “Col. McCormick Warns of Attacks Against U.S. Constitution,” *Chicago Daily Tribune*, September 18, 1934, 2.

of Secretary Herbert Pettey, a Democrat “charged with responsibility for all radio arrangements for the Democratic National Committee,” was grossly inappropriate and the “average citizen who has listened to the eloquent exposition and defense of New Deal policies transmitted by air has no doubt marveled at the paucity of dissenting, critical comment.”¹⁰³

Despite the public opposition from newspaper publishers, the radio networks continued to cover all presidential addresses as a matter of course and also extended the offer of free airtime to lesser administration matters. During the first ten months of the New Deal, Americans heard “twenty talks by the President, seventeen more by Mrs. Roosevelt, and 107 by members of the cabinet.”¹⁰⁴ Both CBS and NBC voluntarily produced special education segments on New Deal programs that featured key administration figures including Howe, McIntyre, and Early.¹⁰⁵ Roosevelt officials tackled the soaring unemployment rate by broadcasting several stories on the benefits of joining one of the social and cultural New Deal programs such as the Civil Works Administration (CWA), Civilian Conservation Corps (CCC), and the Works Progress Administration (WPA). By the end of 1936, several government programs had their own dramatic radio programs on the air, and several others were soliciting the networks for time.

Early Exploitation of the Media: Newsreels (1933–1939)

While the radio networks continued to give the government unlimited programming, Early was concerned that the sheer number of programs on the air would turn the public off to

¹⁰³ “Insidious Censorship,” 8. See also “Editors See Threat of Press Censorship,” *Los Angeles Times*, April 21, 1934, 3 and “Tuning In,” *Washington Post*, October 8, 1934, 8. When his relationship with the newspapers became more adversarial in the mid-1930s, the White House began to closely monitor the number of radio stations being bought by newspapers. Roosevelt did not like the fact that licenses were handed out almost automatically. By 1940 newspaper publishers owned 2/3 of the airwaves.

¹⁰⁴ Steele, *Propaganda in an Open Society*, 23.

¹⁰⁵ Howe Papers, Personal file, Broadcasts—1933, FDRL. During Roosevelt’s first year in office, NBC featured weekly interviews with Louis Howe. The questions and answers were prepared in advance by the administration. Howe’s interviews gave updates on New Deal happenings and were enormously popular with the American public.

Roosevelt's message. By 1934 Americans had grown weary of the educational programming on the radio. Listeners tuned in when the president was on the air, but there was a significant drop off during regularly scheduled government-related programs. Although the networks were willing to do their part to help the administration, the constant negative newspaper press questioning the medium's relationship with the government made them uneasy. Both Early and the broadcasting executives recognized that the continuation of free airtime depended on the "plausible claim that it was a non-controversial public service."¹⁰⁶ It was therefore in the best interest of the government to look to another medium that could potentially complement the information disseminated in newspapers and on radio on behalf of the White House.

In the 1930s, motion pictures were the dominant form of mass entertainment. Millions of Americans flocked to movie theaters each week to escape the harsh realities of the Depression. For twenty-five cents, moviegoers could purchase an evening's worth of entertainment that included a program of animated shorts, live-action shorts, a newsreel, and a feature-length motion picture. While Early and his team recognized the potential of motion pictures, exploiting the medium for political purposes posed a challenge for the administration. Motion picture production of any kind would require the cooperation of the studios. In 1933, both Early and Roosevelt were of the opinion that newsreel segments would be the most effective use of the medium at this early stage. For Roosevelt, the newsreel represented a chance to examine important issues while avoiding any direct discussion of "politics, social issues, and other controversial topics that could call for commentary or interpretation."¹⁰⁷ With Early's

¹⁰⁶ Steele, *Propaganda in an Open Society*, 24.

¹⁰⁷ Giuliana Muscio, *Hollywood's New Deal* (Philadelphia: Temple University Press, 1996), 77.

background as a newsreel man for Paramount News, the White House had a natural tie to the motion picture industry that would remain significant moving forward.

During the 1930s and 1940s, newsreels were a precursor to televised newscasts.¹⁰⁸ An integral part of a pre-packaged program distributed by the studios to theater owners, newsreels became a major source of information for the viewing public. All five newsreels—Fox Movietone News; the MGM-distributed Metrotone News (later News of the Day); Paramount News; Universal News; and Pathé News—produced separate versions of the news and delivered them twice a week to local theaters.¹⁰⁹ Newsreels emphasized the human side of contemporary American affairs and the fast-paced sampling of stories was meant to entertain viewers before the feature film commenced. Although they had been around since the silent era, the coming of sound gave newsreels an added dimension and audiences took delight in listening to the topical stories of the day.

During his tenure at Paramount News, Early and his Washington newsreel team were known for their solid news coverage of well-known dignitaries and American heroes including Amelia Earhart and Charles Lindbergh.¹¹⁰ Instead of selling sensational news stories that were often staged, as some of its competitors were wont to do, Paramount News under Early built a reputation for providing moviegoers with first-rate “*big news*” stories replete with solid reporting.¹¹¹ Early’s decision to leave his job at Paramount News to become Roosevelt’s press

¹⁰⁸ Broadcast commercial television did not begin until 1948.

¹⁰⁹ Steele, *Propaganda in an Open Society*, 26.

¹¹⁰ “Newsreels—Enterprise Personified,” *International Photographer*, April 1938, 37. *Paramount News* ended each newsreel with its slogan: “The Eyes and Ears of the World.”

¹¹¹ Steven E. Schoenherr, “Selling the New Deal: Stephen T. Early’s Role as Press Secretary to Franklin D. Roosevelt” (PhD diss., University of Delaware, 1976), 144. See also Winfield, *FDR and the News Media*, 116.

secretary was a difficult choice for him to make. During his five years managing the Washington branch, he felt that he had made a real contribution as a journalist working in newsreels. Early also enjoyed the excitement of getting the next big story and relished the competitiveness between the rival newsreel companies. In a 1933 letter to his friend and former boss, Emanuel Cohen, Early's wistfulness for his old job and the newsreel game is brought to light. He writes, "I have learned in the past few months how different the view is when seen from the inside."¹¹² As the first modern press secretary, Early's first six months working in the White House were frustrating for the former journalist. The biggest challenge he faced after the inauguration was figuring out how to help the White House press corps and newsreel cameramen get the news they were after, and at the same time to protect the president and his administration from these same reporters.¹¹³ Many of the reporters and cameramen covering the White House were former colleagues and he was initially uncomfortable giving them instructions about how to do their jobs. What Early found instead was camaraderie and respect from the journalists who admired the care he took in making sure the press had access to the president.

With Early's close monitoring of his pictorial image, no one benefitted more from the newsreel format than the president himself. On film, Roosevelt was portrayed as a down-to-earth man who participated in water polo matches with fellow polio victims in Warm Springs, Georgia, enjoyed entertaining his grandchildren at his home in Hyde Park, New York, and sailed on his yacht while vacationing at Campobello Island.¹¹⁴ From the start, Early had complete control of newsreel coverage and used the same rules he had established earlier with still

¹¹² Letter from Early to Emanuel Cohen, June 30, 1933, Box 2, Stephen T. Early Papers, FDRL.

¹¹³ Schoenherr, "Selling the New Deal," 144.

¹¹⁴ Steele, *Propaganda in an Open Society*, 26.

photographers. Like the photographers, newsreel cameramen were not permitted to take candid pictures in the White House without special permission and were usually limited to photographing speeches, ceremonies, and formal group portraits.¹¹⁵ Out of respect for Roosevelt's safety and privacy, filming could only take place in public areas of the White House and at his homes in Hyde Park and Warm Springs.¹¹⁶ Early also expressly forbade any filming of the president's legs in braces or being wheeled around in his wheelchair.¹¹⁷ These rules were more or less followed by both still and motion picture photographers.¹¹⁸ Photojournalists respected the wishes of the White House and typically shot Roosevelt from the waist up. For the most part, Americans did not see pictorial reminders—including political cartoons—of the president's handicap in the press. Winfield and others suggest that Roosevelt "seemed so vigorous in so many other ways that most Americans never thought much about the fact that Roosevelt remained a cripple in a wheelchair...his active administration belied any image of incapacity."¹¹⁹ Early's attempts to screen the public from Roosevelt's paralysis were so successful that many journalists gave the impression that the president "had fully conquered his infirmity."¹²⁰ The White House press corps helped maintain this unwritten law because they saw

¹¹⁵ Memorandum for the Photographers, January 30, 1934, Official File 36, FDRL.

¹¹⁶ Memoranda for the Photographers, February 2 and 8, 1934, Official File 36, FDRL. Early often directed the photography for the cameramen and specified which shots he wanted taken. He was also known to give instructions about the camera equipment (camera, tripods, etc.) he'd like used by the photographers. See Early Memorandum for William Hassett, August 27, 1940, Box 23, Stephen T. Early Papers, FDRL.

¹¹⁷ Memorandum to Ross McIntyre on wheelchair picture policy, August 11, 1937, McIntyre folder, "Correspondence" files, Stephen T. Early Papers, FDRL. See also Schoenherr, "Selling the New Deal," 145.

¹¹⁸ Some of Roosevelt's opponents did occasionally publish pictures of him getting of his car with his leg braces on or being wheeled around in a wheelchair. Robert McCormick's *Chicago Tribune*, Henry Luce's magazines *Life* and *Fortune*, and Ogden Mills Reid's *New York Herald-Tribune* all printed pictures of the president's crippled condition.

¹¹⁹ Winfield, *FDR and the News Media*, 115. See also Schoenherr, "Selling the New Deal," 147–148.

¹²⁰ Schoenherr, "Selling the New Deal," 115.

Roosevelt as a friend. On one such occasion, a photographer from a Republican newspaper tried to snap a picture of Roosevelt's shriveled legs while being carried out of the car by Secret Service, the regular corps of photographers "hindered the cameraman by blocking his view and moving his camera, thus preventing the picture from being made."¹²¹ Many of Early's friends, including George Skadding of the Associated Press and Robert Denton from Paramount News, would tip him off if they heard rumblings that a photographer had received an assignment to get an embarrassing picture of the president in a vulnerable state for publication.¹²² While reporters were committed to maintaining a free press and had no problem with reporters writing scathing criticism of the president, it was quite another matter to publish photographs of a crippled man for the sake of humiliating him. Early took protecting the president's handicap so seriously that when *Life* magazine published the now famous photograph of Roosevelt being wheeled across the grounds of a naval hospital in Washington D.C. in the August 1937 issue, he and McIntyre launched an investigation to find out who was responsible for the photograph.¹²³

Reciprocating this loyalty, the White House did not grant any one newsreel exclusive access to the president. As a former journalist, Early prided himself on treating all members of the press fairly and with respect. Generally speaking, newsreel cameramen gave Early less of a

¹²¹ Ibid., 148.

¹²² Ibid.

¹²³ The identity of the photographer was never discovered. Most of the photographs taken of the president that reveal his handicap were typically taken by amateur and local photographers who then sold the pictures to newspapers and magazines. During Roosevelt's second term in office, Early became much more strict about how and when the president was photographed. After several unflattering photographs were published including photographs of the president eating peanuts at baseball game and laughing with friends as he smoked and drank a cocktail, Early banned candid cameras from the White House. While these photographs were published to demonstrate that the president had ordinary habits just like everyone else, Early thought they made Roosevelt look less dignified. When Early learned of any attempt to publish a candid photograph of the president, he tried to block it. For example, when Eleanor's bodyguard, Earl Miller, tried to sell a photograph of the king and queen of England eating hot dogs with the president during an informal picnic at Roosevelt's Top Cottage estate in Hyde Park, Early immediately attempted to put a stop to it. See Memorandum from Stephen Early to Earl Miller, June 20, 1939, OF 171, FDRL.

headache than the still photographers. One reason for this had to do with the available motion picture technology. While many improvements had been made over the past decade, including the invention of sound, cameras were large and unwieldy and often needed more than one person to operate. This in turn made it much easier for Early to monitor what was being filmed. If he thought a particular event or speech was worth filming, he used his connections and contacted the newsreel editors directly and gave them explicit instructions for filming. While scheduled outdoor public speeches were generally filmed in the moment and edited for effect, most newsreel segments covering the White House were done either before or after an event took place.¹²⁴ For example, each fireside chat was filmed immediately *after* it aired on the radio.¹²⁵ During these reproductions, Roosevelt would not deliver the entire fifteen-minute chat, but rather focus on one or two of the highlights he wanted the American people to hear again.¹²⁶ Early also was able to rein in the newsreel men when the president wanted a radio speech filmed and released the same day the actual speech was to be delivered.¹²⁷ Although Roosevelt usually did not finish writing his speeches until the last minute, Early was able to orchestrate the newsreel footage so that key segments of the speech were filmed and cut in time for theatrical release.¹²⁸ More often than not, the president would invite members of his cabinet and private citizens to

¹²⁴ Schoenherr, "Selling the New Deal," 149.

¹²⁵ Ibid.

¹²⁶ Ibid. Roosevelt insisted on delivering the speeches live on the air without still cameras flashing and the artificial klieg lights from the newsreel shining on his sensitive eyes. This gave him time to pose and perform for the cameras.

¹²⁷ Towards the end of his second term in office, Roosevelt preferred this format for his radio speeches. Early had to take special care in his negotiations with the newsreel companies because it was imperative that filmed speech and radio speech were released in a timely fashion. See Winfield, *FDR and the News Media*, 117.

¹²⁸ Schoenherr, "Selling the New Deal," 155–156.

listen to the broadcasts and watch the filming of the newsreel.¹²⁹ Those who had the opportunity to watch the president in action marveled at his charismatic personality. Early himself said “there was nothing like [watching Roosevelt]” deliver a speech; Robert Trout, an announcer for CBS, called Roosevelt a “natural broadcaster.”¹³⁰

Another reason Early had an easier time with the newsreel producers had to do with the nature of the medium itself. Like the feature films they accompanied in the theaters, newsreels were designed to entertain moviegoers. While “hard” news stories were certainly featured in newsreels during the 1930s, the majority of the pieces produced were much lighter than one might expect. Newsreel coverage of the White House and the president was not an exception. Steven E. Schoenherr’s analysis of Roosevelt’s appearances in Universal Newsreels between 1933 and 1940 is revealing. According to his research, “33% of the newsreels featured the president traveling; 30.2% showed him participating in ceremonies (the majority of which were non-political); 23.5% were filmed speeches; and 12.7% depicted “special actions” which included official presidential acts such as signing legislation, meetings with foreign leaders and his cabinet members, press conferences, inaugurations and congressional elections, and Supreme Court appointments.”¹³¹ The overwhelming emphasis on both the president’s persona and human

¹²⁹ Elizabeth Ford, “Roosevelt Is Popular Film Subject,” *Washington Post*, October 17, 1937, B4. See also Miller James, “Intimate View Given of Roosevelt on Air,” *Los Angeles Times*, July 1, 1934, A5. During his first term in office, there were several newspaper profiles on Roosevelt’s radio and newsreel appearances. The journalists covering the events admired his easiness in front of the microphone and the carefully crafted informal setting of each broadcast.

¹³⁰ John J. Daly, “...the President!,” *Washington Post*, April 1, 1934, SM5.

¹³¹ Schoenherr, “Selling the New Deal,” 154–155. The travel and ceremonies categories had a higher entertainment value and, thus, make up 64% of Roosevelt’s total appearances. Newsreel editors knew that audiences were more interested in seeing the president at his homes in Hyde Park and Warm Springs or lighting the White House Christmas tree before watching a film. Speeches and “special actions” made up 36% of his appearances and had decidedly less entertainment value. Catching a glimpse of the president in light moments or in his private space was much more appealing to the American people.

interest stories rather than the issues of the day cannot be overlooked. Early took special care in keeping the American movie going public focused on the more personal aspects of his presidency rather than some of the controversy that surrounded his New Deal programs. As Roosevelt's opinion poll numbers with the press continued to plummet in the mid-1930s, they steadily climbed with the American people who saw him in action on the screen. By the end of his first term, Early had successfully transformed the president into "big news" and made him the "star" of the newsreels.¹³² Overall, the newsreel producers felt "the cooperation with the newsreels during the Roosevelt regime was excellent."¹³³

When the president's first term came to a close, the *New York Times* reported that Early was going to resign from his position as press secretary and return to his old post at Paramount News after the election.¹³⁴ After weathering the venomous attacks by the newspaper press, Roosevelt needed Early now more than ever to manage his public persona and continue to put a positive spin on his administration going forward. Early reluctantly agreed and immediately began mounting another publicity campaign to bolster the president's agenda. With the lack of support from the newspaper press, Roosevelt's public relations team was put on the offensive during his second term. Worried about oversaturating the airwaves and newsreels, Roosevelt and Early took another look at motion pictures as they contemplated their next move.

¹³² Daly, "...the President!," SM5; and Ford, "Roosevelt Is Popular Film Subject," B4.

¹³³ Schoenherr, "Selling the New Deal," 157.

¹³⁴ "Early's Resignation Rumored in Capital," *New York Times*, November 18, 1936, 18. The mounting pressure of having to please both the president and the press started to emotionally affect Early who longed to leave politics. However, his close relationship with the president made it all the more difficult for him to leave. In a letter to Joseph Davies, he writes, "I am a prisoner by duty." Letter from Stephen Early to Joseph Davies, August 18, 1936, Box 3, Stephen T. Early Papers, FDRL. Also partially quoted in Winfield, "Selling the New Deal," 158.

Roosevelt and the Motion Picture Industry—The Implications of Film Regulation

The potential of film as a conduit of information was not lost on Roosevelt. He had served in Woodrow Wilson’s administration during World War I and witnessed the first great media campaign in American history. Immediately after America entered the war in 1917, Wilson established the Committee on Public Information (CPI) and appointed muckraking journalist, George Creel, as its head.¹³⁵ The CPI “combined the two functions of censorship and publicity” and aimed to instill “confidence, enthusiasm, and service” in Americans by providing them with “the fullest publicity on all the vital facts of national defense.”¹³⁶ In a letter to Creel, Wilson outlined the publicity work of the CPI and called for the creation of a number of media divisions including a news division that “supervises and distributes news “releases” from the civil and military departments,” a film division, and an advertising division.¹³⁷ In an effort to promote the war at home while publicizing the country’s war aims abroad, Creel recruited various people from the media, business, art, and academic worlds to form an organization that would work collectively to disseminate propaganda on a large scale.¹³⁸ While Creel was

¹³⁵ “Creel to Direct Nation’s Publicity,” *New York Times*, April 15, 1917, 1.

¹³⁶ *Ibid.*

¹³⁷ “Creel as a Recurrent Storm Centre” *New York Times*, May 19, 1918, 64. Wilson outlined sixteen activities of the CPI: (1) A division of news which supervises and distributes news “releases” from civil and military departments; (2) A daily official bulletin; (3) A division of civic and educational co-operation which prepares and circulates that Red, White, and Blue, and the war information pamphlets; (4) Four-minute men who speak in moving picture theaters; (5) public speaking in which the more extensive speaking campaigns are coordinated; (6) Syndicate features; (7) A division of films; (8) A division of pictures; (9) A division of foreign-language papers; (10) A division of distribution; (11) Woman’s war work; (12) Division of reference; (13) Art; (14) Advertising; (15) Foreign educational work and; (16) Business management. The different divisions and activities of the CPI would later provide a working template when the office of War Information (OWI) is created by the Roosevelt administration upon America’s entry into World War II. *Ibid.*

¹³⁸ Creel’s memoirs, *How We Advertised America: The First Telling of the Amazing Story of the Committee on Public Information that Carried the Gospel of Americanism to Every Corner of the Globe* (1920) provide an invaluable look at the structure and day-to-day operations of the CPI and marks the first public record of the use of film as a propaganda tool. For more on propaganda technique during wartime see Lasswell, Harold D., *Propaganda Technique in the World War* (New York: Alfred A. Knopf, Inc., 1927).

permitted to select the chairs for the various committees, Wilson personally appointed William A. Brady, a Broadway stage actor and well-connected talent manager, to chair a committee to organize the American motion-picture industry.¹³⁹ In his letter to Brady, the president says, “it is in my mind not only to bring the motion picture industry into fullest and most effective contact with the nation’s needs, but to give some measure of official recognition to an increasingly important factor in the development of our national life.”¹⁴⁰ Under Creel’s guidance and Brady’s leadership, the motion picture industry supported the war effort by supplying the government with newsreels and propaganda feature films including *The Kaiser*, *the Beast of Berlin* (Julian, 1918), *Under Four Flags* (Rothafel, 1918) and *Pershing’s Crusaders* (Hoagland, 1918). Hollywood’s early participation in the war effort firmly established the film medium as an effective propaganda tool for mobilizing the country.

Unlike the newspaper press and radio, Roosevelt did not immediately pursue the services of the motion picture industry during his first term in office. When he entered the White House, he needed the swift action that newspapers and radio readily provided to inform Americans about the New Deal programs. Filmmaking was too labor intensive and expensive to make the necessary headway Roosevelt’s media team needed. It was not practical (or economical) to make short films that accompanied feature films at this point. First, there was no infrastructure in place to make the kind of films Roosevelt wanted the American public to see. Second, in 1933, the

¹³⁹ “Mobilizes the Movies,” *Washington Post*, July 2, 1917, 2. Between 1889 and 1916, Brady produced more than 250 plays including *Way Down East* and *Uncle Tom’s Cabin*. As a talent manager, he represented some of the most popular actors of the day including Helen Hayes, Douglas Fairbanks, and Tallulah Bankhead. Brady also managed the careers of heavyweight boxers James J. Corbett and James J. Jeffries.

¹⁴⁰ *Ibid.*

film studios themselves were struggling to stay afloat during the hard economic times.¹⁴¹ As the novelty of talking pictures wore off, and the economic conditions across the country worsened, attendance started to drop off. Roosevelt and Early reasoned that if fewer people were going to the movies every week because of economic hardship there was no reason to take on the extra burden of filming short subjects. The majority of Americans were still reading newspapers and listening to the radio every day. Even if a family did not own a radio, it was likely that they would gather around a neighbor's set when important news was breaking. With movie studios entering into receivership, Roosevelt and Early did not want to commit to using the medium without some sort of guarantee that it could match the 60 million listeners who tuned in for the first fireside chat.

The final reason for the administration's initial hesitation was the continued threat of government regulation of film content. Although radio faced similar challenges, the film industry had been dealing with censorship issues since its inception. Beginning with Thomas Edison's *The Kiss* (1896), a 47-second kinetoscope film featuring the reenactment of John Rice and May Irwin's kiss from the play *The Widow Jones*, progressive reformers and cultural conservatives began closely monitoring motion picture morality (or the lack thereof). In 1908 New York City mayor, George B. McClellan, revoked the exhibition licenses of every motion picture theater on Christmas Eve because of the "serious opposition presented by the rectors and pastors of

¹⁴¹ After investing a great deal of money into sound motion pictures in 1927–1928, nearly every studio was in the red by 1933. MGM was the only studio not teetering on the brink of receivership or bankruptcy in 1933. For more on Hollywood during the 1930s, see Tino Balio, *Grand Design: Hollywood as a Modern Business Enterprise, 1930–1939* (Los Angeles: University of California Press, 1995); David Bordwell, Janet Staiger, and Kristin Thompson, *The Classical Hollywood Cinema: Film Style & Mode of Production to 1960* (New York: Columbia University Press, 1985); Richard B. Jewell, *The Golden Age of Cinema, 1929–1945* (Malden, MA: Blackwell, 2007); and Thomas Schatz, *The Genius of the System: Hollywood Filmmaking in the Studio Era*. (New York: Holt Publishers, 1988).

practically all the Christian dominations in the city.”¹⁴² To protect their interests, theater owners and prominent film distributors of the day, including Marcus Loew and Thomas Edison, respectively, formed a regulating body, the New York Board of Motion Picture Censorship to avoid government control over the medium.¹⁴³ However, the public outrage following the Fatty Arbuckle murder trial, the unsolved murder of director William Desmond Taylor, and the deaths of young actors Olive Thomas and Wallace Reid from drug abuse in 1922 marked a pivotal point in the industry’s fight against government regulation.¹⁴⁴ To stave off government intervention in industry matters, the film moguls formed a trade organization, Motion Picture Producers and Distributors of America (MPPDA) later that year, and immediately set up a “policy of self-censorship and regulation of their own films that would convince the public of the producers’ good faith.”¹⁴⁵ Looking for leadership outside the industry, the moguls hired former Postmaster

¹⁴² “Picture Shows All Put Out,” *New York Times*, December 25, 1908, 1, 2.

¹⁴³ The New York Board of Motion Picture Censorship was renamed the National Board of Review in 1915. In order to protect their freedom of expression, motion picture producers agreed to submit their films for approval. However, on May 8, 1916, Congressman Dudley Hughes proposed a second bill in the House of Representatives recommending the federal censorship of motion pictures because “state and municipal censorship of motion pictures could not meet the demands of the industry and the public today.” The Federal Motion Picture Commission would be a created as a subdivision of the Bureau of Education in the Department of Interior. See “Urges Film Censorship,” *New York Times*, May 18, 1916, 9.

The first bill Congressman Hughes proposed (alongside Senator Hoke Smith) recommended a Commission of Censorship and stated that “no copyright shall be issues for any film which has not previously received the certificate and seal” of the Commission. The May 8, 1916 bill omits the copyright clause. Hughes’s bills were debated on the House and Senate floors, but were eventually defeated. The U.S. Supreme Court’s 1915 decision in *Mutual Film Co. v. Indus. Comm’n of Ohio* provided the biggest blow to the industry. Upholding the validity of Ohio’s film censorship law, Justice Joseph McKenna, writing the unanimous decision of the Court, resolved, “It cannot be put out of view that the exhibition of moving pictures is a business, pure and simple, originated and conducted for profit.” *Mutual Film Co. v. Indus. Comm’n of Ohio*, 236 U.S. 230, 244 (1915). As a result, films were “not to be regarded, nor [were they] intended to be regarded by the Ohio Constitution, we think, as part of the press of the country.” *Ibid.* The Court’s finding that motion pictures did not have protection under the first amendment made the industry vulnerable to the threat of federal and state censorship. It must be noted that newspapers and books and other “parts of the press of the country” were also “originated and conducted for profit.” The holding of *Mutual Film* was reversed by *Joseph Burstyn, Inc. v. Wilson* in 1952. See John Wertheimer, “*Mutual Film* Reviewed: The Movies, Censorship, and Free Speech in Progressive America,” *The American Journal of Legal History*, 37, no. 2 (1993), 159–160.

¹⁴⁴ Leonard Leff and Jerold Simmons, *Dame in the Kimono* (Kentucky: University of Kentucky Press, 2001), 3.

¹⁴⁵ Arthur Knight, *The Liveliest Art* (New York: New York American Library, 1958), 112.

General Will Hays, a Presbyterian church elder with Washington connections, to act as the first president of the MPPDA. His first order of business was to clean up Hollywood's image and sell it back to the American people.¹⁴⁶

Although the president remained publically neutral on the controversy over film content after taking office in 1932, Mrs. Roosevelt's interest in social reform and education certainly affected her view on cinema's role in American culture. To be fair, film content and the public's concern about the state of affairs in Hollywood in the early 1930s were symptoms of a moral panic about social behavior that came about as a result of the economic collapse and ensuing Depression. Both the president and the first lady were certainly tuned in to the public's outrage over the scandals that were continuously splashed across the headlines of newspapers. However, they were also well aware of the economic, social, and political motivations of the industry as a whole. In an effort to gain control over the studios and the content of films, Hays established the Studio Relations Committee (SRC) in 1927 and appointed Colonel Jason Joy, a former War Department public relations man, as its director. Under the advisement of Hays, Joy drew up a code of three dozen proscriptions based on the common demands of local censor boards across the country. This working document became known as the "Don'ts and Be Carefuls" and

¹⁴⁶ Immediately after taking office in 1922, Hays required every artist working in Hollywood to sign a morals clause wherein "the artist agrees to conduct himself with due regard to public conventions and morals and agrees that he will not do or commit any act or thing that will tend to degrade him in society or bring him into public hatred, contempt, scorn or ridicule, or that will tend to shock, insult or offend the community or ridicule public morals or decency or prejudice the producer or the motion picture industry in general." Two years later, in 1924, Hays introduced "the Formula" which was a guideline for producers when selecting novels, plays, short stories, etc. Material that contained too much sex and violence was deemed unacceptable for motion picture content. The following year Hays set up Central Casting to protect aspiring young talent attempting to break into the business. Every actor working for a studio was required to have the correct paperwork to work on a set. See Leff and Simmons, *Dame in the Kimono*, 5. For more on film censorship see Matthew Bernstein, *Controlling Hollywood Censorship and Regulation During the Studio Era* (New Brunswick: Rutgers University Press, 1999); Gregory Black, *Hollywood Censored: Morality Codes, Catholics, and the Movies* (New York: Cambridge University Press, 1995); Thomas Doherty, *Pre-Code Hollywood* (New York: Columbia University Press, 1999); Thomas Doherty, *Hollywood's Censor: Joseph I. Breen and the Production Code Administration* (New York: Columbia University Press, 2007); Lea Jacobs, *The Wages of Sin* (Berkeley: University of California Press, 1995).

prohibited, among other things, profanity, nudity, drug trafficking, sex perversion, white slavery, miscegenation, sex hygiene and venereal diseases, scenes of actual childbirth, children's sex organs, ridicule of the clergy, and offences against a race, creed, or nation.¹⁴⁷ Endorsed by the MPPDA in October 1927, the "Don'ts and Be Carefuls" allowed Hays once more to claim publicly that Hollywood was cleaning up its act.

Conversant with state censorship laws around the country, Joy and his relatively small staff would read scenarios and scripts and then advise producers on potential problems with local authorities.¹⁴⁸ The SRC was responsible for the administration of censorship for the industry; however, each studio interpreted the guidelines according to its own interests and in 1929 only twenty percent of their scripts were sent to Joy.¹⁴⁹ Despite these considerable efforts on the part of Hays Office and the SRC, religious organizations, reform groups, and legislators continued to threaten the industry with federal censorship. During the fall of 1929, the business practices of the motion picture studios were being closely monitored by the U.S. Department of Justice.¹⁵⁰ According to film historian Richard Maltby, the industry's relationship with the government continued to be "strained by mergers and theater buying among the major companies" and their "steady policy of aggrandizement, discrimination and exclusion" in dealing with independent

¹⁴⁷ Leff and Simmons, *Dame in the Kimono*, 7. In other trade-practice initiatives, Hays continued to implore studios not to stereotype people who live in lucrative foreign markets.

¹⁴⁸ Jacobs, *The Wages of Sin*, 28. While the "Don'ts and Be Carefuls" were established in 1927, censorship on the West coast did not begin until 1928 when Joy left New York to set up office in Hollywood to be in closer proximity to the studios.

¹⁴⁹ Leff and Simmons, *Dame in the Kimono*, 8.

¹⁵⁰ Richard Maltby, "The Production Code and the Hays Office" in *Grand Design: Hollywood as a Modern Business Enterprise, 1930–1939*, ed. Tino Balio (Los Angeles: University of California Press, 1995), 45.

exhibitors left much to be desired in the eyes of trust busters.¹⁵¹ When the economy collapsed later that year, the government backed away from antitrust legislation and focused on repairing the economy.¹⁵²

The stability of the SRC was also threatened by the MPPDA's failure to construct a cooperative relationship with the Protestant churches comparable to one they enjoyed with the International Federation of Catholic Alumnae (IFCA).¹⁵³ By late 1929, however, a small group of Catholic laymen and priests became increasingly uncomfortable with what they perceived as the "declining moral quality of films."¹⁵⁴ Martin Quigley, a devout Catholic and owner and publisher of the industry trade journal *Motion Picture Herald*, conceived of a code that would include not only rules and regulations, but also the philosophy of the industry as a whole.¹⁵⁵ An advocate of the theater owners, he opposed government censorship and rendered it ineffective.

¹⁵¹ Ibid., 45-46. Between 1928 and 1929 several company mergers including Fox Film Corporation/Loew's/MGM and "Paramount-Vitaphone" (Warner Bros.) were on the table. After a thorough investigation, the U.S. Department of Justice refused to allow the mergers to go through because they violated the Sherman Anti-Trust Act. Had the mergers been approved, three large corporations—Radio Corporation of America (RCA), Fox-Loew's, and Paramount-Vitaphone—would have controlled the entire entertainment industry with holdings in vaudeville, motion pictures, radio, music publishing, and phonographs. The U.S. Justice Department allowed David Sarnoff's new vertically integrated film company, Radio-Keith-Orpheum (RKO) and Warner Bros.' merger with First National (which gave them a huge production lot in Burbank and a lucrative theater chain) to remain intact. By the end of 1928 there were five vertically integrated motion picture studios—Paramount, Fox, Loew's/MGM, Warner Bros., and R-K-O—all of which had production, distribution, and exhibition wings. Universal and Columbia were producers and distributors; and United Artists was a distribution-only company. Known as the "Big 5" and "Little 3," these multifaceted companies dominated the motion picture industry for the next twenty years. For more on the post-sound merger attempts see Douglas Gomery, *The Coming of Sound* (New York: Routledge, 2005).

¹⁵² Chapter Three of this dissertation will discuss the antitrust practices of the motion picture studios during the late 1930s.

¹⁵³ Maltby, "The Production Code and the Hays Office," 45. Maltby suggests that religious reformists thought films were particularly threatening "both because they were apparently owned by aliens [Jews] and because their advertising (which was all many of their critics saw of them) suggested that their permissive representations of sex and violence were designed to cater to the basic instincts of 'morons,' a term widely used to refer indirectly to the immigrant working class."

¹⁵⁴ Black, *Hollywood Censored*, 35.

¹⁵⁵ Ibid.

He recruited Father Daniel Lord, the leading figure of the revival of the Catholic Solidarity movement, to draft the Code. After studying a number of state and municipal censorship boards, the “Don’ts and Be Carefuls,” and the objections of Protestant reformers, Lord successfully penned the Production Code in 1930. The Quigley-Lord Production Code was a two-part document that included a three point philosophical statement entitled “General Principles” and a comprehensive list of prohibitions entitled “Working Principles.”¹⁵⁶ With the power of the Catholic Church behind him, Quigley took the document to Hays and called for immediate industry adoption. In his memoir Hays reflected on his first read through of the Code, and wrote: “My eyes nearly popped out when I read it. This was the very thing I had been looking for.”¹⁵⁷

The 1930 Production Code was essentially a “corporate statement of policy” about the “appropriate content of entertainment cinema” and acknowledged the possible influence of movies on the morals and conduct of those who went to the theater and saw them.¹⁵⁸ When the Code was ratified by the MPPDA on March 31, 1930, Hays told members of the press “the adoption of the code marks the latest and greatest step taken by the motion picture industry in the direction of self-government, to the end that the entertainment, educational and informative values of the screen shall conform not only to the best standards of this art but to the wholesome instincts of life.”¹⁵⁹ For all intents and purposes, the Code represented the industry’s public acceptance of its difference from other forms of popular entertainment including novels, magazines, and live theater.

¹⁵⁶ Doherty, *Hollywood’s Censor*, 44.

¹⁵⁷ Will H. Hays, *The Memoirs of Will H. Hays* (New York: Doubleday Press, Inc., 1955), 439.

¹⁵⁸ Maltby, “The Production Code and the Hays Office,” 46.

¹⁵⁹ “New and Exacting Code Governs Film Industry,” *Los Angeles Times*, April 1, 1930, 1–2.

Several industry insiders raised questions about the writing of the Code. The leading voice of opposition was MGM's head of production, Irving Thalberg, who, along with fellow producers and studio representatives Jack Warner (Warner Bros.), B.P. Schulberg (Paramount), and Sol Wurtzel (Fox) rejected Lord's basic contention that movies had to be more restricted in presenting material than other art forms. They maintained that films were simply "one vast reflection of every image in the stream of contemporary life;" and, in their view, audiences supported movies they liked and stayed away from those they did not.¹⁶⁰ The producers saw no reason to adopt Quigley and Lord's code of ethics and felt that this version of the Code—written in part by a priest who was representing reformers of all types—essentially asked them to present a utopian view of life that denied reality and, frankly, lacked box-office appeal. Interestingly, Hays himself wanted it to appear to the public that the Code "grew out of the will of the industry" and did not want word to get out that it had, in fact, been co-written by two members of the Catholic faith.¹⁶¹ By the time Hollywood caught up with the rest of the country and began experiencing the economic fallout of the Great Depression in 1931 with its diminishing box office receipts, the Code seemed to be the least of their problems. In an effort to recover their losses, motion picture producers supplied audiences with gritty tales of bootleggers and

¹⁶⁰ Black, *Hollywood Censored*, 41. The producers saw no reason to adopt Lord's code of ethics. A memorandum written by Thalberg stated that they intended to do no more than make "a special effort...to include compensating moral values" in borderline cases. They offered to allow Joy to be "empowered to stop the distribution of any picture which it is felt violates the letter or spirit" of the Hays Office.

¹⁶¹ *Ibid.*, 45. Father Lord agreed with Hays and felt that the organic nature of the Code must be stressed to the public. However, one week after the Code was ratified, newspapers began publishing articles that suggested that the MPPDA gave financial support to representatives of various civic and religious groups in exchange for their public backing of the Code. Members of these organizations signed a petition in support of Hays stating that "the industry has asked nothing but our advice and counsel on matters of picture production and has given nothing in return but their respectful and effective consideration of the proposals we have made...Our only compensation has been a large amount of personal satisfaction in performing what we believe to be a public service by helping in the progressive improvement of motion-picture production and in influencing the recent adoption by all leading motion-picture producers of an excellent and far-reaching code of ethical practices." As motion pictures containing objectionable content continued to be released in theaters across the country, support from these groups quickly diminished. Cited in "Hays Defended in Film Attack," *Los Angeles Times*, April 7, 1930, 3.

gangsters, promiscuous working class girls with hearts of gold, and ruthless capitalists who end up getting what is coming to them.

Beginning with the brief cycle of gangster films inspired by newspaper headlines including *Little Caesar* (LeRoy, 1931), *The Public Enemy* (Wellman, 1931) and *Scarface* (Hawks, 1932) violent films that glorified trigger-happy gangsters proved a public relations nightmare for the Hays Office. Despite protests from the Catholic Church and conservative reform groups, Americans flocked to the box office to watch thrilling stories that were based on the lives of real-life gangsters who were willing to murder and steal to get their piece of the American Dream. Similarly, films that featured wise-cracking dames who slept their way up the social ladder as evidenced in productions like *Baby Face* (Green, 1933) and *Red Headed Woman* (Conway, 1933) further intensified the public's outrage over film content.¹⁶² The producers soon realized that the more sensational the film, the more competitive it was at the box-office. With a 40% drop-off in attendance and average ticket prices cut in half, it was in their best interest—Code or no Code—to give the public what they wanted.

To be fair, Joy's inability to enforce the Code to the letter was not for his lack of trying. According to film historian Thomas Doherty, there were two structural flaws in the 1930 Production Code that opened itself up to controversy. First, "no standardized procedure existed for the preapproval of motion picture scripts. Sometimes studios submitted scripts as a courtesy, sometimes producers shared dailies or rough cuts, but basically the Studio Relations Committee depended on the spirit of willing cooperation."¹⁶³ More often than not, the studios submitted completed prints of the films for review. Any reported violations or suggested deletions required

¹⁶² For more on censorship and the fallen woman film during the pre-Code era, see Doherty, *Pre-Code Hollywood*, and Lea Jacobs, *The Wages of Sin*.

¹⁶³ Doherty, *Hollywood's Censor*, 46.

costly “rewriting, reshooting, and reediting...[and] presuming a producer acted in good faith, the expense of compliance created a built-in incentive to resist alternations and defy the SRC.”¹⁶⁴

However, the most serious issue Joy faced was a tainted jury pool. Any filmmaker that challenged the SRC’s ruling could appeal the decision to a committee composed of his peers: the so-called Hollywood Jury.¹⁶⁵ Because the members of the Hollywood Jury were chosen in rotation, the producers on the panel almost always ruled against the SRC. Unfortunately for Joy, the regulatory and oversight system was rigged from the start.¹⁶⁶

Joy’s inability to enforce adequate regulation of film content had become a topic at the White House. A December 6, 1933 *Hollywood Reporter* article titled “Pres. Backs Censorship,” summarizes the religious and political threats on the front page claiming that “The picture industry is going to be made to clean up or else—and that ‘else’ will be Federal censorship with no less a power than President Roosevelt ready to sponsor its passage through Congress”¹⁶⁷ Like the Catholic Church and various other reform groups, Mrs. Roosevelt, too, was concerned about viewers (especially young children) sympathizing with hardened criminals. In her debut as a weekly radio news commentator, she discussed the content of motion pictures and said, “Lately, it has been felt that that tendency to glorify the racketeer and criminal, or at least to make him appear a sympathetic character [is] having something of a bad effect on this country.”¹⁶⁸ Another point of contention the first lady found in the cinema was the sheer amount of overt sexuality on

¹⁶⁴ Ibid.

¹⁶⁵ Ibid.

¹⁶⁶ Leff and Simmons, *Dame in the Kimono*, 13. On the rare occasion that the Hollywood Jury ruled in favor with the SRC, the producer of the film had the option of appealing the decision to the MPPDA in New York. Nine times out of ten, the New York office reversed the decision in favor of the producer.

¹⁶⁷ “Pres. Backs Censorship,” *Hollywood Reporter*, December 6, 1933, 1, 6.

¹⁶⁸ “Movies Discussed by Mrs. Roosevelt,” *New York Times*, July 10, 1934, 19.

display in many of the films in the early 1930s. As a member of several women's groups including the Women's Trade Union League (WTUL), the League of Women Voters (LWV), and the Daughters of the American Revolution (DAR), Mrs. Roosevelt found the depiction of women troubling and worried that such portrayals would sexualize girls at an early age.¹⁶⁹ The mounting pressure from religious and women's reform groups put the motion picture studios and their practices in the national spotlight once again.

The continued lax nature of the SRC was scrutinized in the press, including the industry's own trade papers which frequently pointed out its flaws. Three years after the Production Code was put into action the *Hollywood Reporter* queried, "Does any producer pay attention to the Hays Code?"¹⁷⁰ Moreover, the continued neglect of the Production Code ruffled the feathers of the Catholic Church. Despite having been written by two prominent Catholics, the Production Code acted primarily as an advertising campaign to persuade American filmgoers that the industry was deeply committed to moral conduct. By the end of 1933, the studios found themselves "fighting a three-front war against church, state, and social science."¹⁷¹

¹⁶⁹ Eleanor Roosevelt would later sever her ties with the DAR in 1939 when the group barred singer Marion Anderson, an African American, from performing at its Constitution Hall in Washington D.C. In a letter to DAR president Mrs. Henry M. Robert dated February 26, 1939, she writes, "I am in complete disagreement with the attitude taken in refusing Constitution Hall to a great artist. You have set an example which seems to me unfortunate, and I feel obliged to send in to you my letter of resignation. You had an opportunity to lead in an enlightened way and it seems to me that your organization has failed." In 1932 the DAR barred African Americans from performing at Constitution Hall after its members protested the "mixed seating" arrangements when African Americans performed. Under this cloud of controversy, the federal government asked Anderson to sing on the steps of the Lincoln Memorial on Easter Sunday, April 9, 1939, to a crowd of 75,000.

¹⁷⁰ "Producers War Brews," *Hollywood Reporter*, June 25, 1933, 1, 2; see also "Deadline for Film Dirt," *Variety*, June 13, 1933, 1, 36. *Hollywood Reporter* ran similar stories that year including "Writers War on Filth," which had well-known screenwriters reporting that "the Hays moral code is not even a joke any more; it's just a memory," *Hollywood Reporter*, February 27, 1933, 2.

¹⁷¹ Doherty, *Pre-Code Hollywood*, 8.

According to published reports in the *Motion Picture Herald*, the film industry “would still have a strong ally” in the Catholic Church “if producers had lived up to [the Code].”¹⁷² Feeling duped by Hollywood insiders, the Church hierarchy announced the formation of the Legion of Decency to lead an aggressive crusade to “clean up ‘the pest hole that infects the entire country with its obscene and lascivious moving pictures.’”¹⁷³ As Catholics began taking an oath to avoid objectionable movies as “occasion for sin” on Sundays and parish priests calling on Catholics to boycott motion pictures, there was little the MPPDA could do except face the disaster head on.¹⁷⁴ In an attempt to preempt federal censorship and put an end to the threat of Catholic boycotts across the country, the MPPDA replaced the SRC with the Production Code Administration (PCA) on June 13, 1934 and chose Joseph I. Breen, a Catholic and former public relations man for the Hays Office, to act as its head. Unlike his predecessors, Breen “knew the art he bowdlerized” and relished his role as a creative collaborator in the filmmaking process.¹⁷⁵ Along with ushering in a new director, significant, and necessary changes were made at the PCA. Breen and his team looked at story treatments, shooting scripts, song lyrics, costume sketches, etc., for every film in the pre-production stage. They made helpful suggestions to producers on how to fix certain problem areas, which allowed them to follow the letter of the Code while

¹⁷² “Production Code Scrap of Paper Says Mundelein,” *Motion Picture Herald*, June 9, 1934, 40.

¹⁷³ Gerald B. Donnelly, “The Bishops Rise Against Hollywood,” *America*, May 26, 1934, 152, cited in Black, *Hollywood Censored*, 164; and Doherty, *Pre-Code Hollywood*, 20.

¹⁷⁴ Although priests across the country called on Catholics to boycott motion pictures in June 1934, only the city of Philadelphia, PA responded accordingly. Cardinal Dougherty of Philadelphia wrote in a letter to all parishes that, “The greatest menace to faith and morals in America today is the motion picture theater. Nothing is left for us except the boycott.” This was not advice but a “positive command binding all in conscience under pain of sin.” “Cardinal Bans All Pix,” *Hollywood Reporter*, June 9, 1934, 1; “Cardinal Dougherty’s Broadside,” *Variety*, June 12, 1934, 27.

¹⁷⁵ Doherty, *Pre-Code Hollywood*, 327. Breen replaced Dr. James Wingate (who had replaced Col. Jason Joy in 1933).

“keeping the spirit of their script.”¹⁷⁶ What took place between the PCA and the studios were genuine negotiations whereby both parties made concessions in pursuit of a common objective.

The Roosevelt’s and the Motion Picture Industry—A Family Affair

With Hollywood’s public relations crisis under control, the president believed now more than ever that his administration could benefit from the film industry’s expertise in spreading his agenda to the American people. One way he did this was by inserting some of his closest confidants in the upper echelons of the Hays Office. John Boettiger, the Roosevelts’ son-in-law, briefly worked for the MPPDA in New York City under Hays from 1935 until 1936.¹⁷⁷ A former reporter for the *Chicago Tribune* (a newspaper that was particularly hostile to the president and his New Deal policies), Boettiger was personally offered a position by Hays to alleviate some of the criticism of having been a staunch critic of his new father-in-law’s administration.¹⁷⁸ Several

¹⁷⁶ Ibid. Among his first directives was the elimination of The Hollywood Jury, leaving the appeal to the Association Board as the only mechanism for questioning Breen’s judgment. Each film passed by the PCA was given both a certificate and a Code seal, which was prominently displayed on every print in circulation. All member studios agreed not to distribute or release a film without a certificate. A penalty clause was added to the new Resolution for Uniform Interpretation, imposing a \$25,000 fine for violation of the new conditions.

¹⁷⁷ As stated earlier, at Roosevelt’s insistence, Boettiger resigned from his post at the *Chicago Tribune* three weeks before he married Anna Roosevelt Dall. Boettiger’s position at the Hays Office was secured on December 23, 1934 and he reported for work on January 3, 1935. With his new affiliation in place, Roosevelt gave Boettiger his blessing to marry his daughter. The *Tribune* reported that the paper knew of the impending marriage and did not publish any articles at Boettiger’s request. In the marriage announcement published the day after the wedding, the *Tribune* stated that the president’s daughter and Boettiger had been courting for more than year. This mention is particularly interesting since Boettiger, “one of the best known news men in the capital,” wrote a number of opinion editorial pieces that were extremely critical of the Roosevelt administration while he was dating the president’s daughter. Roosevelt could not have his own son-in-law working for a newspaper that openly opposed his presidency and his policies. Boettiger acquiesced and resigned from the paper. After his brief stint at the Hays Office, Boettiger returned to the newspaper business in 1936 as editor-in-chief of the *Seattle Post-Intelligencier*, a paper owned by another Roosevelt opponent, William Randolph Hearst. See “Mrs. Anna Dall, John Boettiger Wed in New York,” *Chicago Daily Tribune*, January 19, 1935, 3; “Mrs. Dall Wed Here To John Boettiger,” *New York Times*, January 19, 1935, 15; and “Boettiger in Hollywood; Silent about Mrs. Dall,” *Los Angeles Times*, January 4, 1935, A1.

¹⁷⁸ Boettiger’s political sympathies were certainly in line with his publisher, Robert McCormick. Boettiger wrote several scathing articles criticizing the president’s New Deal programs for the *Chicago Tribune*. After the National Industrial Recovery Act (NIRA) was passed into law in 1933, Boettiger led the vehement attacks that questioned its constitutionality. See John Boettiger, “Await Dictum on NRA From Supreme Court: Is It Constitutional? The Question,” *Chicago Tribune*, September 3, 1933, 1; John Boettiger, “One Recovery Policy Seems to Reduce Surplus While Another Promotes Larger Production,” *Chicago Tribune*, October 1, 1933, 2; John Boettiger, “New Deal Sees Spending Spree Reviving Trade,” *Chicago Tribune*, February 11, 1934, 2.

of the moguls were wary about Boettiger's appointment in the Hays office. Boettiger's professional training as a political correspondent for one of the nation's largest newspapers did not appear to be a natural fit for the position he accepted in the Hays Office.¹⁷⁹ With the constant scrutiny of motion pictures by religious and reform groups, the moguls reasoned that government regulation could become a reality if there was an informant with a direct link to the president in its ranks. In order to ease the mind of Boettiger and his critics, Hays sent Boettiger a letter outlining his role at the MPPDA. He writes:

I want to take this occasion...to reiterate our understanding as to just what your work with us shall not include, as well as what it shall consist. This was fully covered before you came with us and there is no question in your mind nor in mine about it, but the consummation of your plans, with which you had acquainted me, makes it quite pertinent both to you and to me that it is definitely understood that you shall not in your association with us have any concern whatever with those of your affairs which may have to do with Washington; particularly, your work with shall in no way be connected with any legislative or other matter—either with any department of the Federal Government, with the Congress, or with any state legislative, or with any individual connected to those agencies...I may say that my belief in your qualifications for the service for which you engaged is amply demonstrated. You have, as a matter of fact, taken hold splendidly...You will continue, therefore, with the assurance of the Association and, as an assistant to the President of the Association, aid me personally in doing those things which I have to do and in seeing that those things are done which have to be done, taking emergency assignments in any department, except as above indicated.¹⁸⁰

To this end, Boettiger's duties as Hays's assistant were relegated to research and publicity matters. Hays made certain that his new position circumvented any direct contact with the White

¹⁷⁹ Officially, Boettiger's title was "assistant to Will H. Hays." In Boettiger's papers at the Franklin D. Roosevelt Library, it is difficult to ascertain what his day-to-day functions were. While his office was in New York, it does seem that he traveled out West regularly. The majority of his papers pertaining to his time in Hollywood dealt with censorship and public opinion about the content of motion pictures after Breen took over in 1934. He appears to have been gathering information and reporting it back to Hays in New York. There are a number of newspaper clippings from all over the country and several typed memoranda about the industry's regulation of motion picture content dating from the time Hays took office in 1922 through 1935.

¹⁸⁰ Letter from Will Hays to John Boettiger, January 26, 1935, Box 20, Will Hays Folder 1935–1937, Boettiger Papers, FDRL.

House insofar as his job at the MPPDA was concerned. On paper, Boettiger's appointment appeared to be above board and in line with the current needs of the trade organization.

Ever the astute lobbyist, Hays used Boettiger's new role as his assistant to impress upon Roosevelt that the industry was doing its part to clean up its act. However, many studio executives and high-ranking government officials saw the Boettiger appointment as an attempt by Hays to hold on to his job as head of the MPPDA.¹⁸¹ Six months into Boettiger's brief tenure at the Hays Office, lawmakers in the House and Senate started to speculate on his role in industry matters. Representative Francis Culkin (R-NY) commented: "the purpose of the employment of John Boettiger...was obvious...Not long ago it was stated that Will Hays could no longer deliver and that he was on his way out. It was also stated that the Honorable James A. Farley would succeed him at a salary of \$250,000 a year. But the time was not quite ripe for this procedure and Will Hays executed a flank movement on those who were trying to oust him by hiring John Boettiger, who was about to marry the daughter of the President."¹⁸² Working on public relations matters, Boettiger was instructed by Hays to keep a watchful eye on the Production Code Administration and to make sure that the trades and the newspaper press were giving a positive spin on the industry's attempt to clean up its act.¹⁸³ Much of the work initially delegated to Boettiger centered on compiling data surrounding censorship issues. For example, his initial

¹⁸¹ "Government Commission to Rule Films Proposed," *Los Angeles Times*, July 3, 1936, 1.

¹⁸² Ibid. Rumblings about a possible Hays ouster had been going around since 1933. In 1935, newspapers began reporting that the moguls wanted to replace him with James A. Farley, FDR's Postmaster General. Culkin and other Republican lawmakers openly criticized Hays and said "instead of being a Moses leading the movies out of the cesspools, he was, in fact, a lobbyist whose sole function was to keep the public off the producers." The Boettiger appointment was viewed as overtly political. In 1936, bills were introduced in both the House and Senate to regulate the industry and outlaw block booking. Chapter Three will discuss the antitrust bills in more detail.

¹⁸³ Memorandum to Will Hays. Will Hays Folder 1935-1937, Box 20, Boettiger Papers, FDRL.

project as Hays's assistant was to chart the "Twelve Years of Evolution" of film censorship.¹⁸⁴

Boettiger's extensive data provides insight into changes in public taste, the development of censorship methods by the Hays Office from 1922 to 1934 (e.g. the 'Formula,' the 'Don'ts and Be Carefuls,' and the Production Code), and the creation of the Studio Relations Committee as well as the industry's current regulatory body, the Production Code Administration.

Throughout his report, Boettiger had only praise for the work Will Hays had done in terms of managing the motion picture content put out by the studios. According to Boettiger, Hays consistently insisted that the studios "confine their efforts to a better class of pictures" from the first day he assumed office in 1922.¹⁸⁵ While Boettiger's first assignment was certainly political, if not controversial, Hays gave him free reign to do his own investigating and provided him with the access he needed internally to do his reporting.¹⁸⁶ One cannot be certain as to the level of clearance Boettiger received from Hays or if the materials he was given access to purposely shed a positive light on the work he had done as president of the MPPDA. What *is* clear is that his position as Hays's assistant was much more involved and intimate from the start

¹⁸⁴ "Research—Motion Picture Censorship, "Twelve Years of Evolution," Box 20, Will Hays Folder 1935–1937, Boettiger Papers, FDRL. Boettiger's extensive research into the censorship activities between 1922 and 1934 outlines the significant steps Will Hays took to clean up film content. From the creation of Central Casting to the implementation of the "the Formula" (guidelines for approving and rejecting books and plays for motion picture production) to the development of the "Don'ts and Be Carefuls" (considered to be the "first production code adopted by the industry" in 1927 consisting of eleven "Don'ts" and 26 "Be Carefuls") and formation of the Studio Relations Committee (SRC), Boettiger highlighted the significant steps taken by the MPPDA under Hays, which culminated with the strict enforcement of the Production Code and the creation of the Production Code Administration (PCA) headed by Joseph I. Breen.

¹⁸⁵ Ibid. Boettiger's research includes compiled memoranda, newspaper and trade articles, and letters from civic and political organizations including the Legion of Decency, the Motion Picture Research Council, the International Federation of Catholic Alumnae (IFCA), Advertising Advisory Council, etc. His approval of Hays's actions with regards to censorship is clearly indicated in his glowing analysis of the steps Hays had taken since his appointment as head of the MPPDA. By putting Boettiger in charge of this specific project, Hays was likely hoping that the president himself might get wind of the positive steps the industry was in fact making with regards to censorship.

¹⁸⁶ Boettiger used inter-office memoranda, correspondences between Hays and studio executives, as well as earlier data and official reports on "audience improvement." He was also permitted to interview and discuss all matters surrounding censorship with MPPDA executives.

than one might expect from an industry “outsider.” Nonetheless, Boettiger’s high opinion of Hays was cemented within the first six weeks of working for the MPPDA.

With social and familial obligations in Washington, Boettiger often met with his old friend, Stephen Early, when he was in town.¹⁸⁷ Early’s own experience working in Hollywood made him an obvious confidant for the president’s son-in-law. Boettiger himself was initially unsure as to what his role within the higher echelons of the MPPDA would be and knew from the start what his departure from the *Chicago Tribune* looked like to Roosevelt and Hays’s naysayers. In a letter to Boettiger, Early suggests that he treat his new job just as he would treat any other news story he was assigned.¹⁸⁸ Hays gave Boettiger the opportunity to report on sensitive industry matters. For the short period of time he worked for the MPPDA, he had the chance to see how the industry operated first hand. Boettiger’s amiable nature and positive internal report on the state of film censorship put many of his critics at ease. More importantly, Hays and Boettiger got along famously and a lifelong friendship between the two men continued on long after Boettiger left the MPPDA in November 1936 to assume the role of publisher of the *Seattle Post-Intelligencer*.¹⁸⁹

In his letter of resignation (published in newspapers across the country), the nature of Boettiger’s close relationship with Hays is revealed. He wrote:

¹⁸⁷ Early and Boettiger met when they were both reporters and had become friendly in the late 1920s. Early was a newsman that Boettiger looked up to when he first started out. After marrying the president’s daughter and starting anew at the Hays Office, Boettiger likely confided in Early during this period. While there is no paper documentation of what was said during their visits, it is certain that they met with each other whenever the Boettiger’s were in town and during recreational visits to the president’s home in Hyde Park. See Will Hays Folder 1935–1937, Boettiger Papers, FDRL.

¹⁸⁸ Letter from Stephen Early to John Boettiger, January 17, 1935, Stephen T. Early Papers, Box 7, Will Hays Folder, FDRL.

¹⁸⁹ “John Boettiger Gets Hearst Job,” *Los Angeles Times*, November 27, 1936, 3.

To say that it has been a great pleasure to work with you is putting it mildly indeed. You have been boss and friend in the finest sense of both words. I appreciate to the fullest the added knowledge and experience I have acquired in this association with you, but far more do I value having made such a real friend. I have had ample opportunity in these two years to see intimately and to study the problems and opportunities of motion pictures...I think it is not amiss for me here to say to you that it is good to know that the leaders in the industry—and more and more people outside it as well—know and appreciate your efforts and your leadership. Your sagacity and your honesty of purpose have brought the business through many perilous times and finally to the high point which it now occupies.¹⁹⁰

In a private correspondence to Hays dated two weeks later, Boettiger gives his former boss an update on his move across the country and how he is settling in to his new position. He says excitedly, “This has really been a God-send, because otherwise it would be difficult to compensate in any degree the loss of the daily relationship with you and some of the others there...Anna and I are extremely gratified with the way the situation has progressed so far and we have high hope that it will turn out well.”¹⁹¹

Beginning with his employment at the MPPDA and culminating with Hays orchestrating Boettiger’s new job as the publisher of the *Seattle Post-Intelligencer*, Hays and Boettiger kept close tabs on each other both publically and privately. Despite William Randolph Hearst’s vicious public attacks on his father-in-law’s New Deal legislation and his vocal opposition to Roosevelt’s 1936 bid for re-election in his newspapers across the country, the selection of

¹⁹⁰ “Boettiger Named Hearst Publisher,” *New York Times*, November 27, 1936, 1, 2. The *Seattle Post-Intelligencer* was in need of a new publisher after Hearst agreed to a settlement after a long and tenuous strike with its workers. In a statement after Boettiger’s hiring, Hearst said, “Mr. Boettiger will have absolute freedom in directing the editorial and business policies. His only direction is to make it the best newspaper in Seattle.” A staunch critic of the president and the New Deal, selecting Boettiger might have been a bit willful on the part of Hearst who worked hard to publically humiliate the president any chance he got. He even hired the president’s own children—Anna (Boettiger’s wife) and Elliot—to work in different capacities within the Hearst organization; Anna had her own editorial column at the *Post-Intelligencer* and Elliot was vice-president of Hearst Radio, Inc., in charge of the Southwestern division.

¹⁹¹ Letter from Boettiger to Will Hays, December 10, 1936, Will Hays Papers, Box 0274, Microfilm—Series, Reel 17, Charles Young Research Library, University of California, Los Angeles (hereafter cited as Hays Papers). Hays also helped Boettiger and his wife, Anna, secure a license for a radio station in Seattle in 1937.

Boettiger to run the paper grew organically over the course of several meetings between Hearst and Hays.¹⁹² All three men—Boettiger, Hays, and Hearst—stood to gain from Boettiger’s new position in some way. Hearst, a businessman, had a very capable and very public figure now running his fledgling paper in the Northwest, and likely reasoned that advertising and circulation were bound to rise; Boettiger, as his resignation letter suggests, was happy to return to his profession of choice; and Hays had gained a very important ally in Boettiger—one that he will frequently turn to in the late 1930s when industry and government relations turn tense during the contentious debate over block-booking and other anti-competitive practices brought on by the 1938 *Paramount* case.

The intricate exchange of favors between Hays and Boettiger continued well after Boettiger’s brief tenure at the MPPDA.¹⁹³ Boettiger continued to demonstrate his support for the Hays Office both privately and in print.¹⁹⁴ With the president’s daughter standing firmly with her husband behind Hays, it is clear that Boettiger was fundamental in strengthening the relationship

¹⁹² Letter from Will Hays to John Boettiger, January 12, 1937, Hays Papers, Box 0274, Microfilm—Series, Reel 18. In this return letter, Hays tells Boettiger, “We have missed you very much—far more than you have any idea. I made this observation to Mr. Hearst the other day... We had a long talk about you... He made practically the same observation as he did in his letter with you—that is, that that appointment was solely because he believed you had the capacity for real performance in journalism and that it was being shown already.” Yet Boettiger found himself in a difficult situation at his new post. With the majority of newspaper publishers at odds with Roosevelt’s policies in 1936, Boettiger came to the decision that his paper would support the White House only when it was “not in direct conflict with the Hearst policy.” Boettiger did regularly support the president after 1938 and even printed a syndicated column written by his mother-in-law, Eleanor Roosevelt. Both Eleanor and Anna were known to write occasional articles for the *Seattle Post-Intelligencer*. See Goodwin, *No Ordinary Time*.

¹⁹³ Muscio, *Hollywood’s New Deal*, 49.

¹⁹⁴ Boettiger was a close confidant and advisor to Hays during the government’s lawsuit against the studios in 1938 and later during the Interstate Committee Investigation into Propaganda in 1941. Publically, he was quite vocal in all matters regarding motion pictures. For example, Boettiger wrote an article titled “Block-Booking—A Ridiculous Bill” in the *Seattle Post-Intelligencer* to show his support for the Hollywood studios. His strong allegiance towards the Hays Office did not go unnoticed by Hays or the president himself. Any attack on Hays or the MPPDA was personal to Boettiger. Privately, Boettiger gives sage advice on how to proceed in government matters. Both he and Anna continued to have a warm relationship with Hays and his wife, Jessie, and often saw each other back east. Anna and Boettiger both had a hand in forging a strong relationship between the president and Hays. Chapter Three of this dissertation will discuss Boettiger’s advisory role to Hays between 1938 and 1941.

between Hays and the White House. In October 1937, Hays was invited to the president's home in Hyde Park, New York to discuss the "film industry in general and particularly the "cultural and educational values" of the movies.¹⁹⁵ The president's strong feelings against propaganda and censorship cemented his relationship with Hays from the start. Their political craftsmanship and astute knowledge of public opinion resulted in their mutual respect for one another. Despite their opposing political views, Hays and Roosevelt saw the importance of spreading the image of American democracy both at home and abroad and the president's unwavering support of Hays in the mid-1930s marked a turning point in the relationship between Hollywood and Washington.

In 1938 Eleanor Roosevelt wrote an article for *Photoplay* wherein she legitimizes the medium by implying that it promotes family values. Titled "Why We Roosevelts Are Movie Fans," Eleanor paints the First Family as avid film spectators like many Americans and tells readers that films are "the one and only relaxation which [the president] has" after a long day's work.¹⁹⁶ Presenting the Roosevelt family as eager participants in America's favorite leisure activity, Eleanor makes several references to ritual of watching films with their grandchildren and endorses a number of recent motion pictures adapted from literature and biographies.¹⁹⁷ While the article is clearly a public relations piece, Eleanor's position as First Lady gave her

¹⁹⁵ "Roosevelt Views Movies' Problems," *New York Times*, October 29, 1937, 14.

¹⁹⁶ Quoted in Muscio, *Hollywood's New Deal*, 37. In the first draft of the article, Eleanor writes that films "came to their present state of perfection while [the president] was ill...life could be made a little more bearable by a movie." The Roosevelts often watched films in the governor's mansion in 1929. In this draft Eleanor mentions that her husband would often watch films "as a method of relaxation" when he was tired and needed a change of pace. Draft of article, 1938, Eleanor Roosevelt 3035, FDRL.

¹⁹⁷ Ibid. Eleanor specifically mentions *Tom Sawyer* (Cromwell, 1930), *The Hurricane* (Ford, 1937), *The Life of Emile Zola* (Dieterle, 1937), and *The Buccaneer* (De Mille, 1938) as films that were "well-worth seeing."

estimation of the film industry added weight. She surmises that films have the potential to educate the public as well as provide “pleasant” entertainment for everyone to enjoy.¹⁹⁸

There is no doubt that Roosevelt loved movies and movie people. When he was governor of New York, Roosevelt and his family had regular movie nights at the governor’s mansion in Albany. This tradition continued when he moved into the White House. The majority of the left-leaning Hollywood contingent were passionate New Dealers from the start and some even worked gratis as advisors on the National Advisory Commission for the Works Progress Administration (WPA).¹⁹⁹ Throughout his presidency the studios continued to regularly send the first family newly released films, newsreels, and cartoon shorts to watch while in Washington or at his home in Hyde Park. Like many Americans, Roosevelt was intrigued by the glitz and the glamour of Hollywood. He often invited some of his actor and producer friends to the White House for dinner and cocktails to catch up on the latest juicy gossip in tinsel town.²⁰⁰ While Roosevelt was certainly enamored of the movie business, his eldest son, James, was smitten with

¹⁹⁸ Ibid.

¹⁹⁹ Goodwin, *No Ordinary Time*, 38. Actor Melvyn Douglas and his wife Helen Gahagan Douglas worked for the WPA on behalf of the Roosevelt Administration. Harry and Jack Warner, Frederic March, and all three acted in advisory capacities for the WPA. For more on the Works Progress Administration see Susan Quinn, *Furious Improvisation: How the WPA and a Cast of Thousands Made High Art Out of Desperate Times* (New York: Walker & Company, 2008).

²⁰⁰ Roosevelt was certainly interested in the regular goings on with the Hollywood set. However, when he was entertaining visitors, he wanted to know the scandalous gossip that was only privy to those in the know. For example, historian Doris Kearns Goodwin interviewed Billy Wilder who told her a terrific story about the time when Melvyn and Helen Gahagan Douglas came to the White House for dinner with Winston Churchill. When supper was over, Helen and Roosevelt found themselves alone in his study. Expecting the president to ask her about their work in Los Angeles for the WPA, Helen was shocked when the president leaned over and asked her in a hushed voice “exactly what happened under the table at Ciro’s between Paulette Goddard and Anatole Litvak.” Right on cue, Helen informed the president that the actress and director were “having dinner at the elegant nightclub...when the urge to make love became so strong that they eased themselves onto the floor under the table. As the moans were heard across the restaurant floor, waiters rushed to the scene with extra tablecloths to cover the sides of the table.” Roosevelt, or so the story was told, responded, “I love it, I love it!” See Goodwin, *No Ordinary Time*, 39.

it and was determined to make his mark out west. He accepted a job as vice-president of Samuel Goldwyn Productions, Inc. in December 1938.²⁰¹

James's new position at Goldwyn surprised political insiders in Washington who believed that the president's son had lofty political ambitions since his appointment to his father's secretariat after his successful 1936 re-election bid. As a member of his inner circle and one of his closest advisors, Roosevelt relied on his son's judgment in many important matters.²⁰² Regarded as "the ablest businessman in the Roosevelt family" and a "conservative" thinker in his own party, James was well-liked and perfectly poised to be a star in Washington in the coming years.²⁰³ However, Goldwyn's offer to help expand his studio at \$750 per week was an enticing opportunity for the thirty-one year old former life insurance salesman.²⁰⁴ After resigning his post at the White House on November 15, 1938, James addressed the rumors of his departure and revealed to the press that he had been contemplating working at a film studio and "considered [himself] very fortunate now to have an opportunity to join the motion picture industry and to work with Mr. Goldwyn."²⁰⁵ While he was initially hired to deal with the distribution end of the business, his desire to ease his way into the production aspect raised eyebrows at the White House and in Hollywood. With the on-going antitrust case and having weathered one of the

²⁰¹ "James Roosevelt Takes Film Post as Goldwyn Executive on Coast," *New York Times*, December 5, 1938, 1, 4.

²⁰² James was appointed administrative assistant to the President at the beginning of his father's second term in office in 1937. By July of that year he became a secretary to the President and acted as White House coordinator for eighteen federal agencies. He was asked to run for Lieutenant Governor in Massachusetts but rejected the request to become a candidate.

²⁰³ "James Roosevelt Takes Film Post as Goldwyn Executive on Coast," 4.

²⁰⁴ "James Roosevelt Organizes Own Film Unit; Will Have Access to Goldwyn Stars," *New York Times*, December 15, 1939, 33. James was offered a five-year contract to work for Goldwyn.

²⁰⁵ "President's Son Becomes Film Executive," *Los Angeles Times*, December 5, 1938, 1, 2. Upon his resignation, James told the press that, "I wouldn't mind a nice job in the movies. But thus far it hasn't been offered." Less than ten days later, James signed with Goldwyn.

worst years at the box office in 1938, industry executives did not know what to make of yet another member of the Roosevelt family in their midst.

Boettiger, ever the watchful brother-in-law, sent a letter to Hays about James's new position at Goldwyn, asking that Hays check in with him in New York. He writes: "Jimmy...is terrifically enthused about the motion picture business...Some of his ideas about the movies are a bit naïve, but he is a quick student and will soon get the right pitch. I will greatly appreciate any help you might extend to him from time to time. He is most interested in the production end of the business, and if he sticks to it he might wind up there. He is definitely DISINTERESTED in the political or lobbying aspects of the industry."²⁰⁶ Hays warmly responded to his friend and said: "I have been thinking on the same subject and was planning to develop some way to see him at first opportunity. I am very sure that he will develop into a most useful factor in his company and in the industry and I know it can be very quickly established that his connection is just that kind of enterprise and nothing else. I am sure that he will 'get the right pitch,' and it is especially fortunate that you yourself had the talk with him."²⁰⁷

Like his brother-in-law's venture into the film industry, James's, too, was brief. During his time at Goldwyn he produced several short films as well as the feature film *Pot o' Gold* (Marshall, 1941) starring Paulette Goddard and James Stewart and distributed the British film *Pastor Hall* (Boulting, 1940), an anti-Nazi film.²⁰⁸ Although he mostly avoided films with a

²⁰⁶ Letter from John Boettiger to Will Hays, December 13, 1938, Box 20, Will Hays Folder 1938–1946, Boettiger Papers, FDRL.

²⁰⁷ Letter from Will Hays to John Boettiger, December 15, 1938, Box 20, Will Hays Folder 1938–1946, Boettiger Papers, FDRL.

²⁰⁸ His decision to distribute *Pastor Hall* was viewed by his father's critics as an affront to the isolationist policies of the country. James's participation in the film made it appear that he supported the film industry's interventionist front that started to take shape after the release of *Confessions of a Nazi Spy* (Litvak, 1939).

political angle, James's employment at Goldwyn became a point of contention with the White House. Three months into his appointment as vice president of Samuel Goldwyn Pictures, Inc., James's name was added as a defendant in the government's antitrust lawsuit against the motion picture industry.²⁰⁹ When he accepted the position at Goldwyn, James worked on the distribution end of the industry and was not "under fire for violations of the Antitrust Act."²¹⁰ In his complete statement to the press before assuming his position he said:

After consultation with Samuel Goldwyn and with his full approval, I want to make perfectly clear my position with regard to the government's suits against certain members of the motion picture industry. I do this only because of certain statements which have given the impression that my connection with the motion picture industry has a direct connection to the suits: (1) I shall take no part in the negotiations or proceedings with the government; (2) The company by which I am employed is not named in any of the suits; (3) Mr. Goldwyn and I were in agreement concerning the above facts long before my association with his company became effective; and (4) I am going to work in the motion-picture industry as a private citizen in business with no political aspect of any kind.²¹¹

However, despite working initially in distribution, James's desire to work in production coupled with his eventual appointment to the board of United Artists made him susceptible to litigation.

Another unfortunate incident that occurred during James's stint in the motion picture business that put the president in an uncomfortable position was his son's relationship with 20th Century-Fox's Chairman of the Board, Joseph M. Schenck. A generous contributor to the

²⁰⁹ "Film Suit to Name James Roosevelt," *New York Times*, March 18, 1939, 9. James's assertion that the company he was working for had not directly violated antitrust laws was technically true. However, independent producers like Samuel Goldwyn who had a contract with one of the eight main defendants were individually named in the lawsuit even though their production companies were not. The *New York Times* reported that, "the Department of Justice asked the Federal Court of the Southern District of New York to substitute Mr. Roosevelt [James], Charles Schwartz, Emanuel Silverstone and Theodore Caruso as defendants in the case in place of Douglas Fairbanks, Mary Pickford, Chaplin and Samuel Goldwyn." Roosevelt accepted a place on the board of United Artists on January 19, 1939. According to the court documents, the eliminated defendants are "no longer officially connected with the corporate defendants." See also "Roosevelt Son Defendant," *Los Angeles Times*, March 25, 1939, 2.

²¹⁰ "James Roosevelt Explains Status in Hollywood Job," *Los Angeles Times*, December 15, 1938, 3.

²¹¹ *Ibid.*

Roosevelt re-election campaign in 1936, Schenck lent James \$50,000 in 1939 to help start his own film company. Two years later, Schenck was indicted for federal income tax evasion and conspiracy to defraud the government.²¹² Upon his conviction, Edward Flynn, the Chairman of the Democratic National Committee, James, and the president himself “asked Attorney General Robert Jackson to seek a fine rather than imprisonment for the friendly mogul.”²¹³ Jackson informed Harry Hopkins, the president’s secretary, that Schenck’s \$50,000 loan could be perceived as a bribe if Roosevelt intervened and leniency was granted.²¹⁴ Schenck was fined \$10,000 and received a three-year sentence.²¹⁵

After forming his own production company, Globe Productions in 1939, James left Goldwyn the follow year and partnered with the Mills Novelty Company of Chicago to develop a “dime-in-the slot,” 16mm rear projection machine called a Panoram that projected three-minute “soundies” featuring popular musical acts of the day.²¹⁶ Often considered the first music videos,

²¹² “Schenck Denies Tax Evasion,” *Los Angeles Times*, June 4, 1940, 10.

²¹³ Steele, *Propaganda in an Open Society*, 158. Steele writes that Schenck’s generosity towards the president and his son “was neither new nor without practical implications.” In addition to campaign contributions and the loan, Joseph’s brother, Nicholas Schenck (President of Loew’s , Inc. and Roosevelt enthusiast), opened his studio, MGM, to the president and agreed to produce a two-reel Navy recruitment picture with the aid of Early and Assistant Secretary of State Adolf A. Berle titled *Eyes of the Navy* in 1940. MGM produced the film gratis for the government. Steele argues that the circumstances suggest that the film appears to have been “part of a series of actions aimed at cultivating FDR’s goodwill.”

²¹⁴ Ibid. Harold Ickes, Secretary of the Interior, also advised Roosevelt not to interfere with the Justice Department’s proceedings against Schenck. For the most part, James’s involvement with Schenck was little commented on by the press. It became clear, however, that both men needed to distance themselves from the situation.

²¹⁵ “Schenck Receives 3-Year Sentence,” *New York Times*, April 25, 1941, 21. Schenck ended up serving only four months of the sentence. Steele, *Propaganda in an Open Society*, 158.

²¹⁶ “James Roosevelt Introduces His New ‘Soundies,’” *Los Angeles Times*, September 16, 1940, 15. James founded Globe Productions in 1939. On September 16, 1940 he unveiled his soundies at the Roosevelt Hotel in Hollywood to a crowd of more than 3,000. Soon after the Panoram began to pop up in nightclubs, bars, restaurants and other public places. On average, eight soundies, featuring a variety of musical performances, were generally spliced together on a reel and ran in a continuous loop. In order to appeal to a large audience, different types of musical performers—from Doris Day to Fats Waller to Louis Armstrong to Ricardo Montalban—were featured. During WWII, burlesque sequences and pictures of women in bathing suits were included for the benefit of military men on leave. Soundies remained popular from 1940 to 1946—a good run for a novelty in the 1940s.

James's foray into the new novelty demonstrated how in tune he was with media culture. Unfortunately, his involvement with the novelty was cut short only weeks after when the U.S. Marine Corps Reserve called him for active duty.²¹⁷ Although his company continued to make soundies through 1944, James did not return to the motion picture business after World War II.

Soft-Selling the New Deal: Examining Roosevelt's Politics on Film

When Roosevelt's honeymoon with the press ended and his solid relationship with radio network executives had been firmly established, his administration started looking seriously into the possibility of using film for informational purposes in the mid-1930s. Roosevelt realized that the didactic power of film rested in part on its seamless integration into existing entertainment formats. Any message that stood out or came across as propaganda was likely to be ignored by American audiences who had grown tired of the political and social messages embedded in the media. With censorship issues seemingly under control and out of the press, Roosevelt and Early formally approached the studios in 1935 and asked for their cooperation.

To be sure, when the New Deal was put into action in 1933, Roosevelt had hoped that Hollywood would volunteer to make films that highlighted his administration's recovery programs and their overall effectiveness. However, even his closest allies in the industry kept their distance after the shake up over self-regulation.²¹⁸ Motion picture enthusiasts, the Roosevelts had many personal connections with people in the industry who were staunch supporters of the president and policies from the start. Six months into his presidency, Roosevelt

²¹⁷ "Roosevelt Quits," *New York Times*, October 31, 1940, 10.

²¹⁸ The Hollywood studios had a history of keeping the government at arm's length when it came to feature film production. As an industry that had been riddled with antitrust lawsuits since the early days of Edison and the Motion Picture Patents Company (MPPC), the moguls were wary of any government involvement in its business practices and feared that any misstep on their part could lead to government interference (or possibly government takeover). Additionally, the studio executives knew that government-related films do not do well at the box office. When Roosevelt took office in 1933, the studios were not only involved in a heated battle over self-regulation but were also losing money each week as the economic conditions in the U.S. grew worse.

received a warm welcome from the brothers Warner, who were the first to personally offer to screen films for the Roosevelt family for free in the White House.²¹⁹ Harry and Jack Warner first met Roosevelt in 1932 during his bid for the presidency. Although many associate the men and their studio with the Democratic party, the brothers were long-time Republicans before Roosevelt campaigned for the president at the height of the Great Depression in 1932.²²⁰ Like many Americans in the early 1930s, the brothers recognized that the country needed a president who could change the direction of the country. In Los Angeles, Jack organized various political events, including a star-studded parade in support of Roosevelt and also used their local radio station—KFWB—to mobilize the masses for the candidate.²²¹ As a reward for his efforts during the campaign, Roosevelt made Jack the chairman of the National Recovery Administration (NRA) State Recovery Board in Los Angeles in 1933.²²² Throughout his presidency, both Harry and Jack enjoyed an affable relationship with the president and often acted as the liaison between the industry and Washington.²²³

²¹⁹ Warner Bros. Theaters to Missy Le Hand (Roosevelt's personal secretary), March 23, 1933, OF 73, Folder Motion Pictures 1933 January-June FDRL. By the end of 1933 the Motion Picture Producers and Distributors of America (MPPDA) offered to screen any film made by its members gratis. The Roosevelt's often watched recently produced films at the White House, as well as at their home in Hyde Park, New York.

²²⁰ Jack L. Warner, *My First Hundred Years in Hollywood* (New York: Random House, 1965), 216.

²²¹ *Ibid.*, 217–220. When the brothers first acquired their radio station in 1925, they were issued the call sign KFWB. According to Warner Bros. legend, their superstitious parents saw the letter configuration as a sign and told their sons (Harry, Sam, Albert, and Jack) that the letters stood for “Keep Fighting Warner Bros.” Over the years Jack and Harry would also say in interviews that their parents said the call sign stood for “Keep Filming Warner Bros.” Both interpretations seem fitting for a studio that was on the brink of expansion. In reality they had no control over the letters of their call sign: the Department of Commerce (later the FCC) assigned call signs sequentially. See also Clive Hirschhorn, *The Warner Bros. Story* (New York: Crown Publishers, Inc., 1979).

²²² “Lasting N.R.A. Benefits Seen,” *Los Angeles Times*, October 27, 1933, A18.

²²³ In his autobiography, Jack paints a warmer picture of his relationship with the president than it actually was in reality. During the Great Depression, the two men got along famously. Jack's unwavering support was rewarded with frequent visits to the White House and the occasional fishing trip on Roosevelt's yacht. However, when the government brought an anti-trust civil suit against the studio in St. Louis that cited complaints of restraints placed on exhibition by the studio in 1935, there was a decidedly cooling off period between the men. After the brothers were found not guilty, the brothers continued to remain friendly with the president—at a distance. However, by the late

Staunch supporters of Roosevelt and the New Deal, Warner Bros. began promoting Roosevelt's federal programs in its films as early as 1933. For example, the backstage musical *Gold Diggers of 1933* (Le Roy, 1933) features popular Depression-era songs and musical dance numbers choreographed by Busby Berkeley, including "We're in the Money" and "Remember My Forgotten Man," the latter of which plays on Roosevelt's April 7, 1933 radio speech "The Forgotten Man."²²⁴ Similarly, the final musical number in *Footlight Parade* (Bacon, 1933), "Shanghai Lil," concludes with elaborate fanfare as several dancers hold up cards featuring Roosevelt's face, the National Recovery Administration's (NRA) mascot, the Blue Eagle, and the American flag in succession.

While Roosevelt certainly appreciated these brief sequences in Warner Bros.' pictures, he wanted to see more feature films that promoted the American way of life in the New Deal era. There were a number of feature films that dealt with contemporary social, political, and economic issues in the 1930s, but very few came close to what Roosevelt had in mind. For every film that realistically dealt with the Depression, there were dozens more that romanticized the severity of the problems the country was dealing with.²²⁵ The studios made several films that portrayed, for example, the plight of the unemployed, but countered the issue by having them

1930s, the studio began making pro-interventionist films (*Confessions of A Nazi Spy*, *Underground*) that were secretly in-line with the president's feelings on the much-needed change in U.S. foreign policy with regards to Europe. Chapter 3 of this dissertation will discuss the St. Louis antitrust trial.

²²⁴ The last three lines of the song "Forgetting him, you see,/Means you're forgetting me/Like my forgotten man" mimic Roosevelt's sentiment in his 1932 radio speech: "These unhappy times call for the building of plans that rest upon the forgotten, the unorganized but the indispensable units of economic power...that put their faith once more in the forgotten man at the bottom of the economic pyramid." See Franklin D. Roosevelt, "The Forgotten Man," April 7, 1932, Albany, New York (Radio Address).

²²⁵ William A. Wellman's *Wild Boys of the Road* (1933), Gregory La Cava's *Gabriel Over the White House* (1934), and King Vidor's *Our Daily Bread* (1934) were some of the films praised by Roosevelt and his staff for accurately depicting the issues surrounding the Depression.

rescued by a conscientious rich person or suggesting that the public's best interests were best left to businessmen and bankers upon whom the country's well being ultimately depended.²²⁶

Ideologically speaking, Hollywood's decision to put a spin on the grave realities of the Great Depression did, in fact, reflect the country's fascination with success and failure in the 1930s. In the eyes of many Americans, capitalism had failed and with it many of the ideas that had come to epitomize the country and its people in the 1920s including "unbridled individualism, self-reliance, the entrepreneurial spirit, and the promise of prosperity and social mobility."²²⁷ More than just an economic catastrophe, the Great Depression brought about a crisis of confidence in the American people. Cultural historian Morris Dickstein writes, "To many who believed that the United States was essentially a middle-class nation, a land of progress and opportunity in which everyone could become middle class, the Depression not only challenged America's economy and its political system, but also undermined the central myths and beliefs on which the system was founded."²²⁸ While the conditions of the poor were exacerbated by the Depression, the working middle class and the nouveau riche in many ways had much more to lose, including their self-respect, because they had experienced first hand the promises of the American Dream. Without knowing when or if the Depression would ever end, the majority of Americans abandoned their dreams of achieving wealth and status and focused instead on their survival.

²²⁶ Escapist film fare such as *Design For Living* (Lubitsch, 1933), *My Man Godfrey* (La Cava, 1936), *Dodsworth* (Wyer, 1936), etc. did little to promote the administration's agenda but did highlight some of the insecurities of the upper class. While Roosevelt personally found these films enjoyable and understood the necessity of them in a time of turmoil, their treatment of reality was too far-fetched and provided little comfort for the New Dealers.

²²⁷ Morris Dickstein, *Dancing in the Dark: A Cultural History of the Great Depression* (New York, W.W. Norton & Company, 2009), xxi.

²²⁸ *Ibid.*, 217.

A visual art form, films became the conduit through which filmgoers reexamined the dominant cultural myths that had become synonymous with America since the turn of the century. Individual enterprise—the notion that one could achieve wealth and success through hard work—was soon replaced with “an idea of community and interdependence, a fascination with the People, [and a] new faith in planning and government.”²²⁹ The myth of individualism and upward mobility was challenged best in the now famous cycle of gangster films released between 1930 and 1932. Based on the real-life stories of contemporary gangsters, *Little Caesar* (LeRoy, 1930), *The Public Enemy* (Wellman, 1931) and *Scarface* (Hawks, 1932) provided a distorted version of the myth of the American Dream to the millions of people who flocked to the theaters each week.

Tragic heroes, the protagonists in these films—*Little Caesar*'s Rico (Edward G. Robinson), *The Public Enemy*'s Tom Powers (James Cagney), and *Scarface*'s Tony (Paul Muni)—are Italian immigrants who have come to the U.S. to pursue their dream of upward mobility. When the possibility of achieving monetary success becomes all but a dream for these men, they decide to take matters into their own hands by exploiting the very institutions that failed them. Despite the disclaimers in the opening title cards, American audiences at the time could not help but identify with these bold menaces to society who flaunted their success as they terrorized the country.²³⁰ At a time of economic and social crisis, the problematic figure of the

²²⁹ Ibid., xxi.

²³⁰ Both *The Public Enemy* and *Scarface* had disclaimers at the start of the film. The opening title card for *The Public Enemy* states: “It is the ambition of the authors of “The Public Enemy” to honestly depict and environment that exists today in a certain strata of American life, rather than glorify the hoodlum or the criminal. While the story of “The Public Enemy” is essentially a true story, all names and characters appearing herein are purely fictional. *Scarface*, a film loosely based on the notorious gangster Al Capone, faced a number of censorship issues. Much to director Howard Hawks's chagrin, United Artists included a title card that read: “This picture is an indictment of gang rule in America and of the callous indifference of the government to this constantly increasing menace to our safety and our liberty. Every incident in this picture is a reproduction of an actual occurrence, and the purpose of this

gangster became the newest version of the self-made man. It was easy for unemployed Americans to relate to the gangster in these early films. Like those Americans who found prosperity during the 1920s, the gangsters in these films showed that easy money and success were but an illusion. Each of these films depicts the rise and fall of the gangster hero; his short-lived success at the top sharply contrasts his brutal death. Rico, Tom Powers, and Tony each wanted wealth, status, and power. Their desire to achieve this success at all costs ultimately proved to be their undoing. Those who worked hard and found success in a legitimate way in the post-WWI era saw their current unemployment and loss of self-respect as personal failure. Just like the gangsters, many Americans sought upward mobility. Yet their quest for the American Dream and any success they had attained quickly unraveled after the 1929 stock market crash. The banks and, more importantly, the government had failed them. With their money now gone and no job to be had, the overwhelming sense of failure and despair felt by many Americans could be equated to a kind of death.

Like the “ripped from the headlines” gangster films, the backstage musicals made at Warner Bros. during the Depression presented yet another accurate picture of the era. Films like *42nd Street* (Bacon, 1933), *Gold Diggers of 1933* (Le Roy, 1933), and *Footlight Parade* (Bacon, 1933) depicted the theme of “making it” (both personally and professionally) during tough economic times. Trading the gritty urban streets for the backstage in Broadway theaters, these Depression-era musicals are often dismissed as frothy escapist entertainment. However, beneath the whimsical tone of these films one finds revealing social commentary about the social,

picture is to demand of the government: “What are you going to do about it?” The government is your government. What are YOU going to do about it?”

political, and economic state of the country ranging from unemployment to prostitution to homelessness.²³¹

Using hundreds of girls to photograph his breathtaking kaleidoscopic choreography, Busby Berkeley's sophisticated numbers are marked by their "bizarre, collective, abstract, often dehumanizing visual patterns...that reflected the fantasy life of the Depression."²³² Yet there is more to these backstage musicals than elaborate numbers and formulaic narrative structures. Film historian Thomas Schatz suggests that "within the backstage musical—or within any musical that culminates in an elaborate number—the tensions between object and illusion, between social reality and utopia" are worked out in the progression of putting on a successful show.²³³ Each of these films looks at a collective group of people (producers, directors, actors, and chorus girls) working against all odds to stage a successful Broadway production. At the end of *42nd Street*, the film's protagonist, Julian Marsh (Warner Baxter), the down and out Broadway director who has struggled to make his last show a financial success, pulls his ingénue Peggy Sawyer (Ruby Keeler) aside before she is set to go on stage and gives her a "pep" talk. Visibly anxious and worn down, Marsh tells her:

Sawyer, you listen to me, and you listen hard. Two hundred people, two hundred jobs, two hundred thousand dollars, five weeks of grind and blood and sweat depend upon you. It's the lives of all these people who've worked with you. You've got to go on, and you've got to give and give and give. They've got to like you. Got to. Do you understand? You can't fall down. You can't because your future's in it, my future and everything all of us have is staked on you. All right, now I'm through, but you keep your feet on the ground and your head on those shoulders of yours and go out, and Sawyer, you're going out a youngster but you've *got* to come back a star!

²³¹ Thomas Schatz, *Hollywood Genres* (Boston: McGraw-Hill, Inc., 1981), 189–190.

²³² Dickstein, *Dancing in the Dark*, 234.

²³³ Schatz, *Hollywood Genres*, 188.

The burden placed on a young woman to “save” the collective group is analogous to the election of Roosevelt and the New Deal. Filmed in October and November of 1932, the transition from the Hoover era to the early days of the New Deal is emphasized in these early Warner Bros. backstage musicals. Roosevelt campaigned on a platform that emphasized the country working toward putting its trust back in the government. When Roosevelt took office in 1933, the livelihoods of millions of Americans hung in the balance. Like Sawyer, Roosevelt had to go out and make good on his campaign promises; he had to come back a star.²³⁴

Gold Diggers of 1933 is bookended by two musical numbers that clearly comment on the socio-economic difficulties of the time. The opening sequence of the film features an elaborate musical number of young starlets scantily clad in huge coins singing, “We’re in the Money.” But before the number ends, the police barge in and shut down the entire production because the producer, Barney Hopkins (Ned Sparks), cannot pay his bills. This abrupt shift back to reality tells the audience that it is still the Depression and that the entire production is not in the money at all. In fact, Hopkins has everything he needs to put on a successful show except the money. Beginning the film with a song titled “We’re in the Money,” briefly immerses the audience into an alternate dreamscape where money comes easy (hence the dancing coins) until it becomes clear that it was all just pretend. Once the police breaks up the rehearsal, the story of four “gold digging” chorus girls (Ginger Rogers, Ruby Keeler, Joan Blondell, and Aline MacMahon) trying to find work any way they can get it—even if it means selling their bodies to survive—commences.

²³⁴ The original lobby cards and poster art for *42nd Street* include the tagline “Inaugurating a NEW DEAL in ENTERTAINMENT.” When the film was released four days after Roosevelt’s inauguration, a newsreel depicting Warner Bros. stars on a campaign train stumping for the newly elected president was included in the program. *42nd Street* is considered the prototype of the Depression-era backstage musical. Its success at the box-office (\$2.3 million) revived the musical genre.

The final number in the film, “Remember My Forgotten Man,” evokes the opposite reaction in the viewer. There is no dreamlike quality in Berkeley’s expressionistic and highly stylized *pièce de résistance*. Here Berkeley paints a realistic picture of the Depression as Joan Blondell delivers the lines of the song almost speaking the lyrics instead of singing them directly to the audience: “I don’t know if he deserves a bit of sympathy/Forget your sympathy, that’s all right with me/I was satisfied to drift along from day to day/Till they came and took my man away/Remember my forgotten man/You put a rifle in his hand/You sent him far away/You shouted ‘Hip-hooray!’/But look at him today.”²³⁵ The musical number resembled the real-life Bonus March that took place during the summer and spring months of 1932.²³⁶ As hundreds of “forgotten men,” both in uniform and in tattered clothing, march in kaleidoscopic patterns the message becomes clear: the government owes the unemployed soldiers who fought for the nation. By humanizing the victims of the Depression, Berkeley makes it clear that these men are

²³⁵ Al Dubin wrote the lyrics and Harry Warren wrote the music for “Remember My Forgotten Man.” This number was said to be the choreographed version of the popular 1932 Depression-era anthem “Brother Can You Spare A Dime?” by E.Y. “Yip” Harburg (lyrics) Jay Gorney (music). See Dickstein, *Dancing in the Dark*, 235.

²³⁶ “Bonus Army Asked to Leave Capital; Veterans Refuse,” *New York Times*, June 9, 1932, 1, 19. An estimated 15,000 to 20,000 World War I veterans marched to the capitol between the months of May and June 1932 to demand early cash payments of their bonuses. Camping out in “Hoovervilles” in Anacostia Park near the White House, the ex-servicemen declared that “they won’t leave until the Patman bill for the immediate payment of \$2,400,000,000 represented by their adjusted compensation certificates became law.” After the police shot and killed two veterans on July 28, 1932, Hoover called General MacArthur and asked that the U.S. Army “evict the veterans from government property.” Hoover’s hasty response in calling upon the U.S. Army to disburse the crowd was said to be the nail in the coffin for his re-election bid. See also “Eviction Criticized by Senator Black,” *New York Times*, July 30, 1932, 6.

Ironically, Roosevelt also opposed the demands of the Bonus Army during the campaign. After his election, the Marchers resumed their protest at the White House in May 1933 and Roosevelt responded by providing them with food and sent his wife to the campsite to talk with the veterans (“Hoover sent the army; Roosevelt sent his wife,” they publicly griped). Soon thereafter Roosevelt resolved to exempt the veterans from the requirements that they be unmarried and under the age of 25 and promised them positions in the Civilian Conservation Corps (CCC) to work in forestry. See “Roosevelt Blocks Paying Cash bonuses; Aids Idle Veterans,” *New York Times*, May 12, 1933, 1, 3; and “Veterans Given Camp Preference,” *Los Angeles Times*, May 24, 1933, 5.

not a band of misfits but rather a group of ordinary Americans who were desperately trying to survive.

Many of the early 1930s social problem films traced the roots of economic and social turmoil to the aftermath of World War I. Mervyn LeRoy's 1932 film *I Am a Fugitive from a Chain Gang* tells the story of an ex-serviceman, James Allen (Paul Muni), who has returned from the war to a family and a country that do not seem to understand what he has been through. Unable to endure his desk job any longer, James crisscrosses the country trying to find satisfying work and eventually ends up destitute and broke. Down on his luck, he tries to pawn his service medals and quickly learns that he is not the only veteran who tried to sell off his commendations that once symbolized promises, ideals, and hopes for a better life. It becomes evident here that the film is "projecting the social crisis of the Depression onto the earlier decade...scarcity of work, a mobility born of ambition but soon fueled by desperation, and the disruption of social bonds" were all themes that spoke to an audience all too well acquainted with the "discarded values, dreams, and ideals" of the day.²³⁷

After getting caught up in a stick up involving another "forgotten man" at a diner, James's quest for work is railroaded when he is sentenced to ten years of hard labor on a chain gang for a crime he did not commit.²³⁸ Miraculously, he escapes north, reverses his two names,

²³⁷ Dickstein, *Dancing in the Dark*, 58.

²³⁸ Based on the popular 1932 autobiography *I Am a Fugitive from a Georgia Chain Gang!* by Robert Elliot Burns, Burns's story was first serialized in the popular *Detective Mysteries* magazine. Warner Bros. producer Darryl F. Zanuck, requested that Jack Warner option the story for the studio. The production of this film stirred up quite a controversy in the state of Georgia and with the Studio Relations Committee. On July 27, 1932 Jason Joy told Zanuck: "We have read with considerable interest the script of I AM A FUGITIVE FROM A CHAIN GANG, and while we feel no disposition whatever to advise against the use of this subject matter, still we think you ought to consider your position should the state of Georgia make any official protest regarding it... I think that a great many people will feel that you are making a real contribution toward the elimination of what most of us feel is an out-worn system of punishment. Nevertheless, you ought to have in your mind the possibility of this resentment, particularly as to the latter sequences where it is pointed out that the state has broken its word, repudiated its promises, and resorted to what looks like petty vengeance. That, much more than the brutality of the chain gang itself, will be the

and is able to find a job in construction under his new identity. Over the next five years he is able to work his way up to a position as an engineer and becomes an exemplary member of his community until he is blackmailed and betrayed by a woman he is forced to marry. After agreeing to serve out a 90-day sentence, he symbolically returns to the South and is subjected to worse treatment on the chain gang than his previous internment. Desperate to get out, he escapes a second time knowing full well that he will never put his life back together. After surviving the war, poverty, legal injustice, and torture at the hands of his own countrymen, his faith in the system is gone, leaving him but a shadow of his former self. The last scene of the film provided one of rare instances of an unhappy Hollywood ending during the studio era. When his second wife, Helen (Helen Vinson), comes to him in the shadows to say goodbye she asks, “How do you live?” He replies, “I steal.” Disillusioned by a society that has turned him into an outcast, his struggle for survival still continues: he is still a fugitive from a chain gang, just as the title of the film suggests.

After Roosevelt took office in 1933, the tone of Depression era films shifted dramatically. Frank Capra’s films of the 1930s, in particular his social trilogy—*Mr. Deeds Goes to Town* (1936), *Mr. Smith Goes to Washington* (1939), and *Meet John Doe* (1941)—have become synonymous with the decade and Roosevelt’s presidency. The films Capra made during the 1930s frequently portrayed the collusion of money and power against the common hard-working American, have come to be seen as populist films in recent years. Yet despite the hint of New Deal politics in his films made during the Depression, Capra biographer Joseph McBride

focal point of resentment if such resentment develops, and I would feel derelict in my duty to you if I did not put this thought in your mind.” Both Hays and Joy later called this film “one of the most important films of the year.” This film is credited with bringing reform to the brutal conditions of chain gangs in the South. Letter to Darryl F. Zanuck from Jason Joy, July 27, 1932, *I Am a Fugitive from a Chain Gang* Production Code Administration file, Motion Pictures Producers and Distributors of America Collection, Margaret Herrick Library, Beverly Hills, California.

writes that the director did not vote for Roosevelt and was never a supporter of the New Deal.²³⁹

When asked about the liberal nuances in his Depression-era films Capra said: “A lot of people said my movies were New Dealish. I didn’t know what the New Deal represented. I think the real story of the Depression was the people, what they did when all the props fell and everything hit at once. They were down, very down, but they didn’t panic; they never quite lost the faith.”²⁴⁰

His nostalgic vision of a simpler time and his deep appreciation for ordinary people with ordinary problems is what ultimately shifted the tone of his 1930s films to a more political position.

American Madness (1932), a film produced and released before Roosevelt took office, “marked the beginning of a genuine, if short-lived, liberal-leftist influence on his thinking.”²⁴¹

The film captures the public’s panic and fear, and also showcases the internal instability of the banking system in 1932. Critics were surprised that Capra and his frequent collaborator, screenwriter Robert Riskin, would make a film with a New York City banker, Dickson (Walter Huston), as its hero in these difficult economic times. Yet the film’s analysis of the banking institution, while “fundamentally optimistic, was not without its critical aspects, and the conflicts between Dickson and his board of directors symbolically reflected the major split in the financial

²³⁹ Joseph McBride, *Frank Capra: The Catastrophe of Success* (New York: St. Martin’s Griffin, 2000), 258. This is somewhat surprising because his films from the 1930s are often associated with leftist politics. A lifelong Republican, Capra himself admitted that there was “an irrational basis to his opposition to FDR and the New Deal: he disliked FDR because of his privileged upbringing. But unlike Roosevelt, who managed to transcend the selfishness of his privilege, Capra rarely transcended the selfishness that grew out of his early deprivation. Capra’s basic attitudes, unlike Roosevelt’s, allowed him no special concern for the underprivileged—by and large he took a Republican view, felt that if he, a poor immigrant boy, could make it to the top, why couldn’t they?” Capra was just starting to make a great deal of money when the Depression hit and opposed the high corporate taxes Roosevelt introduced. McBride suggests that Capra’s “Darwinian social beliefs were intensified by his heightened social position and by his desire to hold on to his new material gains.”

²⁴⁰ Ibid.

²⁴¹ Ibid., 261.

community at that time.”²⁴² Throughout the film, Dickson stands firmly against the conservative banking strategies of Wall Street, believing instead in loaning money based on “hunches” about borrowers. A New Dealer in many ways, Dickson’s belief in a fluid currency was akin to Roosevelt’s own solution for the banking problem.

Capra’s America in the 1930s reflects a timeless, idealized version of the past. While his heroes are from small towns, the action in the social trilogy films takes place (as their titles indicate) in the big city. Morris Dickstein argues that “despite Capra’s Jeffersonian suspicion of the city, the small town is already an anachronism in these film, an idea: it’s where the hero comes from; its values are now embodied in his character, not in any fixed sense of place.”²⁴³ The idyllic small town, thus, is found from *within* Capra’s protagonists—Gary Cooper’s Longfellow Deeds (*Mr. Deeds Goes to Town*) and John Doe (*Meet John Doe*); James Stewart’s Jefferson Smith (*Mr. Smith Goes to Washington*)—none of whom are extraordinary men, but rather ordinary, good men who embody the 1930s myth of the common man. When his heroes leave their small town behind for the city, they encounter corruption and avarice everywhere they turn, which diminishes their naïve expectations of the world around them.

Capra’s heroes (“fools with faith,” as Jean Arthur calls them in *Mr. Smith Goes to Washington*) must undergo “a *rite de passage* of trial and frustration before they take their place in society...the ordeal they pass through, a catharsis of pain and despair, tempers them into mature determination, a resolute spirit, and the beginnings of the knowledge of the world.”²⁴⁴

²⁴² Ibid., 249. According to McBride, the character of Thomas Dickson was modeled on Bank of Italy (later Bank of America) founder A.P. Giannini and his brother Dr. Attilio H. (Doc) Giannini. The public saw both men as “populist bankers” who believed in “aiding such small businessmen and farmers who got no help from Wall Street... This too is Dickson’s policy in *American Madness*.”

²⁴³ Dickstein, *Dancing in the Dark*, 481.

²⁴⁴ Ibid., 484.

Dickson, Longfellow Deeds, Jefferson Smith, and John Doe all fall into deep bouts of depression that is reminiscent of the psychological state of mind of many Americans during the 1930s. For example, Dickson briefly contemplates suicide when his bank starts to fail; Longfellow Deeds completely withdraws and sits silently through a trial at which his fortune and sanity are at stake; and Jefferson Davis breaks down into tears and wants to give up the fight against “the political machine” after his exhausting filibuster attempt on the Senate floor proves futile, leaving him shattered. Beaten down by society and their own self-doubt, Capra’s naïve and determined everyman reminded American audiences of the collective responsibility they had to themselves and their country during this difficult time.

As the Depression wore on, Capra’s films continued to get darker and more complex.²⁴⁵ By personalizing the social problems of the day in his depiction of modern day, everyman heroes and villains, he was able to remain in touch with “something raw and vulnerable in himself and his audience, a memory of humiliation, struggle, and inner resolution.”²⁴⁶ While Capra was not a New Dealer himself, his films of the 1930s highlight the importance of community and the need for collective action in the face of economic and social turmoil.

²⁴⁵ Starting with *American Madness* and ending with the last film in the social trilogy, *Meet John Doe*, the tone of each film continued to get progressively bleaker. Capra’s postwar film, *It’s a Wonderful Life* (1946), is somewhat of a bookend to the social trilogy. Viewed today as a sentimental and uplifting Christmas film, the psychological ordeal of George Bailey (James Stewart), a small town man who sacrifices his own desires to help others, sums up the climate of insecurity and despair of Americans. Here, a supernatural entity, Clarence Oddbody (Henry Travers), Angel Second Class, is sent down from heaven to convince George not to commit suicide after his Uncle Billy (Thomas Mitchell) misplaces \$8,000 of their investors’ money. Clarence shows George what the world would have been like if he never existed. As George stumbles through town temporarily stripped of his identity (his mother and wife don’t know him; his brother is dead because he wasn’t there to save him), Capra’s grim and nightmarish vision of a Bedford Falls (now called Pottersville after the local tycoon) without George Bailey is terrifying. The message that each individual does make a difference is uplifting and powerful. Yet George’s cathartic experience remains the darkest American fantasy in Capra’s oeuvre.

²⁴⁶ Dickstein, *Dancing in the Dark*, 495. Dickstein suggests that as an immigrant himself, Capra’s “faith in human nature is linked to an immigrant’s belief in self-improvement... which enabled him to transform America into a vivid personal myth of archetypal simplicity, affecting humor, and elemental emotional power.”

There were other films that captured the dark days of the Depression. Like Capra, many Hollywood filmmakers sought to make films that revealed the human tragedy of the times. From the outset, their goal was not so much to document the fallout after the 1929 Crash that left many Americans fearful and put a strain on families, but to present it in such a way that the audience experiences the desperation and the hopeful longing that one day everything will be all right again. In William A. Wellman's, *Wild Boys of the Road* (1933), Roosevelt's New Deal agenda permeates throughout. At the beginning of the film, the audience is introduced to a group of small town boys who seemingly have not a care in the world. When Eddie (Frankie Darro) learns that his best friend Tommy (Edwin Phillips) intends to drop out of high school and get a job to help make ends meet, he tells his friend that he will talk to his father only to discover that he, too, has just lost his own place of employment. Not wanting to admit to poverty and unwilling to take charity, Eddie's parents are increasingly unable to support him. After dismantling his beloved car and selling its parts for cash, he gives his father the proceeds and takes to the road with Tommy, hoping to take the burden off of his family.

As the boys jump from freight train to freight train, they band together with other teenagers living together in makeshift camps to form communities of their own. Here Wellman emphasizes the importance of a collective society working together to survive. On their journey the teenagers learn not to trust authority figures including the police and railroad detectives who look at them as menaces to society. After being caught up in a raid at a whore house (the boys thought they were simply visiting their new friend Sally's (Dorothy Coonan) Aunt Carrie (Minna Gombell), they continue their trek east on board another train. When a fellow transient is unable to get off the train quickly enough, she is raped by the train operator. As soon as the teenagers discover what he had done, they throw him off the train to his death. Trusting only each other,

the teenagers band together like a ragtag army to defend their encampments on the fringes of society. They do not want much—only a chance to survive.

At the end of the film, Eddie finally finds work in New York to support the trio (Sally and Tommy—who is now crippled after a train accident) but needs to quickly make three dollars to purchase the uniform he needs. As they panhandle in the streets, Eddie encounters two men who are willing to pay him five dollars if he delivers a note to the cashier at the picture palace across the street. Not realizing that the note was a demand for money, Eddie is arrested and the Sally and Tommy are taken away. While most of the adults they encountered on their journey turned on them, the sympathetic judge at the end of film sits beneath the Blue NRA Eagle and quietly listens to his story. Resembling Roosevelt in both look and stature, the judge tells him: “I’m going to do my part if you do yours. Things are going to get better, not merely here, but all over the country.”²⁴⁷ This hopeful paternalistic happy ending seems to be a tacked on narrative-resolution to an otherwise desperate story that gives viewers an alternative meaning of the road for the families who were torn apart as a result of economic conditions that were out of their control.

The Road to Government Filmmaking

While the Hollywood fiction films that hinted at the New Deal were popular with the public, Roosevelt had a very different idea of what cinema could do in terms of informing the American people about his administration’s comprehensive restructuring of the U.S. economy and social institutions. The president and his advisors saw film as a tool to educate the masses and believed that it could be used as a public service to aid the government in its dissemination of important information.²⁴⁸ However, after weathering the public relations nightmare that ended

²⁴⁷ Muscio, *Hollywood’s New Deal*, 100.

²⁴⁸ Roosevelt was impressed with the Soviet propaganda films made in the 1920s. In 1919 Vladimir Lenin told the people of the newly formed Soviet Union: “of all the arts, the cinema is the most important.” With a high rate of

with the establishment of the PCA under the direction of Joseph Breen and with the slight uptick in box office receipts at the end of 1934, the studios hesitated when called upon to make informational films for the government.²⁴⁹ But as newspapers continued to turn on him after just two years in office, Roosevelt decided that he needed to use film in a more aggressive way to get his political agenda directly to the American people, and he was resolved to do so with or without the help of the Hollywood studios.

Although he admired the Soviet propaganda films of the 1920s, Roosevelt's idea for a government film unit more closely resembled the model that had taken shape in Great Britain during the early 1930s under acclaimed documentary filmmaker and producer, John Grierson, who was head of both the Empire Marketing Board (EMB) and General Post Office (GPO) film units.²⁵⁰ Created in 1926, the EMB was "intended to cement the British Empire by promoting trade and a sense of unity."²⁵¹ The primary goal of the EMB was to encourage British subjects all over the world to buy products produced in the Empire. Initially, posters, pamphlets, and

illiteracy, Soviet filmmakers were called upon to make propaganda newsreels and films to educate the people in rural areas about Communism. While Roosevelt was not faced with as big a task, he admired the way in which Soviet filmmakers like Dziga Vertov, Sergei Eisenstein, Vsevolod Pudovkin, and Alexander Dovzhenko used film to spread government messages to the people. See Yuri Tsivian, *Early Cinema in Russia and its Cultural Reception* (Chicago: University of Chicago Press, 1998), ix.

²⁴⁹ The studios hesitated to make films for two reasons: (1) the type of government-related documentary film that Roosevelt was asking them to make typically did not perform well at the box office (up to this point Robert Flaherty's *Nanook of the North* (1922) was the only documentary film to make money in the U.S.); (2) they were concerned that a successful collaboration could eventually lead to government involvement in feature filmmaking which was the very situation the studios wanted to prevent from happening.

²⁵⁰ The EMB film unit existed from 1930 to 1933 when the EMB was dissolved for economic reasons. Grierson and his staff moved to the General Post Office (GPO) and their film unit became known as the GPO Film Unit. From 1933–1937, Grierson produced several films for the GPO. In 1939 he left for Canada to run the National Film Board of Canada until the end of World War II. For more on the career of John Grierson see Ian Aitken, *Film and Reform: John Grierson and the Documentary Film Unit* (New York: Routledge, 1990); Forsyth Hardy, *John Grierson: A Documentary Biography* (London: Faber, 1979); and Elizabeth Sussex, *The Rise and Fall of British Documentary* (Berkeley: University of California Press, 1975).

²⁵¹ Erik Barnouw, *Documentary: A History of the Non-Fiction Film* (New York: Oxford University Press, 1993), 87. In addition to promoting Empire trade, the EMB also supported scientific research and economic analysis of industry.

exhibitions were made to persuade British consumers to purchase Empire goods. While the advertising campaign was successful, EMB Chief, Sir Stephen Tallents, was of the opinion that film was the logical next step for the promotion of British trade.

In 1927, Tallents was approached by Grierson, a trained social scientist, who had just returned to England after spending three years doing research in the U.S. on the psychological effects of propaganda in the media.²⁵² After observing what he called “the American melting pot in action,” Grierson explained to Tallents that the social, political, and economic problems facing the U.S. had “grown beyond the comprehension of most citizens; their participation had become perfunctory, apathetic, meaningless, often nonexistent.”²⁵³ A similar situation was simultaneously taking place in Great Britain, and Grierson convinced Tallents that film could be used to dramatize important issues that impacted the everyday lives of the British people. Wholeheartedly agreeing with Grierson’s mission, Tallents gave him a modest sum to make his first film, *Drifters* (1929), which chronicled the daily work of herring fishermen and subsequently painted the British worker as an everyday hero.²⁵⁴ In a calculated move, Grierson premiered *Drifters* alongside the highly anticipated screening of Sergei Eisenstein’s *Battleship Potemkin*

²⁵² Ibid., 85.

²⁵³ Ibid., 86. Grierson’s observations were very much in line with famed journalist Walter Lippmann’s opinion that “expectations once held for democracy were proving illusory.” Lippmann remained pessimistic about this but Grierson saw a solution in film. After meeting Robert Flaherty, with whom he began a life-long friendship, Grierson was inspired by his style of filmmaking. Grierson, in fact, was the first person to use the word “documentary” in 1926 after writing a review on Flaherty’s second film, *Moana*. Ideologically speaking, Grierson and Flaherty had very different ideas about documentary film: Flaherty’s deeply personal work sought to make the unfamiliar familiar by capturing primitive cultures on film (what Barnouw calls “salvage ethnography”); Grierson criticized his friend for romanticizing the remote, and looked to educate his own people about socially relevant issues that were “happening under [their noses]...the drama of the doorstep.” Despite their differences, the two men greatly admired each other and Grierson even employed Flaherty to make a film for the EMB titled *Industrial Britain*. Ibid.

²⁵⁴ *Drifters* is the only film Grierson directed. After the success of the film, Grierson would act solely as the producer of the films made by the EMB and later GPO Film Units.

(1925) at the London Film Society on November 10, 1929.²⁵⁵ The critical success of *Drifters* not only secured the funding for the EMB Film Unit, but also gave Grierson a new career as its creative organizer (i.e. producer). Under Grierson's supervision, men with little to no professional experience as filmmakers thrived in an atmosphere that encouraged collaboration and allowed for formal and stylistic experimentation.²⁵⁶ To be sure, much of the experimentation was likely necessitated by the fact that each film was made on a shoestring budget which ultimately forced Grierson's recruits to find creative ways to make quality pictures. Nonetheless, the freedom Grierson gave to filmmakers continued to attract ambitious young talent in the 1930s and was the primary selling point when he persuaded his friend, Robert Flaherty, the most famous name in documentary film, to direct *Industrial Britain* (1933) for the EMB.

As the Depression continued to take its toll on Great Britain, the government dissolved the EMB in 1933 and a new sponsor, the General Post Office (GPO), stepped up to support the Film Unit. As the new head of the GPO's Public Relations department, Tallents believed that Grierson's team could continue to play an important role in educating the masses. As Great Britain's economic, political, and social position began to change in the mid-1930s, the goals for the GPO Film Unit understandably differed from the work they did for the EMB. The General

²⁵⁵ Barnouw, *Documentary*, 85. Eisenstein's *Battleship Potemkin* was considered Communist propaganda and required reediting before it could be shown to American audiences in the state of New York. For five months, Grierson worked on the film and studied Eisenstein's editing techniques. His influence is clearly seen in the final cut of *Drifters*. When Grierson was looking to exhibit his film, he decided to screen it first for the London Film Society on a double bill with *Potemkin*. The British censors had prohibited the exhibition of the film in theaters, but because the London Film Society was a private cine-club of film enthusiasts, no government official could shut down the screening. According to Barnouw, "the *Potemkin* unveiling was a total triumph, and some London Film Society members were even more impressed with *Drifters*." Ibid., 87.

²⁵⁶ The men who made films for the EMB (and later the GPO) were mostly young, untrained filmmakers like Grierson who learned the craft of filmmaking as they went along. Several of them were members of the London Film Society and were cinephiles from the start. By 1933 the EMB had over 33 filmmakers who were social activists like their leader. By the end of the 1930s Edgar Anstey, Arthur Elton, Basil Wright, Henry Watts, and Paul Rotha were among the most talented documentary filmmakers in Europe.

Post Office was effectively a communications ministry, which, in addition to the postal mail service, oversaw all forms of telecommunications including the telegraph and telephone, as well as radio and television broadcasting.²⁵⁷ Grierson's filmmakers were presented with the challenge of "bringing the post office alive" and responded to the challenge by relaying the complexities of modern communication in original, compelling films.²⁵⁸ With reliable financial and organizational support from the GPO, Grierson and his Film Unit produced a series of memorable films that promoted the role of communication and the hard work of the British people including, *Song of Ceylon* (Wright, 1934), *Night Mail* (Wright/Watt, 1936), and *Housing Problems* (Anstey/Elton, 1935).²⁵⁹

The influence of Britain's documentary film movement, both at home and abroad, was undoubtedly the result of Grierson's leadership. Many of the exceptional films made by the EMB and GPO were released theatrically, but Grierson and his team were adamant that the British people have the opportunity to see all of their films. To this end, they set up a nontheatrical

²⁵⁷ Richard Meran Barsam, *Nonfiction Film: A Critical History* (New York: E.P. Dutton & Co., 1973), 49.

²⁵⁸ Barnouw, *Documentary*, 93. The transition to the GPO was relatively seamless for Grierson and his Film Unit. The group was able to continue their experiments with sound and took the opportunity to develop additional techniques including color and animation for documentary films.

²⁵⁹ *Ibid.*, 93-95. Production on *Song of Ceylon* started at the EMB and was completed with GPO funding. The film was produced for the Ceylon Tea Propaganda Board, and was made in order to create a favorable impression of the Ceylonese and work that goes into the Empire's biggest export. However, this film does more to celebrate Ceylonese culture than it does to sell tea. Basil Wright and Harry Watt's *Night Mail*, perhaps the most famous of the GPO films, is a prime example of what Grierson called "drama on the doorstep." Its subject is simple: a typical journey of the overnight train delivering mail from London to Glasgow. Its form, however, is complex and lyrical. Benjamin Britten, a young composer, wrote the score and renowned English poet, W.H. Auden, wrote the rhythmical narrative poem that dramatizes the progression of the train. The film highlighted the importance of technology (the speedy train) and the skilled government post officers who worked through the night so that the people of Scotland received their mail on time. Edgar Anstey and Arthur Elton's *Housing Problems* was significant for two reasons: (1) it was the first GPO Film funded by a corporate sponsor (in this case the Gas, Light and Coke Company); and (2) it is the first documentary film to use direct commentary from the subjects on screen instead of a 'voice of God' narrator. The Gas Light and Coke Company approached Grierson about making a film that argues for the demolition of dilapidated housing slums and the establishment of modern government-financed housing that would rely on an increased use of gas by the tenants. After the success of *Housing Problems*, corporate sponsorship funded a number of projects made by GPO filmmakers.

distribution system wherein film clubs, schools, churches, libraries, and businesses could rent 16mm prints of GPO films for public exhibition.²⁶⁰

Impressed with Grierson's insistence on propaganda made in the public interest, Roosevelt saw no reason why the U.S. government should not use film for disseminating information. It was evident that the propaganda films produced by Grierson played a significant role in shaping British public opinion. This fact ultimately confirmed to Roosevelt what he already knew: there was value in government-sponsored documentaries.²⁶¹ Roosevelt had seen several EMB and early GPO films, and in late 1934 he discussed the possibility of creating a film division within some of the New Deal agencies with Early and Harry Hopkins, supervisor of several New Deal relief programs including the Works Progress Administration (WPA) and the Civil Works Administration (CWA).

Until Pare Lorentz's commission to make the first film for the Resettlement Administration (RA) in 1935, the federal government had given very thought to producing information films for theatrical release. The Committee of Public Information (a.k.a. the Creel Committee) was the last government entity to produce films for general distribution during World War I.²⁶² However, government production of motion pictures began in the Department of Agriculture in 1908 after its photographers convinced the Secretary of Agriculture, James Wilson, of the potential of motion pictures to communicate information to the American

²⁶⁰ Barnouw, *Documentary*, 95.

²⁶¹ Robert L. Snyder, *Pare Lorentz and the Documentary Film* (Oklahoma: University of Oklahoma Press, 1968), 6.

²⁶² During WWI, the Creel Committee produced and distributed information films for theatrical release. For more information on the Creel Committee, see Creel, *How We Advertised America*; and Snyder, *Pare Lorentz and the Documentary Film*

people.²⁶³ After a series of successful experiments for government use only, additional film units were established in other agencies. For example, the first film made for public consumption was a 1911 Department of Interior short about the Pima Indian Reservation; and the first public relations film that was carefully planned and constructed for the American people was produced the following year by the Civil Service Commission (CSC) titled *Won Through Merit* (1912), which illustrated the government merit system at the time.²⁶⁴

Before World War I, the War Department primarily made recruitment films and short advertisements that encouraged young men to sign up for the armed services. Filmed primarily by the U.S. Army Signal Corps, these early efforts showcased some of the everyday activities of a typical service man. However, America's formal entry into the World War I in 1917 significantly changed the Army Signal Corps' filmmaking activities.²⁶⁵ Under the direction of George Creel, the Committee of Public Information (CPI or Creel Committee) sought to make motion pictures that would help the war effort both at home and abroad. The Creel Committee

²⁶³ Snyder, *Pare Lorentz and the Documentary*, 6–8. According to Snyder, the photographers had to secretly set up developing equipment in the film laboratories before making their case to Secretary Wilson. This was no small feat for the photographers. A devout Christian, Wilson felt that motion pictures were the “work of the devil, a disreputable medium of expression.” In order to convince Wilson of the medium's necessity to government work, they decided to film the Secretary as he talked with farm boys in such a way that he would not notice. When the Secretary screened the film, his tune changed almost immediately and offered his full support for government motion picture production.

²⁶⁴ *Ibid.*, 7. The Department of Interior produced a series of shorts on the National Parks and other conservation subjects between 1934 and 1937.

²⁶⁵ World War I began on July 28, 1914 and ended on November 11, 1918. Called “The Great War,” WWI involved all of the major world powers, which had formed two opposing alliances: the Allies (Great Britain, France, and Russia—the Triple Entente) and the Central Powers (Germany, Bulgaria, the Austro-Hungarian Empire, and the Ottoman Empire). U.S. President Woodrow Wilson kept the country neutral until 1917 when Germany called for a submarine warfare on all ships headed toward Great Britain, including any U.S. ships. As American ships were under fire by German U-boats, Germany offered Mexico military alliance in the now famous Zimmerman telegram. With the threat of German aggression and public sentiment shifting towards U.S. involvement in the war effort, President Wilson went to Congress with an appeal for American entry into a “war that will end all wars.” On April 6, 1917 the U.S. declared war on the Central Powers. For additional information on America's entry into World War I see David Kennedy, *Over Here: The First World War and American Society* (New York: Oxford University Press, 2004); and Robert H. Zeiger, *America's Great War: World War I and the American Experience* (Maryland: Rowman & Littlefield Publishers, 2001).

concentrated its efforts on making training and recruiting films, as well as records of combat that were primarily shot by the Army Signal Corps.²⁶⁶ After World War I, motion picture activity in some of the government's agencies increased. The creation of the Department of Agriculture's Office of Motion Pictures and the expansion of the Department of Interior's film program signaled a continued interest in making government information films. Unfortunately, production on these films was not consistent and "little of it was done with a continued program in mind, and none of it seems to have been intended for general commercial distribution."²⁶⁷

Independent documentary activity also accelerated considerably during the 1930s. Beginning with the Workers Film and Photo League (renamed the National Film and Photo League in 1933 to reflect other similar film groups in major cities across the U.S.), leftist activist filmmaking began to take shape as the Depression continued to take its toll on Americans.²⁶⁸ Between 1930 and 1932, both amateur and professional filmmakers and still photographers recorded a collective portrait of a broken country in hopes of encouraging social change. Epidemic unemployment protests, hunger strikes, and "Hoovervilles" continued to grow at alarming rates, and members of the National Film and Photo League concentrated their efforts on filming these phenomena all over the country. The groups exchanged footage and even organized

²⁶⁶ Snyder, *Pare Lorentz and the Documentary Film*, 9. John Randolph Bray's animation studio produced several training films for the government. The Bray Studio was the first (and only) animation studio to make films for the war effort. Lorentz later used Army Signal Corps' World War I footage in his first picture, *The Plow That Broke the Plains* (1935).

²⁶⁷ Ibid. Funding for government films was sporadic, which made it difficult to consistently produce information films. Because these films were deemed unnecessary at a time of peace, Congress did not approve the allocation of additional funds. The most successful producer of government films between 1925 and 1938 was the Department of Interior, which averaged about twenty-five films a year.

²⁶⁸ The Workers Film and Photo League is often associated with the Communist Party. However, while many of its members were self-identified Marxists and some even members of the Communist Party, the groups operated independently of one another. The Workers Film and Photo League saw documentary filmmaking as a necessary step in promoting radical social change—similar to what Vertov was doing in the Soviet Union.

a newsreel called *Workers Newsreel*, which circulated among its members and was sometimes even shown in theaters.²⁶⁹ In November and December of 1932, members of the National Film and Photo League participated in documenting the National Hunger March that took place in New York, Chicago, Detroit, Boston, Los Angeles, San Francisco, Philadelphia, St. Paul, and Oklahoma City after food riots broke out.²⁷⁰ Their footage was edited together into a feature-length documentary, *Hunger: The National Hunger March to Washington 1932*, which documented the strikes and plight of starving, homeless American citizens as they marched to Washington. The success of *Hunger 1932* led to another collaborative film using collected footage of the Bonus March in Washington D.C. titled *The Bonus March*.²⁷¹

Many famous still photographers-turned-filmmakers were part of the New York chapter including *Fortune* magazine's Margaret Bourke-White and Berenice Abbott; *New Theatre* magazine's Leo Hurwitz and Herbert Kline; and Ralph Steiner and Paul Strand—still photographers who had already made successful films including *H2O* (1929) and *Manhatta*

²⁶⁹ Barnouw, *Documentary*, 112. The New York Film and Photo League chapter had its own mimeographed bulletin, *Filmfront* that was published each month. In 1934, the Film and Photo Leagues across the country organized its first film conference in Chicago to discuss forty reels of film made that year.

²⁷⁰ “Red Propaganda Turns Hunger March into Riot,” January 4, 1932, *Los Angeles Times*, A1–A2; and “10,000 Chicagoans Join ‘Hunger March,’” November 1, 1932, *New York Times*, 3. Food riots and hunger marches occurred all over the country in 1932. Many participants were arrested and put in jail for unlawful demonstration. Newspapers across the country called the protesters Communists and suggested that the rioters were under the influence of Soviet leadership. In October, similar (more violent) protests occurred in London. While the marches at home and abroad ended in December 1932, the seriousness and gravity of their situation was not missed on the newly elected president.

²⁷¹ *Bonus March* reused footage from *Hunger 1932*. Like the protesters in *Hunger 1932*, the majority of the people pictured in *Bonus March* were out of work and starving. However, their cause was more defined. The Bonus March was an organized group of World War I veterans who wanted to cash in on their bonus certificates (each veteran was rewarded a \$1,000 certificate that was redeemable in 1945) early after having lost their jobs. The men gathered their families and headed to Washington in the spring and summer months to ask Congress to redeem their certificates early because they could not pay rent or feed their families. After Congress rejected their demands, the protesters set up Hoovervilles across the Potomac River in Anacostia Flats. Fearing a mob attack on the White House, President Hoover ordered the Army, under the leadership of General Douglas MacArthur, to throw out the demonstrators and burn down the camps. See Barsam, *Nonfiction Film*; and Goodwin, *No Ordinary Time*.

(1921), respectively. Several of these photographers left the Film and Photo League in 1935 to form a more organized political production venture called Nykino.²⁷² Committed to producing a “more viable form of political film,” these filmmakers were “united in their belief in social and political equality.”²⁷³ Influenced by Robert Flaherty and the Soviet filmmakers of the 1920s, the Nykino group wanted to make films about the dignity of hard work and the struggle of the people in films like *Pie in the Sky* (1935) and *The Wave* (1937); and in newsreels like the Nykino’s short-lived *The World Today* (1936–1937).

In 1937 members of Nykino decided to convert their organization into a non-profit group called Frontier Films. With the majority of its members staying on, they wrote a manifesto citing their disdain for Hollywood filmmaking, and pledged only to make films that were socially relevant, reflecting the world American actually lived in.²⁷⁴ Despite their ambitions to turn out six features a year, Frontier Films produced less than a dozen films in four years. The majority of the films that were actually produced did not address domestic problems but instead dealt with foreign issues. For example, three of Frontier’s first films—*Heart of Spain* (Kline, 1937) *Return to Life* (Klein, 1937), and *The Spanish Earth* (Ivens, 1937)—documented the Spanish Civil War and were produced to raise money and support the Spanish Loyalist cause.²⁷⁵ On the whole, the

²⁷² Formed in 1935 by Hurwitz, Steiner, and Irving Lerner, Nykino (New York Kino [Film]) was committed to making films that adhered to documentary filmmaking aesthetics. These men saw film as the next step in their quest to make revolutionary propaganda shorts that captured the social issues of the day and exposed the evils of a capitalist society. Willard Van Dyke joined Nykino in 1935, and famed Dutch filmmaker, Joris Ivens, also briefly joined the group. Members of the Nykino group—Strand, Steiner, and Hurwitz—were later hired by Pare Lorentz to photograph *The Plow That Broke the Plains*.

²⁷³ Barsam, *Nonfiction Film*, 147.

²⁷⁴ *Ibid.*, 148.

²⁷⁵ *Ibid.* Contemporary Historians, whose membership included American author Ernest Hemingway, produced Iven’s *The Spanish Earth*. Hemingway was an advisor on the film and agreed to do the voiceover narration for the film as a favor to Ivens. Other popular films made by the Frontier group include *The People of Cumberland* (1939), *United Action* (1939), and *Native Land* (1942).

group had difficulty funding its pictures and found it difficult to get commercial exhibition. By the end of the decade, leftist radical filmmaking collectives were non-existent. Although Frontier Films did not permanently fold until 1941, some its members became actively involved in government filmmaking before the U.S entered the war.²⁷⁶

When Roosevelt took office in 1933, he wanted to use the media in every way he could to mobilize Americans. The pragmatic experimentation of the New Deal called for new and improved methods of reaching out to each and every American citizen. Faced with emergency, Roosevelt and his advisors continued to look for new ways to explain the necessity for the growth of government and the restriction of unregulated business. Roosevelt's New Deal with the American people was created with the intent to calm their fears and restore their faith in America as the land of opportunity. The visual documentation of social unrest provided a powerful view of the country's anguish and left a lasting impression on the audience.

Before Lorentz's appointment to the Resettlement Administration in 1935, not a single film was made by the U.S. government with the intent to distribute and exhibit to the American people in commercial theaters.²⁷⁷ Although a handful of government departments had their own production units and laboratories, there was no inter-agency coordination to speak of and no concentrated effort to secure distribution of these films.²⁷⁸ In 1934, Harry Hopkins commissioned Nykino member Ralph Steiner and Willard Van Dyke to make a film that dramatized the relief work done by the Works Progress Administration (WPA). The final

²⁷⁶ Joris Ivens, Willard Van Dyke, Leo Hurwitz, Ralph Steiner, and Irving Lerner made films for the U.S. government between 1940 and 1945.

²⁷⁷ Snyder, *Pare Lorentz and the Documentary Film*, 13. Snyder points out that the number of government productions had grown exponentially and by 1935 "twenty-five federal agencies had produced more than four hundred films."

²⁷⁸ Ibid. Three departments—Agriculture, Interior, and War—had their own film departments in 1935.

product, a half-reel artistic short called *Hands* (1934), emphasizes “idle hands, hands at work, and finally hands putting earnings (from government relief projects) back into circulation.”²⁷⁹

The film was distributed by Pathé and was released in a handful of theaters in New York City.²⁸⁰

While *Hands* showed promise of what government could be, it was soon overshadowed by the Resettlement Administration’s ambitious motion picture projects that would forever change the face of government filmmaking.

Pare Lorentz: Roosevelt’s Filmmaker

On May 1, 1935, President Roosevelt established the Resettlement Administration (RA) in an effort to help destitute farmers in rural areas.²⁸¹ Under the guidance of Rexford G. Tugwell, one of Roosevelt’s most brilliant advisors in the so-called Brain’s Trust and former economics professor at Columbia University, the RA aimed to “directly rescue the poorer half of the farm population, which earned only 10 percent of all farm income, through various schemes of relocating and retraining.”²⁸² Tugwell’s first order of business was to construct “greenbelt” communities that provided work relief for the unemployed, affordable housing, and acted as a

²⁷⁹ Barnouw, *Documentary*, 113.

²⁸⁰ Snyder, *Pare Lorentz and the Documentary Film*, 15.

²⁸¹ The functions and duties of the Resettlement Administration included: “(a) The administration of approved projects involving resettlement of destitute or low-income families from rural and urban areas, including the establishment, maintenance, and operation, in such connection, of communities in rural and suburban areas; (b) The initiation and administration of a program of approved projects with respect to soil erosion, stream pollution, seacoast erosion, reforestation, forestation, and flood control; and (c) Making loans as authorized under the said Emergency Relief Appropriation Act of 1935, to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers or farm laborer.” See Executive Order 7027 Establishing the Resettlement Administration, Public Papers and Addresses of Franklin D. Roosevelt, FDRL. The Resettlement Administration lasted only two years. It was dissolved in 1937 and the agency that replaced it was called the Farm Securities Administration.

²⁸² Dickstein, *Dancing in the Dark*, 93.

model for future social planning.²⁸³ Although Tugwell and the Resettlement Administration were able to help quite a few desperate tenant farmers and their families by removing them from eroded land and giving them a “fresh start on good soil with adequate equipment and expert guidance,” the agency never had enough money and its plans to move “500,000 families, actually resettled 4,441.”²⁸⁴

In order to understand the plight of sharecroppers, migrant workers, and tenant farmers, the RA’s Information Division looked to document the blight and misery experienced in dust ravaged cities all over the country. To this end, Tugwell called on Roy Stryker, an acclaimed photographer, to head the Photographic Unit, and build support for the New Deal by recording the devastation of rural poverty.²⁸⁵ Stryker called upon a number of talented still photographers including Walker Evans, Dorothea Lange, Carl Mydans, Russell Lee, Marion Post Wolcott, Ben Shahn, John Vachon, and Arthur Rothstein to document the calamity that was taking place in America’s heartland.²⁸⁶ Each photographer was assigned to a different U.S. city and was asked: (1) to demonstrate what the federal government was doing to help improve the lives of tenant farmers; and (2) record images that represented the collective consciousness of the U.S. during the Great Depression.²⁸⁷ As Stryker described it: “Our basic concern [is] with agriculture—with

²⁸³ Ibid., 94. The first “greenbelt” community was constructed in Maryland, just 12 miles outside of Washington D.C. Tugwell called the community Greenbelt and the name stuck. The other two greenbelt communities were called: “Greenhills” just outside of Cincinnati, Ohio; and “Greendale” just outside of Milwaukee, Wisconsin. Greenbelt, Maryland was the first government funded planned community in the U.S.

²⁸⁴ Ibid. See also William E. Leuchtenburg, *Franklin D. Roosevelt and the New Deal, 1932–1940* (Boston: Houghton Mifflin, 1958), 27.

²⁸⁵ Barnouw, *Documentary*, 113. Stryker was also Tugwell’s former teaching assistant at Columbia University.

²⁸⁶ After the RA was disbanded in 1937, the Photographic Unit continued its important work under the Farm Securities Administration (FSA).

²⁸⁷ Dickstein, *Dancing in the Dark*, 94–95. Although the photographs were intended to shore up support for the establishment of RA communities, the migrant workers they encountered in their travels moved many of the

dust, migrants, sharecroppers. Our job [is] to educate the city dweller to the needs of the rural population.”²⁸⁸ Their photos were displayed in museum exhibitions and were featured in popular magazines including *Life* and *Fortune*.²⁸⁹ For the first time, Americans were exposed to the grim realities of the rural Depression with portraits of life in the Dust Bowl. The photographs taken by the RA (and later Farm Securities Administration) Photographic Unit over the course of seven years include some of the period’s most iconic images that are now part of the country’s shared visual history of the Great Depression.

With the success of the Photographic Unit, Tugwell believed that the time was right to include motion pictures in his agency’s work. Roosevelt was impressed by the work done by the RA Photographic Unit and was particularly pleased that the American public had responded so enthusiastically to artistic work carried out by a New Deal agency. In the spring of 1935, Tugwell met with Stephen Early, Harry Hopkins, and Secretary of Agriculture Henry A. Wallace to discuss the possibility of making films for the RA that would be released commercially in theaters across the U.S.²⁹⁰ During the meeting, Wallace mentioned to his colleagues that his personal secretary, James LeCron, had recently put him in touch with a young film critic and

photographers in a profound way. Dorothea Lange told Stryker upon her return that her “negatives were loaded with ammunition.” Many of the RA photojournalists were keen on getting the images published in magazines so that Americans all over the country could see for themselves the plight of the migrant worker. A picture was worth a thousand words.

²⁸⁸ Snyder, *Pare Lorentz and the Documentary Film*, 23.

²⁸⁹ There were many collaborations between journalists and photographers during this period. For example, in 1936 Walker Evans went on assignment for *Fortune* magazine with James Agee to illustrate his article on tenant farmers in pictures. The article was never printed in the magazine but their collaboration was cemented in their 1941 book, *Let Us Now Praise Famous Men*. Author Erskine Caldwell had a similar collaboration early on with photographer Margaret Bourke-White for *Life* magazine, which resulted in the publication of their book *You Have Seen Their Faces* in 1937.

²⁹⁰ Memorandum of the conference between Early, Hopkins, Tugwell, and Wallace, April 6, 1935, OF 73, FDRL.

Roosevelt supporter named Pare Lorentz, who wanted to make a motion picture that documented the changes in the Tennessee Valley Authority.

Tugwell's decision to let the seemingly unqualified Lorentz produce the first major documentary film for the federal government was curious. Although he had an impressive background as a writer and a film critic, Lorentz had never produced, directed, or written a screenplay before he started work on *The Plow That Broke the Plains*. Between 1927 and 1936, he worked as film critic for *Judge* (a weekly magazine), the *New York Evening Journal*, *Vanity Fair*, and *Town and Country* and was well respected in New York art circles. Lorentz strongly believed that motion pictures had the potential to educate the masses and was critical about Hollywood's failure to use the medium for purposes other than entertainment. In 1930 Lorentz collaborated with Morris Ernst on a book about censorship in Hollywood titled, *Censored: The Private Life of the Movies*, which was described by critics as an appeal for a "more adult and intelligent acceptance of realism on the screen."²⁹¹ However, industry insiders rightfully saw this book as an attack on Will Hays and took issue with Lorentz's claims that the control of film production and distribution in the U.S. by major corporations was the reason for the spread of censorship.

Lorentz's distaste for the MPPDA head dates back to when Hays worked for the federal government. For Lorentz, Hays was quite possibly the worst choice to act the industry's first president of the MPPDA, calling him "a member of the jolly band of thieves who took control of our government with the ascension of Warren G. Harding to the presidency. He [is] a conniving, sanctimonious Indiana Presbyterian elder who was the bag man in the Teapot Dome affair. He was the postmaster general under Harding and extricated himself from the association with the

²⁹¹ Snyder, *Pare Lorentz and the Documentary Film*, 17.

gang by becoming the chief magistrate of the motion picture industry. One assumes he is still stuffing ballot boxes in hell.”²⁹² Here, Lorentz paints a vicious picture of Hays—“the Bishop of Hollywood”—claiming that his sole duty was to act as a lobbyist/press agent for the industry in order to ensure that the large corporations remained flush with cash. According to Lorentz, Hays was not interested in the artistry of the medium and gave motion pictures a “benign and sanctified purpose.”²⁹³ He was particularly concerned that censoring stage plays for screen adaptation by the Hays Office brought about “the death of political opinion and the right of free speech.”²⁹⁴ The charges Lorentz levied against Hays and the moguls left him with very few friends in the industry and were (at the very least) partly responsible for the problems he would later face when he tried to obtain stock footage from the studios and secure a distribution deal for *The Plow That Broke the Plains*.

²⁹² Pare Lorentz, *FDR's Moviemaker: Memoirs & Scripts* (Reno: University of Nevada Press, 1992), 21–22. Lorentz worried that Hays would sue him for libel and claims that Hays tried to stop the sale of his book by offering him a job to work as an editor for “a high-toned expensive magazine devoted to only the most artistic productions... and was prepared to pay him twenty-five thousand dollars a year.” The magazine never came to fruition. Hays and Lorentz’s contentious relationship continued until Hays’s death. The publication of *Censored* and his damning critique of Hays essentially blackballed him from working in the industry.

²⁹³ Snyder, *Pare Lorentz and the Documentary Film*, 18.

²⁹⁴ Ibid. Lorentz paints Hays as an opportunist who attempted to get into the film industry very early on. In 1919, as a manager of the Harding campaign, he took meetings with Adolph Zukor, Carl Laemmle, and William Fox, which ultimately led to Harding appearing in several newsreels during the presidential campaign. Lorentz believed that this was a major factor in Harding getting elected and points to Hays’s appointment as Postmaster General as part of the quid pro quo agreement. The valuable friends he made in Hollywood would later lead to his appointment as the head of the MPPDA in 1922. Lorentz further contended that while Hays acted as a skillful lobbyist for the industry, he delegated the work of censoring films and enforcing the Production Code to other employees (namely Colonel Jason Joy). The fact that Hays was only concerned about the bottom line angered Lorentz. In defense of Hays, he was elected to office to clean up Hollywood and sell it back to the American public. Again, because films did not have first amendment rights at this time, Hays and the moguls had to choose their battles when it came to what was appropriate for the screen. Lorentz does not consider the restraints put on the industry at this time or the fact that the Supreme Court decided in *Mutual Film Co. v. Indus. Comm’n of Ohio* (1915) that the film industry was a business “pure and simple.” During the studio era, producers had to figure out a way to marry art and commerce and, for the most part, did so successfully. Lorentz’s attack on Hays and the moguls was ungracious and did not paint an accurate picture of the industry in 1930.

Lorentz's meteoric rise as Roosevelt's filmmaker was the direct result of his next book, *The Roosevelt Year: 1933*.²⁹⁵ Like LeCron and Wallace, Tugwell was impressed with Lorentz's astute knowledge of the New Deal, especially his passion for the conservation of the country's natural resources. When the two men met, they agreed that the first government film would be about the Dust Bowl that extended from North Dakota to Texas and had forced farmers off their land.²⁹⁶ Lorentz had seen first hand the destruction and devastation that affected the farmlands during trips through the Great Plains in 1931 and 1933.²⁹⁷ The drought that began in 1932 exacerbated the initial issues of overgrazing and over plowing and ultimately led to the ruination of 14% (about 180 million acres) of once fertile land by the end of 1934.²⁹⁸ After discussing his initial plans with Tugwell, Lorentz examined the government films made by the Department of Agriculture and the Department of Interior as well as their distribution and production practices before returning with a course of action. Snyder writes that for Lorentz, "a film of merit was to be one produced by the federal government that could stand on its own merits and share billing with commercial Hollywood productions."²⁹⁹ It was important that the film was "good enough

²⁹⁵ Lorentz's original intention was to turn his book on Roosevelt into a motion picture that highlighted the ways in which the country was better off because of the New Deal.

²⁹⁶ Manuscript History—"The Plow That Broke the Plains," Box 2, Folder 1, Pare Lorentz Papers, FDRL.

²⁹⁷ Ibid.

²⁹⁸ Snyder, *Pare Lorentz and the Documentary Film*, 23–24. According to the Soil Conservation Service, an additional 775 million acres were in the process of being destroyed by erosion. Snyder quotes useful U.S. Department of Agriculture data: "It has been estimated that more than 400,000,000 tons of topsoil a year were washed into the Gulf of Mexico by the Mississippi River. In May 1934, dust from the plains reached the east coast. On February 24, 1935, brown snow fell through New England, caused by powdery topsoil from the Southwest...in the Texas Panhandle sixty-one dust storms were reported in 1935, forty-five in 1936. Kansas reported an estimated three million acres subject to blowing in 1934, and 8,871,227 acres in 1935."

²⁹⁹ Ibid., 25.

technically to bear comparison with commercial films and be entertaining enough to draw an audience.”³⁰⁰

Having never made a film, Lorentz’s task was enormous. In order to get the commercial distribution and exhibition he desired, Lorentz was going to have to make a superior film with the paltry budget of \$6,000 he was given by Tugwell.³⁰¹ Unwilling to spend any portion of his budget on acting talent, Lorentz decided to travel with his crew to the Great Plains to shoot the necessary footage for the film. Animation sequences were kept simple, and to further limit expenses, he decided to use “voice of God narration” and background music instead of recording sound on location.³⁰² Cutting down on these expenses made it possible for Lorentz to use most of the budget to pay for the technical services of Paul Strand, Ralph Steiner, and Leo Hurwitz.³⁰³ Lorentz did not have the resources to scout locations and instead examined the photographs taken by RA photographers to determine where the principle shooting should take place.³⁰⁴ As he developed the outline of the script, Lorentz kept in mind that his primary objective for the film was “to portray the events which led up to one of the major catastrophes in American history—to show, in other words, the Great Drought which is now going into its sixth year.”³⁰⁵

³⁰⁰ Ibid.

³⁰¹ Manuscript History—“The Plow That Broke the Plains,” Box 2, Folder 2, Pare Lorentz Papers, FDRL.

³⁰² Lorentz, *FDR’s Moviemaker*, 39–40. Lorentz decided early on that he want to “keep control of the three elements of [his] film—pictures, music, and words—and to emphasize them in that order.”

³⁰³ Manuscript History—“The Plow That Broke the Plains,” Box 2, Folder 1, Pare Lorentz Papers, FDRL. Hurwitz’s direction of the WPA film *Hands* (1934), Steiner’s *H2O* (1929), and Strand’s work on *The Wave* (1934) impressed Lorentz. Although they were leftist filmmakers and often pointed to the influence of Soviet propaganda on their films, the superiority of their work made them an easy choice for the inexperienced Lorentz. All three were members of New York branch of the Workers Film and Photo League—a group whose politics Lorentz abhorred.

³⁰⁴ Snyder, *Pare Lorentz and the Documentary Film*, 28.

³⁰⁵ “The Plow That Broke the Plains,” *McCall’s*, July 1936, 21.

When Lorentz and his crew started shooting in Montana in September 1935, all they had to work with was an outline. They were hoping to get caught up in a dust storm to create the necessary drama that would not only hold the attention of the audience, but also make plain the gravity of the situation and what the government was doing about it by highlighting the activities of the RA program. As the film crew traveled through Wyoming, Colorado, Kansas, and the Texas panhandle (where they encountered “high winds and choking dust”), they encountered plains people who, Lorentz recalled, “still [had] an enormous pride. We stopped some and filmed them...we learned much of the cruel force that blighted them.”³⁰⁶ However, while the plains people were cooperative, the tension between Lorentz and the filmmakers was escalating. Without a script and without (so far as they could tell) a clear vision for the project, Strand, Steiner, and Hurwitz found it difficult to work with Lorentz. By the time they reached Texas, they refused to keep working for the inarticulate Lorentz until he came up with a script they could all follow.³⁰⁷ The men took it upon themselves to write their own script and informed Lorentz that they would not continue working until he accepted it. In an interview for *Scribner’s* Lorentz said he rejected the script they proposed because was “all about human greed and how lousy our social system was. And I couldn’t see what this had to do with dust storms.”³⁰⁸ Under

³⁰⁶ Snyder, *Pare Lorentz and the Documentary Film*, 30.

³⁰⁷ Manuscript History—“The Plow That Broke the Plains,” Box 2, Folder 2, Pare Lorentz Papers, FDRL. Frustrated with Lorentz from the start, Hurwitz, Strand, and Steiner refused to keep filming when they arrived in Texas. On May 12, 1936, *Variety* reported that the filmmakers were “on strike,” signaling a clear divide between the professional filmmakers and the amateur Lorentz. Part of the conflict was due to their political differences: Lorentz was an avid New Dealer; Strand and Hurwitz were extreme leftists who dabbled in Communism. Another problem was that the filmmakers were not getting along with each other. Strand and Steiner could not be in the same room together, and Steiner let it be known that he would not be a part of Frontier Films if Strand continued to be involved. See also Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL.

³⁰⁸ W.L. White, “Pare Lorentz,” *Scribner’s Magazine*, January 1939, 9. See also Press Notices: Pare Lorentz and His Work, Volume IV, Box 23, Pare Lorentz Papers, FDRL.

contract, the men grudgingly filmed through the end of the month and told Lorentz that they refused to accept any responsibility for the final cut of the film.

Lorentz quickly realized that his working relationship with his crew was becoming increasingly untenable. When the dust storm sequences were filmed to his satisfaction, Lorentz fired the men and headed to Hollywood, where he hoped to purchase stock footage from newsreels to fill the gaps in the historical set up of the film.³⁰⁹ However, he encountered resistance from studio executives who, under the directive of Hays, refused to sell Lorentz footage.³¹⁰ When Lorentz returned to Washington, his budget was almost gone. He had not thought to hire an editor or a composer to score the film. To save money, Lorentz decided to edit his own film and use the rest of the money to pay Virgil Thomson to work on the score while he worked on the final cut of the film. Collaborating with Thomson on the score was almost as time consuming as the six-month shoot; it was also the most rewarding for Lorentz, who not only had to teach himself to edit, but also had to write the narration and think through the music choices for the film. Thomson's score added another dimension to the film, and made the images come

³⁰⁹ Manuscript History—"The Plow That Broke the Plains," Box 2, Folder 1, Pare Lorentz Papers, FDRL. After Lorentz parted with the men, he hired Paul Ivano for one day to help him film migrant workers in California. RA photographer, Dorothea Lange, was filming near Camp Shafter and helped Lorentz get access to the families. See also Snyder, *Pare Lorentz and the Documentary Film*, 31–32.

³¹⁰ Hays's directive was clearly retaliation for the "smear" campaign Lorentz had waged on him in his censorship book. While Hays and the moguls were not particularly interested in getting involved in government work, they were equally uninterested in helping Lorentz succeed in any way. Interestingly, it was independent director, King Vidor, who aided Lorentz in his quest for footage. According to Vidor, "Pare was unhappy with some of the reception he received and...thought the government should give him some further entry than he apparently [received]." However, the U.S federal government was not in a position to make the studios actively participate in government filmmaking. Any help Lorentz got from Hollywood was done gratis. Vidor and other sympathetic directors gave Lorentz access to their footage and even helped him select what he needed to complete the film. The Signal Corps provided the World War I footage. *Ibid.*, 32.

alive. By the time Lorentz finished the final cut of his film, the cost had ballooned to \$19, 260—\$13, 260 of which eventually came out of his own pocket.³¹¹

Narrated by Thomas Chalmers, *The Plow That Broke the Plains* documents the history of the settlement of the Great Plains, the over cultivation of its land, and the eventual erosion of the soil.³¹² Lorentz believed he produced a film that American audiences would want to see and immediately started a campaign to get it into theaters. After getting the cold shoulder when he requested stock footage from the producers out west, Lorentz reasoned that the major Hollywood studios would be opposed to distributing and exhibiting the film and believed that Roosevelt was his only hope in securing wide distribution. Lorentz screened the film for the first time at the White House to an audience composed of the president, Mrs. Roosevelt, Tugwell, and a group of elected senators and members of Congress representing the Dust Bowl states.³¹³ There was much at stake that evening for Lorentz: not only was it was the first time he personally met the president; it was also his one and only shot to really impress upon him that the film merited wide

³¹¹ Budget —“The Plow That Broke the Plains,” Box 2, Folder 3, Pare Lorentz Papers, FDRL. Lorentz was specifically told not to go over his \$6,000 budget. Although he arrived in Washington with receipts, he was stuck paying the majority of the surplus cost. Part of the reason for this was that the RA was deemed unconstitutional and plans were already under way to transfer Lorentz to another department. See “Resettlement Agency Dies,” *Los Angeles Times*, September 2, 1937, 8; and “Wallace Ends RA: Sets Up New Unit,” *New York Times*, September 2, 1937, 6.

³¹² The original conclusion of the film depicted the RA’s relocation strategy for 4,500 farm families, and was removed after the U.S. Congress deemed the RA unconstitutional. Many in Congress believed the activities of the RA were socialist. Many believed that the removal of migrant workers exacerbated the problem for the land-owning farmers. Additionally, Tugwell’s goal of relocating nearly 700,000 farmers from 100 million acres of depleted land did not sit well with members of Congress who argued that there might be some migrant workers that do not wish to be removed from the land they inhabited. Forcing them to relocate to greenbelt communities violated their constitutional rights. Before the RA was disbanded, less than 15,000 farmers had been relocated and many of the planned communities had turned into temporary migrant camps. On January 1, 1937, the RA was transferred to the Department of Agriculture; eight months later, on September 1, 1937, the RA was permanently folded into a new government body, the Farm Securities Administration (FSA). See “Senator Byrd Calls Homes Project Waste,” *Los Angeles Times*, May 24, 1937, 5; “Byrd Attacks RA on ‘Sinful Waste,’” *New York Times*, July 5, 1937, 4; “Costly Greenbelt,” *Washington Post*, July 8, 1937, 8; “Resettlement Agency Dies,” 8; and “Wallace Ends RA: Sets Up New Unit,” 6.

³¹³ “Documented Dirt,” *Time*, May 25, 1936, 47–48.

distribution. Luckily for Lorentz, it was reported that the president “brimmed over with enthusiasm...[and] praised him for his work.”³¹⁴ During their discussion after the film, Lorentz explained the challenges of getting the film distributed through commercial channels and told Roosevelt that he wanted to show the film to studio executives but “feared that the dislike of Roosevelt, his ideas, and the New Deal...might destroy any chances the film had for widespread distribution.”³¹⁵ He carefully omitted the fact that Hays and the rest of the executive class in Hollywood openly despised him.

Two months later, on May 10, 1936, *The Plow That Broke the Plains* premiered for a second time in Washington as part of a documentary program sponsored by the Museum of Modern Art.³¹⁶ The film was well received by the audience and critics, and many of the reviews the following morning noted the educational value of Lorentz’s film. Representative Maury Maverick, a democrat from Texas, publically chastised the Hollywood studios after the screening for not making films like *The Plow That Broke the Plains*. Maverick went even further and attacked the Roosevelt administration for being “the most backward government of any civilized, first-class nation in [its] utilization of the motion picture” and called upon the president to institute a government film program that made pictures for educational and informational purposes.³¹⁷

³¹⁴ Ibid., 48.

³¹⁵ Snyder, *Pare Lorentz and the Documentary Film*, 39.

³¹⁶ Lorentz’s film was in good company. The other films that were shown that evening included Paul Rotha’s *The Face of Britain* (1934); Len Lye’s experimental film *The Colour Box* (1935); the Soviet film *Harvest Festival* (1935); *Midi* (1935), a film sponsored by the French State Railways; and an excerpt of Leni Riefenstahl’s *Triumph of the Will* (1935). See Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volume III, Box 23, FDRL.

³¹⁷ 80 Cong. Rec. 6,882–6,884 (1936). Maverick was so taken with the film that he entered United Press reporter Fred Othman’s full column review of the film (“The New Deal’s First Major Movie Effort Packs a Terrific Punch”)

Lorentz was hopeful that the positive press would convince the studios to distribute and exhibit his film in their theaters. Unfortunately the positive notices were seemingly lost on the moguls and exhibitors. Hollywood executives pointed to several reasons why the film was not suitable for commercial release: (1) it was considered New Deal propaganda; (2) it was too long to be part of a newsreel program and too short to be a stand-alone successful motion picture; and (3) the RA was declared unconstitutional by the U.S. Congress just eight days after the second Washington screening, which allowed them to save face publically and “plead constitutional loyalty for raising the bars against a valuable documentary.”³¹⁸ *New York Times* reporter Frank S. Nugent interviewed Lorentz after the producers unanimously rejected his plea for distribution. Falling just short of claiming that he was being blackballed by Hays and the moguls, Lorentz told Nugent that one executive told him, “I wouldn’t release any government picture, not even if it was ‘Ben Hur;’” and another executive explained that “if any private company or individual made this picture, it would be a documentary film. When the government makes it, it automatically becomes a propaganda picture.”³¹⁹

Frustrated with the reaction from Hollywood, Lorentz took up the campaign for distribution on his own. Arthur Mayer, a former Paramount executive, decided to screen the film at the Rialto Theater in New York City. When the film opened on May 28, 1936, Mayer called

into the Congressional record alongside letters Lorentz had received from Hollywood directors King Vidor and Lewis Milestone commending the film. Maverick’s comments, cited above, are also entered into the official record.

³¹⁸ Frank Nugent, “Raw Deal for the New Deal,” *New York Times*, May 24, 1936, X3. See also “Theatre Heads Balk at Tugwell’s Movie,” *New York Times*, May 15, 1936, 28.

³¹⁹ Ibid. When pressed on what he considered to be offensive propaganda, the exhibitor did not point to anything specific, claiming only that it “was the principle of the thing.” Lorentz felt that Hollywood’s refusal to distribute his film was personal rather than political. King Vidor said, “producers were extremely hostile towards the government’s new film activities under Lorentz.” See Snyder, *Pare Lorentz and the Documentary Film*, 38. While executives contended that they did not show government-produced films in their theaters, MGM/Loews had showed a Department of Commerce film, *Around the World in a Coffee Cup*, at the Capitol Theater in NYC.

the film “The Picture They Dared Us to Show!” and his newspaper advertisements quoted positive notices from the previews, and then added a line from Nugent’s review: “Yet Hollywood has ‘turned its manicured thumb down!’”³²⁰ Audience response was so enthusiastic that Lorentz was able to secure three other bookings in Philadelphia, Boston, and Washington theaters. By the end of 1940, *The Plow That Broke the Plains* had more than 5,000 non-commercial play dates and was screened in over 2,000 mainstream theaters across the U.S.³²¹

After months of frustration and setbacks, Lorentz was ready to call it quits on his brief film career. Government filmmaking proved much more difficult than he had expected. In addition to the distribution and exhibition problems he encountered with the Hollywood studios, Lorentz found it difficult to work in and around government agencies. According to journalist Jay Franklin, there were high-ranking officials in the president’s cabinet who were opposed to Lorentz’s position as a government filmmaker and tried to sabotage his every move. In his syndicated column, “We the People,” Franklin reported: “The Department of Agriculture film chief was allowed to make a public speech ridiculing the documentary film program, high agricultural sources privately assured Henry Wallace that Lorentz would not be allowed to make another government film, his budgets were tied up by petty bureaucratic tactics.”³²² After having to pay for the majority of the production costs for *The Plow That Broke the Plains* out of pocket and drawing a paltry salary of \$18.06 a day, Lorentz did not see a future for himself as a

³²⁰ Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL.

³²¹ *Hearings on Labor—Federal Security Appropriation for 1941: Hearing Before the S. Comm. on Appropriations*, 77 Cong. 245 (1940), quoted in Daniel J. Leab, “Pare Lorentz and American Government Film Production,” *Midcontinent American Studies Journal*, Vol. 6, No. 1 (Spring 1965), 46.

³²² Jay Franklin (née John Franklin Carter), “We the People,” October 29, 1937, Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL.

government filmmaker.³²³ With only one permanent member on his staff, Arch Mercey, the infrastructure simply did not exist to make the kind of films Roosevelt wanted him to make.

In June 1936, Lorentz went to Tugwell's office at the Department of Agriculture to hand in his letter of resignation. On his way out the door, he pointed at a map of the Mississippi River on the wall and said, "There. You guys are missing the biggest story in the world—the Mississippi River."³²⁴ Six weeks later, Tugwell informed Lorentz that Roosevelt was willing to give him \$50,000 to make the film if he started filming right away.³²⁵ Lorentz agreed to the president's terms and completed his research by September. He hired Willard Van Dyke, who made the WPA film *Hands* with Steiner, and brothers Stacy and Horace Woodard, who produced a successful series of nature films called "The Struggle to Live." Shortly after shooting began in West Virginia in December, the Woodard brothers left the project and were replaced by Floyd Crosby, cinematographer for the F.W. Murnau/Robert Flaherty film, *Tabu* (1931), and had experience shooting in a wide variety of exterior locations.³²⁶

Lorentz's growth as a filmmaker during the filming of *The River* is worth mentioning. Leaving nothing to chance, he had a tight script for Van Dyke and Crosby to follow and insisted

³²³ Snyder, *Pare Lorentz and the Documentary Film*, 51.

³²⁴ White, "Pare Lorentz," 10. Lorentz details the now-famous meeting with Tugwell that ended up being the initial discussion for his next film, *The River* in W.L. White's 1939 profile on Lorentz for Scribner's. While he was doing research for *The Plow That Broke the Plains*, Lorentz read the Mississippi Valley Committee Report and learned that "51% of the population lived in the Mississippi Valley" and proposed to "take an engineer's boat, put a couple of pick up trucks on it and start at Minneapolis and go clear to the Gulf." This initial idea changed considerably once he started work on the film, but he convinced Tugwell that it was a subject worth filming. See Snyder, *Pare Lorentz and the Documentary Film*, 52.

³²⁵ Barnouw, *Documentary*, 118. Lorentz also received a substantial raise—\$30 a day and was given an accountant to help him manage the budget of the film.

³²⁶ *Ibid.* According to Barnouw, King Vidor recommended Crosby to Lorentz and Crosby joined the crew in New Orleans after the Christmas holiday. The film crew split up their duties and covered the erosion, the desolate hillsides, the poverty of the migrant workers, the recovery of the Tennessee Valley Authority area, and the construction and completion of the dams in Alabama, Tennessee, and Mississippi.

that they stick to it to the letter. Unwilling to deal with Hollywood a second time, he arranged to get the necessary stock footage from other sources. Principle photography was completed on January 16, 1937 and Lorentz sent his cameramen home. However, when it became evident that the flood along the offshoots of the Mississippi was going to produce a thousand-mile natural disaster, Lorentz called his crew back to Memphis, prepared a script, and told them to start filming.³²⁷ Although the flood was a devastating catastrophe, it provided Lorentz with some of the most dramatic footage ever captured on screen. The disaster itself attracted American filmgoers who were well aware of the human suffering that resulted from the flood, and were interested to know why and how it happened and what the government was doing to help.

It took Lorentz six months to finish the final cut of the film. He relied once again on Virgil Thomson to compose the score, and Thomas Chalmers to record the repetitious, poetic narration written by Lorentz himself.³²⁸ Because of the trouble he went through with *The Plow That Broke the Plains* and its subsequent critical success, Lorentz was confident that the president would be pleased with the final result.³²⁹ Upon finishing the film, Lorentz wrote a letter to Stephen Early requesting a meeting with the president so that he could present the film to him informally and unofficially.

³²⁷ Snyder, *Pare Lorentz and the Documentary Film*, 56. Having spent most of the budget on the initial shoot, Lorentz cabled Henry Wallace for more money, and the secretary provided him with the additional funds needed to film the flood.

³²⁸ Lorentz did not write the narration until after the score was composed and the editing was complete. Although the final narration is poetic, it had not been planned that way. In March 1937, Lorentz was asked by the Otis L. Wiese, editor-in-chief of *McCall's*, to write an article about the flood and his thrilling experience of shooting it for the magazine. Lorentz was still the film critic for the magazine at the time and agreed to write a 5,000-word report in hopes that it would become the basis of the narration. He wrote two versions: the first, a straightforward analytical essay, complete with statistics; and the second, a poetic version capturing the same effect. Wiese chose to publish the later. When the magazine sold out the first run, 150,000 more copies were printed, leaving Lorentz to decide to use the poetic version for the film. See Pare Lorentz, "The River," *McCall's* (May 1937) Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL.

³²⁹ Letter from Pare Lorentz to Stephen Early, September 2, 1937, OF 73, Box 3, File Motion Pictures 1937, FDRL.

I want very much for the President to see this film for two reasons: 1, it is approved by first-class professional men so I think he would enjoy the picture himself; the other reason is I can be considered qualified as an expert not only in motion picture work, but in government motion pictures. I have discussed the problem of government movies with everyone from Charles Chaplin to Maury Maverick and all of them have said—"you must present these ideas to the Chief Executive." I do not wish, honestly, a government position because I am tired and weary after two years of putting on a one-man show. I would not like, however, the gains we have achieved to be lost forever because of bureau inertia. I would like one last chance to present our record and our facts to the President before I am forced to go into private industry and to use my work for my own benefit rather than plow it back into improved government organization.³³⁰

Roosevelt asked Lorentz to come to his home in Hyde Park to screen *The River* on September 28th. According to Lorentz, the president watched several newsreels and then the Sonja Henie and Tyrone Power feature *Thin Ice* (Lanfield, 1937) before viewing *The River*.³³¹ When the lights came back on, Roosevelt turned to him and said: "That's a grand movie. What can I do to help?"³³² Lorentz told the president he was facing two problems: "(1) the problem of distribution and his own future, and (2) the role of movies in the government."³³³ That evening the two men hashed out a plan for the creation of a U.S. Film Service, a government film unit designed to make comparable films for other agencies. Roosevelt believed he had finally found the American equivalent of John Grierson.

The River was released by the Farm Security Administration (FSA) and was distributed by Paramount Pictures after the world premier in New Orleans and its successful extended run in

³³⁰ Ibid.

³³¹ Pare Lorentz, "Lorentz on Film," Program I—*The River*, NET TV series. See also Snyder, *Pare Lorentz and the Documentary Film*, 63.

³³² "Lorentz on Film," Program I—*The River*, NET TV series. Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL. Lorentz's recollection of his interaction with the president that September evening is also quoted in *Documentary*, 120 and *Pare Lorentz and the Documentary Film*, 63–64.

³³³ Snyder, *Pare Lorentz and the Documentary Film*, 64.

Chicago at the Apollo Theater.³³⁴ Critics agreed that while *The Plow That Broke the Plains* was good, *The River* was even better. Nelson B. Bell of *The Washington Post* said: “Mr. Lorentz has created a vividly dramatic study of deforestation and soil erosion and an eloquent tribute to the restorative purposes and intent of the mighty project known as the Tennessee Valley Authority.”³³⁵ Unlike the contentious review he wrote for *The Plow That Broke the Plains*, Frank S. Nugent of the *New York Times* praised the film and Lorentz’s “impressive” direction. He wrote: “[*The River*] is a simple statement of purpose...in the artful simplicity of its production, it is a poetic, stirring and majestic picture...an epic of the great brown giant that served man and rose against him when he betrayed it.”³³⁶ After receiving an outpouring of positive reviews, President Roosevelt awarded Lorentz a plaque commemorating “the excellence of this production.”³³⁷ In a memorandum to Marvin McIntyre dated June 3, 1938 Stephen Early wrote, “Confidentially, the idea is not to publicize Lorenz [sic] but more to answer the question ‘Why is the Government in the motion picture business?’ The answer is that the government has produced what has been voted as the best picture of the year by several motion picture

³³⁴ While Lorentz was still on location shooting *The River*, the motion picture unit of the RA was transferred to the Farm Security Administration (FSA). Tugwell resigned from his post in October 1936. The first major city to book the film was Chicago. Barney Balaban of the Balaban & Katz theater circuit located in Chicago was also chairman of the board at Paramount Pictures. One can surmise that he was impressed with the box office returns during that film’s three-week run at the Apollo and offered to distribute the film for Lorentz. See Pare Lorentz, “Lorentz on Film,” Program I—NET TV series.

³³⁵ Nelson B. Bell, “A Distinguished Audience See ‘River’ Preview,” *Washington Post*, December 8, 1937, 14.

³³⁶ Frank S. Nugent, “The Screen,” *New York Times*, February 5, 1938, 19. The following day, Nugent wrote a piece about the state of documentary film and pointed to Lorentz’s place next to the great documentary filmmakers of the day: Flaherty, Grierson, and Rotha. Frank S. Nugent, “Dragging ‘The River:’ And Delving Betimes into Other Phases of the Puzzling Documentary Film,” *New York Times*, February 6, 1938, 157.

³³⁷ Memorandum from Stephen Early to Marvin McIntyre, June 8, 1937, OF 73, Box 4, File Motion Pictures 1937, FDRL.

publications.”³³⁸ The message here is clear: the U.S. government was capable of producing successful motion pictures that American audiences were willing to pay to see.

By the end of August 1938, *The River* proved that a government-sponsored documentary film could make money at the box office.³³⁹ With the success of Lorentz’s two films and the continued lack of Hollywood support, Roosevelt started to give serious consideration to the creation of a government film bureau. The *New York Times* reported that: “President Roosevelt’s enthusiasm for the work of Pare Lorentz... may result in the establishment of a permanent federal agency for the production and distribution of government documentary films.”³⁴⁰ The president looked to Lowell Mellett, executive director of the recently reestablished National Emergency Council (NEC), to arrange for the inclusion of a film program.³⁴¹

³³⁸ Ibid.

³³⁹ *The River* was not seen as an overtly political film in the same manner that *The Plow That Broke the Plains* was for a number of reasons: (1) 1938 was not a major election year so its ties to the Roosevelt administration did not make its way into the press the way *The Plow That Broke the Plains* did in 1936; (2) the country was already overwhelmingly sympathetic to those who suffered the devastation brought about by the flood, whereas the purpose of *Plow* was to enlighten the country (especially city dwellers) about the Dust Bowl in the Great Plains; (3) there was less controversy over the cause of the flood compared to the cause of the Dust Bowl (in the case of the latter, Lorentz makes the case that it was man-made and could have been prevented); (4) the political message at the end of *The River* for the Tennessee Valley Authority (TVA) was less explicit than Tugwell’s message about the Greenbelt communities for relocated farmers; and (5) Lorentz screened the film to the flood survivors for their approval before releasing it in the theaters. It must be said that while the TVA is pictured at the end of the film, the agency did not fund any part of the film nor did it ever endorse it (or Lorentz for that matter). While *The River* was not qualified for Oscar contention (there was no category for Best Documentary in 1938), it won first prize for Best Documentary Film at the Venice Film Festival, beating out Leni Riefenstahl’s *Olympia* (1938). “Lorentz on Film,” Program I—*The River*. Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes III & IV, Box 23, FDRL.

³⁴⁰ “Roosevelt Studies A New Movie Bureau,” *New York Times*, June 19, 1938, 39.

³⁴¹ Franklin D. Roosevelt: “Executive Order 7073 Reestablishing the National Emergency Council,” June 13, 1935. Roosevelt appointed former journalist and editor of the *Washington Daily News*, Lowell Mellett, as its head. Under Mellett, the NEC was involved in disseminating information to the American people. Roosevelt called upon his friend to use his media experience to aid in the distribution and exhibition of public films. The NEC was dissolved on June 30, 1939 and Mellett was transferred to the newly established Office of Government Reports (OGR) on July 1, 1939 and was named as its head. Mellett’s role in government filmmaking and his position as director of the Office of War Information’s Bureau of Motion Pictures (BMP) will be closely examined in Chapter Four of this dissertation.

On August 13, 1938, Roosevelt established the U.S. Film Service (USFS) by Executive Order and appointed Lorentz as its director. That same day, Mellett sent Lorentz a letter outlining his official duties as director of the U.S.F.S. Mellett wrote:

The functions and duties of the United States Film Service shall be to coordinate the activities of the several departments and agencies which relate to the production and distribution of motion picture films; to maintain a film library of governmental and other film subjects of interest and educational value to educational and institutional organizations and groups; to distribute and exhibit such motion picture films; to act as consultants to governmental, education, and foundation organizations on motion pictures; and to produce motion pictures in conjunction with other federal agencies at the direction and with the approval of the Executive Director.³⁴²

Lorentz was given a small staff and the president ordered him to begin production on his first film for the U.S.F.S., *Ecce Homo!*³⁴³ Originally a radio program Lorentz wrote and developed in May 1938, the popular broadcast focused on unemployment through the eyes of four displaced farmers on the Kansas prairie.³⁴⁴ The short vignettes highlighted the farmers' struggle to get work and their worries of being replaced by machines. Unlike *The Plow That Broke the Plains* and *The River*, Lorentz focused on the human-interest angle of each individual by having the men tell their stories in their own words.

³⁴² Letter from Lowell Mellett to Pare Lorentz, August 13, 1938, Lowell Mellett Papers, Box 5—"White House 1938" Folder, FDRL.

³⁴³ Memorandum on *Ecce Homo!* Pare Lorentz Papers—Biography and Professional, Movie Manuscripts, Folder 1. Lorentz named Arch Mercey assistant director and Floyd Crosby director of photography; he also hired two men who had worked on *The River*, George Gercke and John Bridgeman, as cameramen.

Ecce Homo! is a Latin biblical phrase that translates to "Behold the Man!" According to passage, John 19:5, these are said to be the words Pontius Pilate says to the unruly crowd when he presents a beaten Jesus Christ with a crown of thorns on his head just before his crucifixion.

³⁴⁴ *Ibid.* The idea for *Ecce Homo!* came out of Lorentz's unpublished novel based on the life of a former officer in the U.S. Marine Corps he had met years earlier during WWI. The theme of the novel was what Lorentz considered a "major problem of industrial society—men displaced by machines." Lorentz developed a radio script based loosely on his novel. It was broadcast on CBS and the BBC in 1938. See also Snyder, *Pare Lorentz and the Documentary Film*, 96.

During pre-production on the film, Lorentz had intended to follow the radio script but expand it into a two-hour feature. The staff began collecting material on the industries and places in the U.S. where unemployment was particularly high including automobile manufacturers, farm workers, and steel construction in the Midwest. Despite initial opposition from plant managers, Lorentz and Crosby were able to shoot background sequences in several automobile plants including “White Motors in Cleveland...the Plymouth [Ohio] plant, the Eaton Axel Works, Dodge Forge and Foundry, and U.S. Rubber.”³⁴⁵ Six weeks into filming, Lorentz was forced to postpone the production due to lack of funds.

While production on *Ecce Homo!* was temporarily on hold, Lorentz and his crew were called back to Washington by Roosevelt to produce a film for the Public Health Service that would serve to help the new healthcare program he intended to propose to Congress. Lorentz was given the rights to Dr. Paul de Kruif’s book *The Fight For Life*, and had originally intended to make a series of films about the public health problems Dr. de Kruif discusses in his book. The chapter in the book Lorentz decided to film first had to do with the growing rate of infant and maternal mortality and its connection to unemployment.

Shooting on location in Chicago, Lorentz and his team recorded life in a Maternity Center.³⁴⁶ However, unlike his previous two efforts, Lorentz directed both professional actors and actual patients in *The Fight For Life*. Roosevelt screened the feature-length film on December 31, 1939 at his home in Hyde Park. When the film was over he told Lorentz: “I think it will do a lot of good.”³⁴⁷ After the film premiered in New York City in March 6, 1940, Fred S.

³⁴⁵ Ibid., 100. There was no cast or sound recorded in the footage they took.

³⁴⁶ Ibid. According to Snyder, sequences of the film were also shot on a Hollywood sound stage.

³⁴⁷ Ibid., 112. According to Lorentz, the president also asked about the status of *Ecce Homo!* that evening and “requested a rough cut of the film to be assembled to show congressional leaders in May.”

Nugent wrote in the *New York Times* that the film is “as dramatic as life itself... We don’t know what it is that’s wrong with Mr. Lorentz for thinking there is drama in the greatest adventure of life, for thinking nice people want to be told that hundreds of thousands of mothers and infants die needlessly each year through an almost criminal lack of proper care and attention... But whatever it is that’s wrong, we wish more filmmakers had it, and we wish there were some form of Pulitzer award for the kind of cinema journalism Mr. Lorentz has been doing.”³⁴⁸ The *Los Angeles Times* called Lorentz’s latest effort: “most eloquent of them all... the run-of-the-mill human will be profoundly affected by its tragedy and stirred by its quiet courage in the face of staggering odds.”³⁴⁹ Distributed by Columbia Pictures, *The Fight For Life* was critically acclaimed and enjoyed modest commercial success.³⁵⁰

While Lorentz was still filming *The Fight For Life* in Chicago, the Rural Electrification Administration (REA) contracted with the U.S.F.S. to make a film and requested Lorentz as its director. The REA wanted production to begin immediately, which resulted in Lorentz hiring renowned Dutch documentary filmmaker, Joris Ivens, to direct the film.³⁵¹ Embracing his new role as supervising producer, Lorentz wrote an outline for the film and turned the production

³⁴⁸ Frank S. Nugent, “The Screen,” *New York Times*, March 7, 1940, 27.

³⁴⁹ Philip K. Scheuer, “‘Fight for Life’ Vivid Tragedy of Childbirth,” *Los Angeles Times*, October 2, 1940, 15.

³⁵⁰ The film did not endorse any of the government agencies or relief programs that had helped with its funding. Interestingly, the film was banned in Chicago—the city where most of the filming took place—because it showed the city’s slums in what was considered an unfair light. It was not seen in the city until 1961 when WTTW (Chicago’s educational television station) aired the NET series *Lorentz on Film*.

The Fight For Life was the last film Pare Lorentz would direct for the U.S.F.S. Although he tried to get the funding to finish *Ecce Homo!* he was never able to finish the film. Footage that he had taken was used by the OWI during WWII.

³⁵¹ Joris Ivens was a well-known and critically acclaimed documentary filmmaker during the 1930s. His films *Regen (Rain)* (1929), *The Spanish Earth* (1937), and *The 400 Million* (1939) were among some of the most celebrated documentaries of the era. Ivens’s name carried a deal of weight and his selection to direct *Power and the Land* was approved by the REA.

over to Ivens after participating in the selection of Bill Parkinson's dairy and grain farm in St. Clairsville, Ohio as the subjects and location of the film. Ivens and Lorentz chose the Parkinson family and their farm as the subjects of *Power and the Land* for two reasons: (1) their farm recently went through the electrification process in 1937, and (2) they were in the position to show "naturally" what "the coming of electrification meant to a typical farm family, a family that the large power companies would not serve."³⁵² Ivens completed principle photography in November 1939 and, in order to defray any additional costs, volunteered to edit the film with his assistant (and future wife), Helen van Dongen, without pay. Lorentz was very happy with the rough cut of the film, and was urged by the equally pleased Harry Slattery, REA director, to get the final cut of *Power and the Land* completed as soon as possible to show to members of Congress. Although Slattery was worried about monetary issues within the REA, he was concerned that the U.S.F.S. would be shut down if government officials could see "a tangible and arresting product growing out of and relating directly and exclusively to the work of a specific government agency."³⁵³ By the time Lorentz delivered a copy of the film to members of Congress, the fate of the U.S.F.S. had already been decided.³⁵⁴

The final substantive film the U.S.F.S. produced was Robert Flaherty's *The Land*, which was filmed concurrently with *The Fight For Life* and *Power and the Land*. In May 1939, R.M. Evans, director of the Agricultural Adjustment Administration (AAA), informed Lowell Mellett that the agency wanted the U.S.F.S. to produce a film about its agricultural conservation

³⁵² Snyder, *Pare Lorentz and the Documentary Film*, 124.

³⁵³ Letter from Harry Slattery to Pare Lorentz, April 30, 1940, Pare Lorentz Papers, Box 2, FDRL. Also partially quoted in Snyder, *Pare Lorentz and the Documentary Film*, 129.

³⁵⁴ The U.S.F.S. disbanded in 1940. R-K-O distributed *Power and the Land* nationally. There is no mention of the U.S.F.S. or Pare Lorentz as the film's supervisor in the credits. See Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes IV, Box 23, FDRL.

program. Evans expressly requested that Lorentz direct the film, but he was still on location in Chicago shooting *The Fight For Life*. Instead, Lorentz told Evans that while it was impossible for him to direct the picture, he would make the time to outline the script with Russell Lord and make arrangements for an even more prestigious filmmaker to direct the AAA film: Robert Flaherty. When Lorentz screened *The River* in England in 1938, he met both Flaherty and John Grierson. Flaherty mentioned to Lorentz that if the U.S. government continued to sponsor quality artistic documentaries like *The River*, he would be interested in coming back to America to work.³⁵⁵ Thrilled with the prospect of having Flaherty direct a film for the AAA, Evans agreed to Flaherty's salary requests and the filmmaker arrived back on American soil in August 1939.³⁵⁶

Critics across the country were elated that Flaherty agreed to direct *The Land*. Less than a month after his return, Richard Griffith of the *New York Times* wrote: "indicative of the importance of 1939 as a documentary year is the return of Robert Flaherty to active production...The conjunction of these two famous directors offers food for speculation. Flaherty is the first important name in documentary; Lorentz is one of the latest. Flaherty has dealt chiefly with the far places of the earth; Lorentz has made films about our here and now. The result of their joint work may well be the mature film of American life for which many of us have been waiting."³⁵⁷ Principle photography for *The Land* began in Des Moines, Iowa and continued on

³⁵⁵ Snyder, *Pare Lorentz and the Documentary Film*, 134–135. Snyder, Pare Lorentz's first official biographer, was given access to the filmmaker's personal files while he was still alive. Snyder writes that Flaherty's wife, Frances, had come back to the U.S. months earlier while her husband stayed in England to finish working on some projects. The impending war made them both uneasy and she returned and bought a home in Vermont. When Frances Flaherty learned that her husband had accepted the U.S.F.S. job she said, "I was glad...that here was an opportunity I had been hoping for that would bring Bob back to this country." Letter from Frances Flaherty to Pare Lorentz, December 29, 1961, quoted in Snyder, *Pare Lorentz and the Documentary Film*, 135.

³⁵⁶ Flaherty had been gone almost nine years before returning to the U.S.

³⁵⁷ Richard Griffith, "A Big Year For Fact Films," *New York Times*, September 17, 1939, 138. The initial speculation was that Flaherty would be working on completing *Ecce Homo!*

into St. Paul, Minnesota and Muskogee, Oklahoma. Lorentz's cameraman, George Gercke, reported to Lorentz that he was having serious concerns about the progress of the film: (1) Flaherty was working at a much slower pace than they had expected which was causing enormous delays; (2) Russell Lord never returned to the crew with a completed script; (3) it seemed increasingly impossible that the film would be completed by January 1, 1940; and (4) there was a very good chance that the war in Europe would alter the very agricultural policy that the film was highlighting.³⁵⁸

On March 1, 1940, two months after the initial completion deadline, Flaherty met with Lorentz in New York and showed him the footage he had taken. It was clear after the screening that *The Land* had become something other than the original plan that the U.S.F.S. and the AAA had agreed upon. Remarkably, the AAA was still interested in Flaherty's film. Although Lorentz admired Flaherty and was impressed with the footage he saw, Lorentz had to figure out a way for the U.S.F.S. to pull out of the film before it was too late. According to Snyder, Lorentz gave Flaherty a choice: "either Lorentz's cutting crew would edit, with Flaherty and Lorentz as partners in the decisions or Flaherty would take over the whole picture himself, directly under the AAA."³⁵⁹ After the amount of work Flaherty had put into the film, Lorentz was hoping that his colleague would take over the film and relieve the U.S.F.S. of its responsibilities. Flaherty agreed to take over the film under the AAA's auspices and worked through the summer of 1941. Without Lorentz and the U.S.F.S. to help fight his battles, *The Land* never received a commercial

³⁵⁸ Snyder, *Pare Lorentz and the Documentary Film*, 136. Flaherty had been back less than a month when shooting began and was understandably feeling a bit out of sorts. Gercke told Lorentz that Flaherty was upset that there was no script for him to follow, but that he was positive that Flaherty could fall in line with some additional instructions. Gercke also noted that Flaherty was upset about the war abroad and was concerned about his brother and his friends who lived there. The constant changes to the script were becoming a nuisance to Flaherty who preferred to work alone and at his own pace. It is not surprising that Flaherty discarded Lord's script and shot the footage he wanted.

³⁵⁹ *Ibid.*, 139–140.

release.³⁶⁰ The film premiered at the Museum of Modern Art on April 9, 1942 and was subsequently shown non-theatrically.³⁶¹

Eighteen months after the U.S.F.S. was created, Lorentz was called to testify in front of the House Appropriations Subcommittee in February 1940.³⁶² The issue at hand was the U.S.F.S. budget for the next fiscal year. With Europe at war and the unpopular attitude toward government propaganda, Lorentz attempted to deflect inquiries into the expenditures of the U.S.F.S., and looked to highlight some of the benefits of a centralized government filmmaking agency including the cataloguing and distribution of films and the effort to which the group was going to standardize productions.³⁶³ However, the members of the House Appropriations Subcommittee were not persuaded that the U.S.F.S. was a necessary agency worthy of government funds. A particular sticking point was that “the Film Service and Lorentz’s previous production unit [for *The Plow That Broke the Plains* and *The River*] had miraculously existed for five years on relief funds without any money specifically appropriated by Congress.”³⁶⁴ The fact that Lorentz was now requesting \$106,400 to pay for salaries and general production expenses

³⁶⁰ Theodore Strauss, “The Giant Shinnies Down the Bean Stalk,” *New York Times*, October 12, 1941, X5. By the time Flaherty completed the film, the U.S. had entered the war. Although the film is remarkably detailed, the policies of the AAA that it highlights had changed significantly. It was too late for the film to make a difference.

³⁶¹ Pare Lorentz Papers, Press Notices Scrapbook: Pare Lorentz and His Work, Volumes IV, Box 23, FDRL.

³⁶² This was the second time members of the U.S.F.S. were required to testify. In 1939, they were called upon to testify about the budget for the films that were in production including *The Fight For Life*, *Power and the Land*, *The Land*, and *Ecce Homo!* See *Work Relief and Relief for Fiscal Year 1940: Hearings on Appropriations for Work Relief and Relief, Fiscal Year 1940 Before Subcomm. of the H.R. Comm. on Appropriations, 76th Cong.* 286–358 (1939).

³⁶³ After Europe erupted in war, Americans were suspicious of government motion pictures. When Lorentz testified in front of the House Appropriations Subcommittee, the chief complaint was that relief funds were used to make films. Many of them questioned the value of *The Fight For Life*, and wondered what value, if any, it had for the U.S. government.

³⁶⁴ Snyder, *Pare Lorentz and the Documentary Film*, 149.

(i.e. better equipment and film stock) rubbed the committee the wrong way and his request for funding was denied.³⁶⁵

On April 17, 1940, Lorentz, in a last ditch effort, testified in front of the Senate Appropriations Committee in hopes of trying to convince them of the necessity and value of the U.S.F.S.³⁶⁶ Sadly, his battle in the Senate was doomed from the start.³⁶⁷ One of the members of the Senate Appropriations Subcommittee, Senator Kenneth McKellar (D–Tennessee), was opposed to the Tennessee Valley Authority, which was celebrated at the end of *The River*. By 1940, Senator McKellar had become a vocal critic of the president and the New Deal, and took this opportunity to take down the Roosevelt’s government film project.

Another setback for Lorentz was the fact that the U.S.F.S. grew out of the unpopular Resettlement Administration, and then out of the Farm Security Administration, both of which were supported primarily by relief funds and did not require money directly from Congress. Its direct link to the New Deal (the National Emergency Council—the agency that housed the U.S.F.S.—was one of the last New Deal Agencies created) and the president himself made it easy for politically hostile members of both the House and Senate Appropriation Subcommittees to cut the funding of the U.S.F.S. permanently.³⁶⁸ Had Lorentz been a better politician himself and networked with influential Congressmen, he might have been able to persuade members of the House and Senate of the value of the U.S.F.S. Unlike John Grierson who served solely as the

³⁶⁵ *Labor-Federal Security Appropriation Bill for 1941: Hearings on H.R. 9007 Before the Subcomm. of the S. Comm. on Appropriations*, 76th Cong., 228–272 (1940).

³⁶⁶ *Labor-Federal Security Appropriation Bill for 1941: Hearings on H.R. 9007 Before the Subcomm. of the S. Comm. on Appropriations*, 76th Cong. 228–272 (1940).

³⁶⁷ Warren B. Francis, “Senate Refuses to Provide Funds for Government Films,” *Los Angeles Times*, April 27, 1940, 4.

³⁶⁸ *Ibid.*

supervisor of British government films after *Drifters* and worked tirelessly to sustain funding for EMB and later GPO films, Lorentz insisted on being out in the field with a camera in an attempt to maintain artistic control of his films. His failure to standardize production and his last ditch efforts to hire celebrated filmmakers like Flaherty and Ivens were simply not enough to keep government cameras rolling.³⁶⁹ Lorentz's opponents went so far as to argue the legality of the U.S.F.S. In his line of questioning about where the money came from to produce these films, Senator McKellar informed Lorentz that he and his employees violated the law because the appropriations bill never mentions films. Senator McKellar told the men: "No provision is made for making moving pictures, or spending this money for moving pictures, and whoever gave you that relief money for that purpose was violating the law, and you gentlemen accepting it have undoubtedly violated this law."³⁷⁰

Lorentz had put a great deal of stock in Roosevelt's enthusiastic support of the work he was doing. However, the war abroad consumed the president's waking thoughts and subsequently shifted his attention away from domestic problems and towards U.S. foreign policy.³⁷¹ While he remained encouraging, there is no evidence to suggest that Roosevelt tried to

³⁶⁹ The two films Lorentz supervised were unmitigated disasters from a budget stand point. While Ivens stayed the course and worked in close consultation with Lorentz, *Power and the Land* went over budget and did not meet its deadline. Many of his friends had hoped that he would have a finished film to show the House and Senate Committees, as an example of a quality film made for the Rural Electrification Administration. Unfortunately, it did not work out this way. Flaherty was still shooting when Lorentz was called before both committees, which did not reflect well on Lorentz as his supervising producer. The critical success of the three films he directed suggests that Lorentz also felt that film was first and foremost an art form and an educational tool second. See *Documentary*, 90.

³⁷⁰ *Labor-Federal Security Appropriation Bill for 1941: Hearings on H.R. 9007 Before the Subcomm. of the S. Comm. on Appropriations*, 76th Cong. 251 (1940). Secretary of the Interior, Harold L. Ickes, and Roosevelt were accused of usurping congressional power by giving relief funds to Lorentz. During the hearings, no mention was made of the fact that Lorentz had secured legal approval from the General Accounting Office in 1939 to make *The Fight For Life*, *Power and the Land*, and *The Land*.

³⁷¹ Goodwin, *No Ordinary Time*, 210–215. By 1940, Roosevelt's unwavering public support of England hinted at the possibility of American involvement in the war abroad—a proposition that was wholly unpopular with anti-interventionist members of Congress. While the majority was opposed to government filmmaking of any kind, there was some cause for concern that the president's interventionist activities (particularly the Lend-Lease Act) might

intervene on behalf of Lorentz and the U.S.F.S. at any point during the House and Senate hearings.³⁷²

The final factor that contributed to the breakdown of the U.S.F.S. was Hollywood's opposition to the creation of the U.S.F.S. and the success Lorentz enjoyed as Roosevelt's filmmaker. Floyd Crosby, Lorentz's head cameraman, claimed that the U.S.F.S. was shut down because "Hollywood was becoming worried about the fact that the government was making good pictures, and brought a good deal of pressure to bear."³⁷³ To be sure, industry executives resented any competition in the production and exhibition of motion pictures, and Hays worked tirelessly to keep the government out of the business of making motion pictures. Realizing the very real threat that the U.S.F.S. posed, Hays managed to persuade the studios to make motion pictures for the government midway through Roosevelt's second term in office.

In an effort to further convince the president that the studios were able and willing to help the government make films, they formed an internal organization—Motion Picture Committee Cooperating for National Defense (MPCCND)—and began making films gratis for government agencies.³⁷⁴ The studios continued to make newsreel subjects that highlighted Roosevelt's domestic and current foreign policies, and extended this work even further when they

lead to the U.S.F.S. making overtly propaganda pictures that were in line with Roosevelt's foreign policy. Many members of Congress believed that the disbandment of the U.S.F.S. was absolutely necessary in the uncertain times.

³⁷² *Labor-Federal Security Appropriation Bill for 1941: Hearings on H.R. 9007 Before the Subcomm. of the S. Comm. on Appropriations, 76th Cong. 251 (1940)*. Roosevelt and members of his inner circle were conspicuously absent from both hearings. No letters of support for the U.S.F.S. were entered into official record on behalf of the White House. It seems that Roosevelt's attention was understandably on the international crisis.

³⁷³ The interview with Crosby is quoted in Snyder, *Pare Lorentz and the Documentary Film*, 173. When Lorentz announced plans in 1939 to set up exchanges in Latin American countries and make a film about Latin America sponsored by the State Department, Hays and the moguls took immediate steps to block Lorentz.

³⁷⁴ The Motion Picture Committee Cooperating for National Defense (MPCCND) was established for reasons other than to thwart Lorentz and the U.S.F.S., which will be discussed in Chapters Three and Four of this dissertation.

volunteered to make films that sponsored the president's unpopular policy on expanding the defense program. Their newfound willingness in 1940 to start making films at the behest of the administration made the controversial U.S.F.S. unnecessary. When Congress took the U.S.F.S. budget away, Lorentz was suddenly left without a job. Hollywood's participation in government filmmaking was the last nail in the coffin for Lorentz and the agency he worked tirelessly to create.

Chapter 2: The Shape of Things to Come: Early Interactions with Antitrust Law and the Development of the Hollywood Studio System Pre-Paramount (1915–1935)

The relationship between the motion picture industry and the U.S. government during the first years of Roosevelt’s presidency was both strained and collaborative. Throughout the 1930s, Hollywood played an integral role in helping the administration shape public opinion by: (1) regularly covering the White House in its newsreels, and (2) peripherally touching on New Deal policies in fiction films that offered appealing fantasies to counteract the socioeconomic malaise that haunted the nation. Although statistical evidence that shows that “more Americans lived vicariously by turning on the radio than by going to the movies in the 1930s,” Hollywood’s impact during the period is undeniable.¹

In the early years of the Depression, the Hoover administration and business leaders painted a rosy outlook for Americans by assuring them that the economy was “fundamentally sound,” “no one is actually starving,” and “prosperity is just around the corner.”² Hoover’s laissez-faire optimism, widely publicized in the popular press, came to a screeching halt on the

¹ Morris Dickstein, *Dancing in the Dark: A Cultural History of the Great Depression* (New York, W.W. Norton & Company, 2009), 7. An important outlet for advertising the New Deal, Americans gathered around radio sets to listen to Roosevelt’s fireside chats and other important political addresses by administration personnel. Popular fifteen minute radio acts featuring ordinary people trying to get by, including *Amos ‘n’ Andy*, *The Goldbergs*, *The Jack Benny Program*, and *Fibber McGee and Molly*, helped lift the spirits of downtrodden Americans with familiar stories from everyday life. Indeed, with its ability to widely intervene into the daily lives of Americans, radio was instrumental in bringing communities together.

² “Text of President Hoover’s Annual Message as Read to Congress Yesterday,” *New York Times*, December 9, 1931, 21. In his State of the Union address, Hoover emphatically resisted any direct relief for the unemployed stating, “We must avoid burdens upon the government which will create more unemployment in private industry...I am opposed to any direct or indirect government dole. . .Our people are providing against distress from unemployment in true American fashion by a magnificent response to public appeal and by action of local governments.” At a press conference earlier that year Hoover told White House reporters that “no one is actually starving” and that he personally knew of a hobo who could “beg ten meals in a single day.” Hoover felt that Americans needed to have more faith in the economic system and felt that the effects of the stock market crash two years earlier were largely due to a lack of confidence in the system. He claimed that the main problem was that Americans were not spending enough money to keep the economy going. His refusal to acknowledge the fact that millions of Americans were unemployed and impoverished eleven months before his bid for a second term made him unpopular with the majority of Americans who were in fact suffering.

eve of his 1932 re-election bid when *Fortune* published compiled unemployment statistics from cities across the country that captured a much bleaker picture of the economic and social conditions of millions of Americans.³ It became all too clear that the economic crisis was *not* temporary and could no longer be downplayed by his administration.⁴

By 1933, the Horatio Alger American Dream myth that championed rugged individualism and opportunity had all but shattered, and variations of collectivism took its place during the first months of Roosevelt's presidency. As deep uncertainty about the economic crisis continued to loom in the 1930s, a clear shift in popular entertainment took place. Novelists and playwrights including F. Scott Fitzgerald, John Steinbeck, Budd Schulberg, Clifford Odets, and John Dos Passos examined the false promises of the American Dream and grappled with the country's obsession with success and utter fear of failure in their work throughout the decade.⁵

Radical journalism, government-sponsored documentaries, and the current trend in

³ "No One Has Starved," *Fortune*, September 1932, 19–23. Published in September 1932, the revealing article provides eight bullet points painting the stark realities of the Depression. According to the article, "(1) Unemployment has steadily increased in the U.S. since the beginning of the depression and the rate of increase during the first part of 1932 was more rapid than in any other depression year; (2) The number of persons totally unemployed is now at least 10,000,000; (3) The number of persons totally unemployed next winter will, at the present rate of increase, be 11,000,000; (4) Eleven millions unemployed means better than one man out of every four employable workers." The editors of *Fortune* go on to suggest that by the following winter (1933) 25 million Americans will need relief from the federal government.

⁴ According to historian Caroline Bird, "Hoover chose the word 'Depression' in 1929 because it sounded less frightening than 'panic' or 'crisis,' both words that had formerly been used to for economic downturns." However, the economic problems Americans faced were complicated by emotional problems. Bird argued that the psychological anguish experienced by unemployed Americans "hurt people and maimed them permanently because it literally depressed mind and spirit." See Caroline Bird, *The Invisible Scar* (New York: Longman, 1978), 39–40.

⁵ The mythology of the Jazz Age, best captured in F. Scott Fitzgerald's early works such as *Tales of the Jazz Age* (1922), *The Beautiful and Damned* (1922), and *The Great Gatsby* (1925) had all but evaporated in the 1930s. His Depression-era short stories and novels including, "Babylon Revisited" (1930), "Crazy Sunday" (1932), *Tender is the Night* (1934), "The Crack-Up" (1936), and the unfinished novel *The Last Tycoon* (published posthumously, 1941) explored the ways in which America (and perhaps Fitzgerald himself) had been self-destructive during the prosperous 1920s. Other important literary works of the decade, including John Steinbeck's Dust Bowl trilogy (*In Dubious Battle* [1936], *Of Mice and Men* [1937], *Grapes of Wrath* [1939]); Budd Schulberg's *What Makes Sammy Run?* (1941); Clifford Odets's plays *Waiting for Lefty* (1935) and *Golden Boy* (1937); and John Dos Passos's *U.S.A.* trilogy (*The 42nd Parallel* [1930], *1919* [1932], *The Big Money* [1936]) captured the conditions of the Depression and the spirit of the American people.

photojournalism similarly sought to expose the harsh realities of the Depression by revealing the compounding sociopolitical catastrophes haunting the country.

The exponential growth of radio and film during the late 1920s and 1930s made it possible for people to connect nationally rather than regionally. Roosevelt's decision to capitalize on this technological moment by using the media to help boost morale gave many Americans a much-needed sense of community that his predecessor was incapable of providing. Cultural historian Morris Dickstein and others suggest that the "mood of the Depression was defined not only by hard times and a coming world crisis but by many extraordinary attempts to cheer people up—or else sober them up into facing what was happening."⁶ Much has rightfully been made of the film industry's role in delivering "escapism" during the darkest days of the Depression. Like radio, commercial film contributed to Depression mythology by providing Americans with a temporary diversion from their everyday troubles. To be sure, the romantic dream world of RKO's Astaire-Rogers musicals like *Top Hat* (Sandrich, 1935) and *Swing Time* (Stevens, 1936) and the similarly light-hearted screwball comedies like *Trouble in Paradise* (Lubitsch, 1932), *It Happened One Night* (Capra, 1934) and *My Man Godfrey* (LaCava, 1936) bear little resemblance to the social and economic conditions experienced by the majority of Americans. However, the escapist qualities of these films and others like them offered an attractive fantasy that permeated the country's collective consciousness in much the same way that the naturalist photographs of migrant workers taken by Roy Stryker's photography unit for the Farm Security Administration (FSA) provided city dwellers with a first hand look at rural poverty. These celluloid and photographic records of the 1930s captured two very different, yet equally characteristic images that are synonymous with the era.

⁶ Dickstein, *Dancing in the Dark*, 4.

In addition to the escapist fare, there were dozens of topical, socially relevant films produced by the Hollywood studios during the 1930s. As the instability of the marketplace eroded the public's confidence in the whole economic system, many Americans turned to the cinema for comfort. Specializing in manufactured fantasies, the Hollywood "dream factory" gave filmgoers an emotional outlet to channel their frustration with the deplorable conditions many found themselves in. Working in several genres including the gangster film, the musical, the social-consciousness drama, and the screwball comedy, filmmakers were faced with the challenge of capturing the economic crisis and neutralizing it so that audiences could come to terms with the bleak realities of the day by watching characters on screen work through them.

During the early 1930s, no studio made more films that illustrated the grim conditions of the Depression than Warner Bros. The studio's cycle of gangster films (e.g. *Little Caesar* [LeRoy, 1931] and *The Public Enemy* [Wellman, 1931]), Busby Berkeley choreographed backstage musicals (e.g. *42nd Street* [Bacon, 1933] and *Gold Diggers of 1933* [LeRoy, 1933]), and social consciousness dramas (e.g. *I Am a Fugitive from a Chain Gang* [LeRoy, 1932] and *Wild Boys of the Road* [Wellman, 1933]) blurred the line between escapism and social relevance in their respective critiques of America's individualist tradition. Many of these films were immediate and loosely based on the lives of real people and recent events.⁷ The subjects of these

⁷ Warner Bros. boasted that many of its films in the early years of the Depression were based on stories "ripped from the headlines." *Little Caesar* and *The Public Enemy* were loosely based on the criminal career of real-life gangster Al Capone, a menacing outlaw who terrorized the citizens of Chicago and captivated the country in newspaper headlines (Howard Hawks's *Scarface*—the third film in the Pre-Code gangster trinity— is also loosely based on Capone's life story). These films capture the gangster's meteoric rise and spectacular fall. The gangster has his reasons for stepping outside the law; society has made him into a monster. Despite being cautionary tales, these three films were enormously popular with Depression-era audiences. Social consciousness films like *I Am a Fugitive from a Chain Gang*, *Wild Boys of the Road*, and *Our Daily Bread* (Vidor, 1934, United Artists) each depict protagonists who have been dealt a raw deal at the hands of a society entrusted to protect them. Like the gangster films, these films were topical and resonated with audiences who might have read Robert Elliott Burns's autobiography and/or newspaper accounts about the deplorable prison conditions in Georgia (*I Am a Fugitive*); known (or read about) teenagers left home to help ease the economic hardships and subsequently became hobos who live in make-shift camps (*Wild Boys of the Road*); or were familiar with tales of families who left the big city for the

films captured the dominating cultural myths that highlighted the public's fascination with stories of success and failure. Images of the fallen gangster, the struggling showgirl, and the individual trapped by the conditions of an unjust society resonated with audiences because they, too, were left feeling disillusioned as the 1920s bubble of prosperity burst when the stock market crashed in October 1929.

Eighty years after the first Depression-era films were made, it is easy to reflect on Hollywood's role in propagating the dominant myths and themes that permeated American culture at the time. Certainly the films themselves are historical records that provide contemporary audiences a glimpse of America during some of the darkest days of the twentieth century. Like other industries, the Depression years were particularly difficult for the Hollywood studios whose financial prosperity depended solely upon mass patronage of its theaters. As Americans grew less inclined to part with money previously allocated for leisure activities, the film industry found itself scrambling to attract the attention of the paying public. Having made an enormous capital investment in production and theater equipment for sound motion pictures in the late 1920s coupled with the added fixed charges stipulated in long-term contracts, studio executives were faced with the almost impossible task of adjusting production costs as unemployment numbers rose and box office receipts plummeted. Despite drastically reducing expenses, including the salaries of executives and above the line talent, the studios were operating at significant losses.⁸ According to film historian Richard B. Jewell, "box office

farm only to experience the same hardship (*Our Daily Bread*). For more on film genres during the studio era see Thomas Schatz, *Hollywood Genres* (Boston: McGraw-Hill, Inc., 1981).

⁸ Richard B. Jewell, *The Golden Age of Cinema: Hollywood: 1929–1945* (Malden, MA: Blackwell Publishing, 2007), 50. In 1933, four of the five vertically integrated companies were in various stages of bankruptcy and receivership: Paramount was adjudicated bankrupt and was reorganized in 1935; Fox Film Corporation's theater subsidiary, Wesco Corporation, went into receivership and later merged with Twentieth Century Pictures, Inc. in

attendance dropped by 25 percent and gross revenues by almost 30 percent between 1929 and 1933, forcing thousands of theaters to close their doors. The industry responded to the crisis by slashing admission prices and, eventually, by offering a variety of showman gimmicks to entice the customers back.”⁹ For the first time since the introduction of sound, Hollywood executives were confronted with the fact that the industry was not “Depression-proof” as once previously thought.

Much has been written about the “classical Hollywood” cinema, a four-decade long period beginning in the teens and ending in 1948 with the *Paramount* case. In *The Genius of the System*, film historian Thomas Schatz writes that “classical Hollywood” was a “period when various social, industrial, technological, economic, and aesthetic forces struck a delicate balance...that was ever shifting but stable enough...to provide a consistent system of production and consumption.”¹⁰ Having solidified their business practices in the late teens, the studios continued to produce films systematically with “a set of formalized creative practices and constraints...[in] a uniform style—a standard way of telling stories, from camera work and cutting to plot structure and thematics.”¹¹ While this formulaic approach might indicate that the films themselves were average and somewhat repetitive, the quality and the creativity of the majority of these studio-produced films suggest otherwise. The studios developed their own style

1935 and became Twentieth Century-Fox Film Corporation; R-K-O went into an equity receivership, with Warner Bros. not too far behind.

⁹ *Ibid.*, 50–51. The introduction of the double bill—two films for the price of one—was the biggest draw for moviegoers during the Depression. Other popular gimmicks included “Bank Night, when cash prizes would be given to lucky ticket holders, several variations on Bingo (Screeno and Banko were two of the names used) and giveaway evenings when patrons received a piece of crockery or silverware, or some other useful culinary item.” *Ibid.*

¹⁰ Thomas Schatz, *The Genius of the System: Hollywood Filmmaking in the Studio Era* (New York: Pantheon Books, 1988), 8–9.

¹¹ *Ibid.*, 8.

by specializing in specific genres (e.g. Universal—horror films; Paramount—comedy; Warner Bros.—urban crime dramas; etc.) and putting bankable stars and directors under long-term contracts in order to distinguish themselves from competitors. Ultimately, as Schatz and others have argued, the studios were sites of convergence: spaces that combined artistic talent and institutional forces in an effort to make a commercially viable product by refining old story formulas that appealed to the public while simultaneously establishing distinctive house styles, separating one from the other.¹²

From a business standpoint, retooling popular genre formulas and grooming a stable of top talent was a means of bringing efficiency and economy in the production of fifty plus features a year. Stabilizing both the marketing and sales of films was also necessary because the demand for any one film was short-lived. While most of the films produced during the studio era were based on popular previously published material including novels, short stories, and plays, the bulk of them did not have lasting public appeal.¹³ As a result, studio executives were faced with the impossible challenge of predicting a film's success before the film went into production based on their general knowledge of the market.¹⁴ In their attempt to combine big business practices and creativity, the studios looked to strike a balance between commerce and the uniqueness of the artistic product.

¹² Ibid., 9.

¹³ Theaters typically ran a film for one week before moving on to the next film the following week. A film only received additional play on the very rare occasion of an extremely profitable first run.

¹⁴ Michael Conant, *Antitrust in the Motion Picture Industry* (New York: Arno Press, 1978), 3. Predicting a potential audience for a film was often a guessing game for studio executives. The demand for any film depended on various interdependent factors including the amount of money that went into production, the stars, the script, and the publicity campaign. While executives were able to predict the success of the film based on the popularity of a certain star or the public's response to a previously published work, there was always the chance that a film would flop at the box office for a number of reasons.

By the 1930s, the Hollywood studio system was a fully matured oligopoly. Its industrial infrastructure—a vertically integrated system of production, distribution, and exhibition—was instrumental in guaranteeing total control of the marketplace. The cooperation between the major studios, the business practices they engaged in, and negotiations they entered into with each other, ushered in an increasing number of antitrust cases filed by independent producers and exhibitors, the Federal Trade Commission (FTC), and the Department of Justice (DOJ) throughout the decade. This chapter will examine Hollywood’s early clashes with antitrust law and the various ways in which it shaped the industry and its relationship with the U.S. government. Beginning with Thomas Edison’s early attempts to monopolize the industry by pooling the patents of leading film producers and manufacturers, antitrust law has been the defining factor in the meteoric rise and subsequent fall of the studio system.¹⁵ The industry’s protection of its innovations (new camera and projector technology, distribution organization, theater structure) led to numerous combinations (patent control, the star system, theater ownership) that were viewed as attempts to monopolize the industry.¹⁶ From the late teens through the 1930s, the studios implemented a number of anticompetitive business practices that were in direct violation of the Sherman Act. Block booking, blind selling, and the overt control of the runs and clearance of films were enforced by the studios to (1) limit the competition of independent exhibitors and producers; and (2) to protect their collective lucrative investment in downtown theater circuits by giving each other preferential access to films, thus shutting the independents out.

¹⁵ Alexandra Gil, “Breaking the Studios: Antitrust and the Motion Picture Industry,” 3 *NYU Journal of Law and Liberty* 83 (2008): 89.

¹⁶ Conant, *Antitrust in the Motion Picture Industry*, 16.

In the analysis of the antitrust cases that were filed between 1927 and 1940, it is clear that the major motion picture studios were well aware that their system of control—combining and conspiring to restrain trade by monopolizing the production, distribution, and exhibition of motion pictures—violated the Sherman Act. Legal scholar Michael Conant notes that in the twelve years preceding the filing of the *Paramount* case the “question [for the studios] was whether, by settling treble-damage suits or defeating them on the ground that there was no provable amount of damage and by entering into consent decrees to civil and criminal antitrust actions by the government, they could continue to maintain their basic control of the industry.”¹⁷ As previously discussed in Chapter One, the Roosevelt administration kept a watchful eye on the film industry’s business practices during the 1930s. While the battle over self-regulation and the temporary suspension of antitrust litigation under the National Recovery Administration (NRA) allowed the studios to continue to carry out their business as usual during the first half of the decade, the filing of the *Paramount* case on July 20, 1938 was a stern wake-up call.

Developing the Business Pattern: Early Antitrust Litigation in the Motion Picture Industry

The economic and antitrust history of the motion picture industry can be traced back to American inventor Thomas Edison’s first foray into the field. In 1888, Edison filed a patent caveat with the U.S. Patent Office that outlined his plans to create a device that “does for the Eye what the phonograph does for the Ear, which is the recording of things in motion, and in such a form as to be both Cheap practical and convenient. This apparatus I call a Kinetoscope ‘Moving View.’”¹⁸ According to silent film historian Charles Musser, Edison’s caveat was inspired by

¹⁷ Ibid., 84–85. Between 1917 and 1940, the studios settled the majority of antitrust suits filed against them by independents out of court. Treble damages is defined as “damages that, by statute, are three times the amount that the fact finder determined is owed.” See *Black’s Law Dictionary*. 8th ed. (St. Paul: Thomson/West, 2005), 335.

¹⁸ Thomas Edison, U.S. Patent Caveat No. 110 (Filed Oct. 17, 1888). A patent caveat was legal document filed with the U.S. Patents Office that acted as an official notice of intention to file a patent application at a later date (the

two inventions he saw demonstrations of earlier that year: Eadweard Muybridge's zoopraxiscope (a device that projected images from a turning glass wheel) and Étienne-Jules Marey's camera gun.¹⁹ After drawing a few possible prototypes, Edison put his assistant, W.K.L. Dickson, in charge of what he dubbed the "motion picture project." Within eighteen months, Dickson developed two devices: (1) a horizontal-feed camera that was able to photograph at the rate of ten shots per second; and (2) a peep show viewing machine Edison called a kinoscope. On May 20, 1891 he unveiled the kinoscope to a large group attending a convention of the Federation of Women's Clubs as well as reporters covering the event.²⁰ Thrilled with the positive response from the crowd, Edison formally submitted patent applications to the U.S. Patent Office on August 24 for a motion picture camera (the kinoscope) and one for the kinoscope, "inaugurating a process of review, claim and counterclaim, suit and countersuit that was to last for twenty years."²¹

caveat was good for one year and could be renewed for \$10 if an extension was needed). The patent caveat was similar to a patent application in terms of submitting a description and drawings. However, an individual filing a patent caveat did not have to present the U.S. Patent Office with the object for examination nor was it necessary to meet all of the requirements for patent claim. Patent caveats were discontinued in 1909 and eventually abolished by the U.S. Congress in 1910. The primary purpose of the patent caveat was to prevent another individual from filing a patent for a similar invention. Edison's 1888 patent caveat would eventually become the Kinetograph—the first motion picture camera.

¹⁹ Charles Musser, *The Emergence of Cinema: The American Screen to 1907* (Berkeley: University of California Press, 1990), 62, 66. When British photographer Eadweard Muybridge came to Edison's West Orange, New Jersey laboratory for a demonstration of the zoopraxiscope on February 25, 1888, Muybridge proposed that the two work together to combine the projecting machine with Edison's phonograph. Intrigued by Muybridge's idea, Edison began "reworking the idea until it became his own...[and] was later to deny that Muybridge ever shared it with him." When Edison traveled to Europe that summer, he met with French physician Marey whose "methods of photographing continuous series of images on a film strip that moved along intermittently in front of a single camera lens" was, according to Musser, the "conceptual break from the too-literal application of phonograph-kinoscope parallels." *Ibid.*, 66.

²⁰ *Ibid.*, 68.

²¹ *Ibid.*, 71.

Edison's patent rights to new motion picture technology were enough to give him a virtual monopoly over newcomers wanting to enter into the field. While Edison's short kinetoscope films were immediately popular and showed promise of large profits, a number of companies started to develop motion picture cameras and projectors. Three American motion picture firms—Edison, the American Mutoscope and Biograph Company (hereafter Biograph), and Vitagraph—owned the principal patents covering the manufacture of equipment and were the leading producers of motion pictures.²² Early films were short (approximately 100 feet or 1 to 2 minutes), relatively inexpensive to make, and featured popular vaudeville stars, prizefighters, and dancing girls. However, as film going became more popular across the U.S., increased production was needed to meet the demand. Edison, Biograph, and Vitagraph refused to sell cameras to smaller producing outfits in an attempt to control the market.²³ New firms began using equipment that was either an outright violation of Edison's patents or imported from Europe—where Edison had failed to secure foreign patents.²⁴

²² In 1895, Edison's former assistant, W.K.L. Dickson, formed a rival company—the American Mutoscope and Biograph Company—to compete with Edison after the two men had a falling out. Dickson patented a camera that slightly differed from the one he developed for Edison that used 70mm film stock instead of the 35mm film stock used in Edison's device. Dickson also developed a new peephole cabinet viewer called the mutoscope. The mutoscope was a flip card device and was operated by hand. Edison's immediately filed lawsuits against his former protégé for patent infringement in 1902 and again in 1907. *Edison v. American Mutoscope Co.*, 114 F. 926 (C.C.A. 2, 1902); *Edison v. American Mutoscope and Biograph Co.*, 151 F. 767 (C.C.A.2, 1907). Animator J. Stuart Blackton founded the Vitagraph Company in 1899 with Albert E. Smith. Edison sold a projector to Blackton in 1897 and Smith converted it into a camera. At the turn of century, these three pioneering companies were the leading producers of film.

After the success of the Lumière brothers' first public screening of their films (shot, developed, and projected on their own lightweight device—the cinématographe) on December 28, 1895 in the basement of the Grand Café in Paris, Edison acquired the rights to a new projection device called the Phantascope (later renamed the Vitascope). Edison soon thereafter began showing his films in vaudeville houses. The Lumière brothers' screening that evening is widely considered by film historians to be the birth of cinema. See Musser, *The Emergence of Cinema: The American Screen to 1907*, 91, 135-145.

²³ Conant, *Antitrust in the Motion Picture Industry*, 17.

²⁴ Robert Sklar, *Movie-Made America: A Cultural History of American Movies* (New York: Vintage Books, 1994), 13.

Despite the growing number of patent infringement lawsuits brought against the newcomers by Edison, a number of hopeful immigrants entered into the field undeterred. The international success of French filmmaker Georges Méliès's 14-minute fiction film, *A Trip to the Moon* (1902), led to the production of longer narrative films in the U.S. beginning with Edison's *The Great Train Robbery* (Porter, 1903). Because prints were originally sold outright, exhibitors could show a film over and over again until the film physically wore out or its novelty was exhausted. Exhibitors began trading films with each other and soon figured out that anyone who owned a stockpile of prints could turn a profit by renting films to a number of exhibitors. Selling the films outright to exhibitors was replaced by a licensing system wherein a distribution exchange bought the prints directly from producers and rented them to theaters at a rate equal to 25 to 50% of the purchase price.²⁵ Both exhibitors and producers were satisfied with this arrangement: the lower cost of films took the financial burden off of the exhibitor who could now license films more frequently and, in turn, boost attendance numbers while distribution exchanges translated to fewer customers and lower selling costs for film producers.

As technology continued to change, films not only got longer but production values improved. In 1905 vaudeville tycoons Harry Davis and his brother-in-law John P. Harris opened the first nickelodeon theater in Pittsburgh, Pennsylvania, making it the first true space devoted to watching films.²⁶ With nickelodeon earnings averaging as much as \$1,000 a week (based on a 5 to 10 cent admission price), ambitious immigrants were eager to put together the modest capital

²⁵ Conant, *Antitrust in the Motion Picture Industry*, 18.

²⁶ Steven J. Ross, *Working-Class Hollywood: Silent Film and the Shaping of Class in America* (New Jersey: Princeton University Press, 1998), 16. Ross writes that Davis and Harris's converted a storefront was remodeled and fitted up with a "white linen sheet, some [ninety-six] opera chairs, a crude phonograph, a lot of stucco, burlap and paint, and a myriad of incandescent light." The 15 minute film program was so popular that it ran "from eight in the morning until midnight and purportedly attracted over six thousand customers."

investment needed to convert a plain storefront into a theater.²⁷ Several of the future film industry moguls including Adolph Zukor, Marcus Loew, William Fox, Louis B. Mayer, Harry Warner, and Carl Laemmle made their early fortunes by opening nickelodeon chains across the country. Three years after Davis and Harris opened up the first nickelodeon, an estimated 10,000 were in operation across the U.S.²⁸

With the popularity of film reaching record heights, large numbers of smaller companies began producing films to meet the demand. While Edison continued to battle it out in court with other leading domestic producers and distributors over their conflicting patent claims, novice independent producers took advantage of the disarray and attempted to carve out a piece of the business for themselves. Exhausted by the crippling lawsuits, Edison's chief competitors approached him in 1908 with a potential licensing agreement wherein they would acknowledge Edison's basic patents and pool the rest of their patent claims by forming a trust called the Motion Picture Patents Company (MPPC, also known as the Trust).²⁹ All ten members of the MPPC pooled their patents (16 in all) and granted licenses to manufacture cameras and produce films only to the member companies. Additionally, the members agreed to license films only to exhibitors who paid the MPPC the requisite \$2.00 projection license fee each week.³⁰ Eastman Kodak, the largest producer of raw film stock, cooperated by refusing to sell to non-licensed

²⁷ Ibid.

²⁸ Conant, *Antitrust in the Motion Picture Industry*, 18.

²⁹ Sklar, *Movie-Made America*, 35. Edison, Biograph, Vitagraph, Essanay, Selig, Lubin, and Kalem were the seven domestic producers/manufacturers; Star Film Company and Pathé were the two French producers; and George Kleine—the leading importer-distributor made up the MPPC. Although Edison had originally excluded Biograph from the licensing agreement, Dickson, incensed that his company was not asked to join, purchased the Latham film loop—a key component in every motion picture camera. After the court upheld the validity of Biograph's patent claim in the spring on 1908, Edison renegotiated the licensing agreement to include Biograph.

³⁰ Ibid., 36.

manufacturers.³¹ Through this system of licensing, the MPPC almost completely controlled the market.

Beginning in 1909, the MPPC filed patent infringement lawsuits against any competitor working outside of the Trust. Although the MPPC was able to block most independent producers from entering into the exhibition market, the high margin of profitability induced many to try. Independents began bootlegging cameras and projectors and, with the help of resentful licensed distribution exchanges, managed to rent their non-licensed films by providing the exhibitors a greater portion of the proceeds. In an attempt to stop this adverse trend, the MPPC organized 57 of the 58 distribution exchanges into a subsidiary called the General Film Company in an effort to block independent producers from entering the distribution market.³² The creation of the General Film Company in 1910 completed the vertical integration of the industry.

During its years of active market control (1909–1914), the MPPC filed more than 40 patent infringement lawsuits.³³ However, the courts refused to allow the independents’ antitrust claims—specifically that the MPPC’s patent pooling was an illegal restraint of trade—as a defense to patent infringement for those companies that produced films with MPPC equipment without the requisite approval.³⁴ For example, in *Motion Picture Patents Co. v. Laemmle* (1910) a New York court held that “the charge, if established, that the complainant is itself, or is a member of, a combination in violation of the federal anti-trust statute, is not a defense available in an action for the infringement of a patent, and fails to show a defect in the complainant’s

³¹ Conant, *Antitrust in the Motion Picture Industry*, 18–19. If an exhibitor failed to pay the weekly licensing fee—even if he owned the projector prior to the formation of the MPPC—he was subject to fines or a refusal of films.

³² *Ibid.*, 19.

³³ *Ibid.*, 20.

³⁴ Gil, “Breaking the Studios: Antitrust and the Motion Picture Industry,” 92.

title.”³⁵ Later that year, in *Motion Picture Patents Co. v. Ullman* (1910), the court found once again that companies could not infringe on patents even though the patents are held by an illegal combination, ruling that just because a man has “entered into some illegal contract does not authorize others to injure him with impunity.”³⁶ To be sure, the independents relied on the fact that the MPPC would not be able to catch every infringing action; some even went so far as to cover up the infringing devices inside the camera with a non-infringing exterior when the Trust’s army of lawyers and detectives came to inspect the technology.³⁷ Film historian Janet Staiger suggests that the “costs of pursuing patent infringers must have been more than any court-ordered repayment” for the MPPC because the “fines for patent violation were less than profits from filmmaking” for the independents.³⁸ Although these early rulings were temporary setbacks for the independent producers, their numbers rapidly multiplied and they continued making profitable motion pictures.

Despite the MPPC’s attempt to monopolize the industry, many independent producers and distributors were offering Edison and his Trust formidable opposition. Two future motion picture studio moguls, Carl Laemmle and William Fox, battled it out with the MPPC in the courts. In *Motion Picture Patents Co. v. Independent Moving Picture Co.*, a 1912 case centering on the validity of the Latham Loop patent, an essential mechanism used in nearly all motion picture projectors and cameras after 1905, District Judge Learned Hand dismissed the bill of

³⁵ *Motion Picture Patents Co. v. Laemmle*, 178 F. 104, 105 (C.C.S.D.N.Y. 1910).

³⁶ *Motion Picture Patents Co. v. Ullman*, 186 F. 174, 175 (S.D.N.Y. 1910).

³⁷ Janet Staiger, “Combination and Litigation: Structures of U.S. Film Distribution, 1896–1917,” *Cinema Journal* 23, No. 2 (Winter 1984), 55.

³⁸ *Ibid.* Staiger notes that independents often “shared the costs of the defense rather than letting the burden fall on a single company.” *Ibid.*

complaint, finding that while the Latham Loop was useable on cameras, it was invented for projectors and, as a result, the patent claim did not extend to cameras.³⁹ In his opinion, Judge Hand wrote: “In spite of the many questions which this case raises, there is only one that I shall consider, because it seems to me quite fatal to this suit...I mean the point that the patent does not cover a camera, which is the only infringing device in evidence.”⁴⁰ The ruling in this case allowed independents to freely make films without having to pay the Trust licensing fees.

In November 1911, William Fox, owner of the Greater New York Film Rental Company and licensee of the MPPC, received a notice of cancellation from the General Film Company. Two months earlier, Fox had refused to sell his exchange for what he viewed as a paltry sum (\$150,000), making his company the sole principal distribution exchange operating outside the Trust.⁴¹ When Fox did not receive his regular supply of films the following month, he sought an injunction against the MPPC and the General Film Company.⁴² The lower court found that the General Film Company had a contractual right to cancel Fox’s license, but intimated that the MPPC’s combination “may constitute an illegal monopoly and become restraint of trade.”⁴³

³⁹ Motion Picture Patents Co. v. Indep. Moving Pictures Co. of America, 200 F. 411, 412 (2d Cir. 1912) (quoting Judge Hand’s district court opinion). Invented by Eugene Lauste and W.K.L. Dickson and patented by Woodville Latham in 1896, the Latham Loop consisted of two loops of film, which acted as a buffer between continuously moving sprockets. This relieved the tension on the filmstrip and allowed films to be shot for a longer period of time. The device was first used in a motion picture system called the Eidoloscope. When Edison attempted to freeze out Biograph of the Trust, Dickson bought the Latham Loop patent from his old partner. In 1907 Edison sued Biograph for patent infringement but the court upheld the validity of the patent. Realizing the necessity of the Latham Loop to their pool of patents, Edison relented and allowed Biograph to join the MPPC. The Latham Loop was the key to giving the Trust a near monopoly on motion picture cameras. See Staiger, “Combination and Litigation: Structures of U.S. Film Distribution, 1896–1917,” 55.

⁴⁰ Staiger, “Combination and Litigation: Structures of U.S. Film Distribution, 1896–1917,” 55.

⁴¹ Ibid.

⁴² Ibid., 55–56.

⁴³ Ibid., 56. The lower court’s ruling was affirmed in February 1913. See Greater N.Y. Film Rental Co. v. Biograph Co., 203 F. 39, 40 (1913).

Although Fox was unsuccessful on appeal, his case drew national attention to the MPPC's anti-competitive business practices and resulted in the U.S. government filing an antitrust suit against the MPPC and the General Film Company in August 1912.⁴⁴

When the antitrust proceedings formally commenced in January 1913, several significant changes in the industry suggest that the MPPC and the General Film Company were beginning to lose control. After the court decided that the Latham Loop patent was invalid in 1912, new independents made their way to Los Angeles (literally distancing themselves from the MPPC) where output expanded and Hollywood became the center of motion picture production.⁴⁵ Additionally, in an effort to further separate their product and practices from the MPPC, the independents began making multi-reel feature films to meet the demands of the audience. The combine's unwillingness to make and distribute longer motion pictures gave rise to new national producer-distributors including Fox, Mutual, Universal, and Famous Players-Lasky.⁴⁶

On October 1, 1915, almost two years after the government filed suit, a Pennsylvania District Court found that the MPPC had violated § 1 of the Sherman Act by (1) engaging in "undue and unreasonable restraint of trade," and (2) monopolizing commerce and trade to "reap commercial advantages to themselves" and to further "relieve each other from the odium of infringement."⁴⁷ During the proceedings, the MPPC introduced three key arguments in its

⁴⁴ "Motion Picture Patents Co. Wins," *Moving Picture World*, February 15, 1913, 685.

⁴⁵ Conant, *Antitrust in the Motion Picture Industry*, 21. Conant writes that while the Latham Loop ruling allowed filmmakers to use cameras using the device without fear of violating the patent, there were other camera and projector patents owned by the MPPC that they continued to violate. Many independents "moved to Los Angeles, where they could make pictures with machines that infringed the combine's patents and still be close enough to the Mexican border to flee in case prosecution was imminent." *Ibid.*

⁴⁶ *Ibid.*

⁴⁷ Sherman Antitrust Act, ch. 647, 26 Stat. 209 (1890) (current version at 15 U.S.C. §§ 1–7). Passed by the U.S. Congress on July 2, 1890, the Sherman Act was one of the first pieces of federal legislation that prohibited trusts. Section 1 of the Sherman Act states: "Every contract, combination in the form of trust or otherwise, or conspiracy,

defense. First, they argued that they attempted to monopolize an art form rather than a trade, which should not be considered commerce and, thus, should not fall under the restrictions of antitrust law.⁴⁸ To this claim the court responded: “whatever [the defendants’] final purpose with respect to the control of the art, and what they combined to do, and have done, is to restrain trade or commerce in these films, which are articles of trade and subjects of large interstate transactions, in which the defendants had part...It is evident that who controls the films referred to controls the motion picture business.”⁴⁹ Second, the defendants reasoned that they did not intend “to offend against or to evade the law, that their intentions were as beneficent and have resulted in as much good to the patronage of the art...and that this good bears a fair relation to the profits received by them.”⁵⁰ The court responded to this statement by stating: “the duty to refrain from what is prohibited by law ‘cannot be evaded by good motives’...If, in the judgment of the law, a contract or co-operating agreement is such as to work an undue and unreasonable restraint of trade, and though such restraint to monopolize trade or any part of it, the judgment is one of condemnation, no matter how innocent or otherwise praiseworthy the motives of those who had part in it.”⁵¹

in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal.” Section 2 of the Sherman Act states: “Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty.” The Sherman Act was amended in 1914 by the Clayton Act, ch. 323, 38 Stat. 730 (1914) (current version at 15 U.S.C. §§ 12–27).

⁴⁸ United States v. Motion Picture Patents Co., 225 F. 800, 802–803 (E.D. Pa. 1915).

⁴⁹ Ibid., 803.

⁵⁰ Ibid., 808.

⁵¹ Ibid.

In its final argument, the MPPC claimed that their patent pool allowed them to license their property as they saw fit and gave them “protection of these patented rights.”⁵² To this point of patent protection, the court found that there was “no such relation [between the patents], but that the end, directly proposed, was the imposition upon the trade of an undue and unreasonable restraint, in order that, as the immediate and direct effect of the combination, the defendants might monopolize the trade in all accessories of the motion picture art so far as they are articles of commerce.”⁵³ The court summed up its ruling with the following statement:

We conclude with the formal finding, in the language of the act of Congress [1890 Sherman Act], that the contracts enumerated in the petition, and the combination there described, were a conspiracy in restraint of trade or were and are illegal, and that the defendants, each of them (with the exception noted), have attempted to monopolize, and have monopolized, and have combined and conspired among themselves and with each other, to monopolize, a part of trade or commerce among the several states and with foreign nations, consisting of the trade in films, cameras, projecting machines, and other accessories of the motion picture business, as charged in the petition of complaint filed.⁵⁴

After an unsuccessful appeal to the U.S. Supreme Court, the MPPC was dissolved in 1918.⁵⁵

Innovations and Corporate Organization

While the Supreme Court’s ruling that the MPPC had engaged in anticompetitive business practices to protect its monopoly was the ultimate reason for its demise in 1918, the writing had been on the wall for years. There were two key innovations developed by the independents that changed the course of Hollywood filmmaking in the teens: (1) the star system; and (2) the aforementioned feature film. Both of these new developments followed close on the

⁵² *Ibid.*, 810.

⁵³ *Ibid.*, 811.

⁵⁴ *Ibid.*, 811. The court found that one of the defendants—the Méliès Manufacturing Company (Star Films)—was not “in any sense a party to the combination charged” and dismissed the petition against the company.

⁵⁵ *Motion Pictures Patent Co. v. United States*, 247 U.S. 578 (1918).

heels of similar practices taking place in Europe.⁵⁶ The MPPC's failure to adopt these new strategies made it difficult for them to compete in a growing market where quality and the production of longer, more ostentatious films slowly became the standard.

When the industry was in its early stages of development, many mid-level actors and actresses from the legitimate stage initially did not want their names advertised alongside the motion picture productions they were featured in. Because nickelodeons were viewed as entertainment spaces strictly for the working class, a number of actors were afraid that they would earn less money when they returned to New York if stage producers learned that they had been in motion pictures.⁵⁷ However, this concern would soon evaporate in the early teens, when some of Europe's most celebrated thespians including French actress Sarah Bernhardt appeared in films with great fanfare.⁵⁸ In the U.S., public interest in the actors that appeared on screen grew at a rapid rate. Daily letters from fans poured in to the motion picture studios and the industry trades wanting to know the names and some background information about their favorite feature players. The MPPC licensed companies resisted naming the players in its films despite great public pressure for two reasons: (1) they reasoned that the company's name (not its

⁵⁶ Richard deCordova, *Picture Personalities: The Emergence of the Star System in America* (Urbana: University of Illinois Press, 2001), 37–39. Several European film companies began making multi-reel films in 1908. The French Films D'Art Company (distributed by Pathé) produced a series of prestige pictures that celebrated important French works including adaptations of Dumas, Balzac, and Verdi's Opera. Released once a month, these films were dubbed "moving pictures of theatrical plays" and featured some of the country's great performers including the pantomime Severin and actress Sarah Bernhardt. *Incriminating Evidence* and *The Assassination of the Duke de Guise* were the first Films D'Art to debut in America in 1909 and made a lasting impression on independent producers like Adolph Zukor. While the American cinema would never become "filmed theater," the idea that the medium could elevate the tastes of the masses and stimulate an interest in the arts intrigued the independents who were looking for a way to differentiate their product. American producers soon after began making prestige pictures based on well-known literary and dramatic works that featured players from Broadway. Zukor named his production company Famous Players and used the motion pictures produced by Films D'Art as models for his future films.

⁵⁷ Eileen Bowser, *The Transformation of the Cinema, 1907–1915* (Berkeley: University of California Press, 1990), 107.

⁵⁸ Sklar, *Movie-Made America*, 42–44.

stars, or directors for that matter) was enough to sell tickets; and (2) they did not want actors demanding more money because of their star power.⁵⁹ To this second point, film historian Eileen Bowser suggests that this argument “falls down to some extent...because star players got recognition and fan mail whether they were named or not. The writers just addressed their letters to “The Biograph Girl” and “The Vitagraph Girl” and “Dimples” (Florence Lawrence, Florence Turner, and Maurice Costello, respectively).”⁶⁰

After refusing to conduct any further business with the MPPC, Carl Laemmle formed his own independent production company in 1909 called the Independent Moving Picture Company (Imp). Laemmle realized the long-term economic potential in putting desirable actors under contract to him and, in 1910, he staged the first publicity stunt to establish his newest contract player, Florence Lawrence, as America’s first movie star.⁶¹ By 1913, the majority of independents had actors under contract and adopted the star system. Exhibitors were the first to recognize the value of using stars to advertise films and employed several tactics to entice the public including, displaying lobby cards of fan favorites in theater foyers, conducting voting

⁵⁹ Conant, *Antitrust in the Motion Picture Industry*, 21.

⁶⁰ Bowser, *Transformation of the Cinema*, 109.

⁶¹ In the March 12, 1910 issue of *Moving Picture World*, Imp published the now famous “We Nail a Lie” advertisement that read: “The blackest and at the same time silliest lie yet circulated by enemies of the “Imp” was the story foisted on the public of St. Louis last week to the effect that Miss Lawrence (the “Imp” girl, formerly known as the “Biograph” girl) has been killed by a street car. It was a black lie because so cowardly. It was a silly lie because so easily disproved. Miss Lawrence was not even in a street-car accident, is in the best of health, will continue to appear in “Imp” films, and very shortly some of the best work in her career is to be released.” This initial advertisement launched a series of promotional stories that catapulted her into stardom. In an April 2, 1910 *Moving Picture World* article titled “The Imp Leading Lady,” it was reported that the earlier newspaper story of Lawrence’s death “so upset her many admirers in St. Louis that nothing short of seeing her in the flesh would satisfy them... The Imp actors will give a stage demonstration of moving pictures in the making and their St. Louis friends have arranged for a grand reception. Mr. Cochrane [Laemmle’s partner] takes with him a film showing how the reading of Miss Lawrence’s obituary notice affected other members of the Imp Company. If anyone can see the hand of a press agent in this, that person must be credited with a clever and original idea. And Miss Lawrence is a clever girl and is worthy of the attention she has attracted.” See “We Nailed a Lie” (Advertisement), *Moving Picture World*, March 12, 1910, 365; “The Imp Leading Lady,” *Moving Picture World*, April 2, 1910, 517.

contests (“Favorite Player of the Week”) and giveaways (e.g. autograph pictures) to get repeat business, and using the actor’s name and likeness in front of the theater.⁶² Fan magazines and the implementation of credit sequences further contributed to the audience getting to know the actors in a more intimate way.

Indeed, the shift from advertising the company name to the star gave actors more power than ever before. While producers worried about the demand for higher salaries, the star was pivotal in selling a feature motion picture. Hungarian immigrant Adolph Zukor abandoned his fur company and entered the field in 1903 initially as an investor in a penny arcade and later owned a string of nickelodeons.⁶³ Recognizing the potential of the feature film and star power, he imported the four-reel French film, *Queen Elizabeth*, starring Sarah Bernhardt to the U.S. in 1912. After the successful distribution of the film, Zukor was determined to produce five reel features on his own and formed the Famous Players Film Company later that year. Emphasizing the theatrical model successfully used by European companies, Zukor signed well-known Broadway actors and put them in feature-length productions based on prestigious plays. Advertising “Famous Players in Famous Plays,” Zukor’s company became the principal producer of feature films starring the finest talent in the country. On May 17, 1913, *Moving Picture World* announced that actress Mary Pickford would be returning to motion pictures to

⁶² Bowser, *Transformation of the Cinema*, 113–114.

⁶³ Adolph Zukor, *The Public Is Never Wrong: The Autobiography of Adolph Zukor*, with Dale Kramer (New York: Putnam, 1953), 19, 36–37. Zukor emigrated to America when he was 16 years old and began working as an apprentice for a furrier in New York. Yearning to be his own boss, Zukor went to Chicago three years later and opened up his own fur company. In 1903, his cousin, Max Goldstein, approached him for a loan for a penny arcade. Zukor gave Goldstein the money and insisted on becoming partners when they opened a second venue. With the success of the penny arcades, Zukor entered into another partnership with a fellow former furrier, Marcus Loew, who would later become a leading figure in motion picture exhibition.

reprise her recent stage role as Juliet in *A Good Little Devil* for Famous Players.⁶⁴ Zukor saw the potential in hiring Pickford and arranged with renowned stage producer, David Belasco, “for all of the wonderful scenes and effects [of the play]...to be shown in motion pictures.”⁶⁵ Like Laemmle, Zukor understood that an actor’s symbolic status functioned as an integral part in the economic system of exchange among independents. “Little Mary” was already a household name in the U.S. and to no one’s surprise her return to the screen was an enormous financial and critical success for Famous Players. Not wanting to lose Pickford to another producer, Zukor signed her to a contract for the unprecedented sum of \$104,000 per year.⁶⁶ Thus, as Richard deCordova and others have argued, the audience’s response to an actor “functioned as an economic category in a system of exchange” that ultimately led to the emergence of the star system, a system which, “changed the status of film as a commodity.”⁶⁷

When General Films refused to distribute his feature length films, Zukor and other independents sold the exhibition rights of their films to “states rights” exchanges, which were composed of individual distributors each representing one or more states. In an attempt to protect his product, Zukor established a system of grading pictures—A, B, or C—based on the popularity of the actor and the quality of the script, as well as a pricing structure that “allowed

⁶⁴ “‘Little Mary’ Again in Pictures,” *Moving Picture World*, May, 17, 1913, 707. Pickford began her career as an actress on Broadway under the direction of David Belasco, and left for few years to work in film for both Imp and Biograph. She returned to the stage in 1913 when Belasco offered her the role of the blind girl, Juliet, in *A Good Little Devil*. Although she enjoyed working with Griffith at Biograph, she, like Griffith, wanted an opportunity to act in feature films (Griffith, of course, wanted to direct feature films).

⁶⁵ Ibid.

⁶⁶ Richard Koszarski, *An Evening’s Entertainment: The Age of the Silent Feature Picture, 1915–1928* (Berkeley: University of California Press, 1990), 266. Three years later both Pickford and Charlie Chaplin were drawing \$500,000 paychecks.

⁶⁷ DeCordova, *Picture Personalities*, 112.

different prices for different films of the same length rather than the standard 10 cents a foot.”⁶⁸

The success of the states rights exchanges led a number of them to consolidate and join with a few independent exhibitors to form the Paramount Pictures Corporation in 1914. Organized by W.W. Hodkinson, a leading West Coast distributor, Paramount became the first nationwide distributor for independents and supplied a steady stream of features to exhibitors. Most independents found Paramount’s distribution rate—35% of gross rentals—reasonable for two reasons: (1) the company guaranteed nationwide distribution regardless of a film’s quality; and (2) producers were able to borrow a large portion of the money needed in advance to make a five-reel feature and guaranteed a minimum return to the producer.⁶⁹

Zukor’s model of producing lucrative features influenced many with ties to the Broadway stage to enter the field. Famed vaudeville producer, Jesse L. Lasky, formed the Lasky Feature Play Company in December 1913 with his brother-in-law Samuel Goldfish (later known as Samuel Goldwyn) and playwright/stage producer Cecil B. DeMille. In its announcement of the venture, *Moving Picture World* reported that the Lasky Feature Play Company looked to “produce pictures adapted from famous dramatic successes and well-known novels.”⁷⁰ The following year the company relocated to Los Angeles and rented a barn where DeMille shot the first feature length film in Hollywood proper, *The Squaw Man* (1914).⁷¹ With five directors under contract and eighteen star players in its company, including actors Wallace Reid,

⁶⁸ Conant, *Antitrust in the Motion Picture Industry*, 22.

⁶⁹ Ibid. Hodkinson’s system of distributing films on a percentage basis was the single most important change in the distribution of motion pictures. Paramount agreed to advance as much as \$25,000 for each feature and pay for the cost of prints and advertising.

⁷⁰ “New Feature Company,” *Moving Picture World*, December 20, 1913, 1417.

⁷¹ “Jesse L. Lasky in Pictures,” *Moving Picture World*, January 3, 1914, 35. See also “Lasky Goes to Coast,” *Moving Picture World*, November 22, 1914, 921.

Geraldine Farrar, and Mae Murray, Lasky's Feature Play Company had become a formidable rival to Zukor's Famous Players.⁷²

On May 30, 1914, the three leading producers of "high-class features"—Zukor's Famous Players, Lasky's Feature Play Company, and Bosworth, Inc.—worked out a five-year agreement whereby all of their films would be distributed by Paramount Pictures.⁷³ The combination of the three most significant producers of feature plays with Paramount represented "the first organized, co-operative system established for the production and distribution of the high class feature program."⁷⁴ In the arrangement between the three companies and Paramount, it was "made conditional that the standard set by Lasky, Bosworth, and Famous Players must be met by other producers if they would have a place on the program to be distributed by the Paramount Pictures Corporation."⁷⁵ Additionally, all three companies had experienced exchange-men on Paramount's Board of Directors to ensure that the material produced by outside independents was "sufficient enough to be affiliated with the productions of Famous Players, Bosworth, and Lasky."⁷⁶

Although the venture was enormously profitable for all involved, Zukor was not interested in becoming a bit player in Paramount's meteoric rise. In early 1916, Zukor approached Hodkinson about merging Famous Players and Paramount into a powerhouse producing-distributing company. Hodkinson was hesitant about turning Paramount into a

⁷² "Jesse L. Lasky in Pictures," *Moving Picture World*, January 3, 1914, 35.

⁷³ "Feature Producers Affiliate," *Moving Picture World*, May 30, 1914, 1268–1269.

⁷⁴ *Ibid.*, 1269.

⁷⁵ *Ibid.*

⁷⁶ *Ibid.*

producing organization, and had become weary of Zukor's plans of creating a vertically integrated company.⁷⁷ When Zukor asked to buy out his contract so that he could start his own distribution wing, Hodkinson refused to sell. Undeterred, Zukor enlisted Lasky and together they bought out the interests of several of the original incorporators.⁷⁸ When Paramount held its annual election meeting on June 13, 1916, Hodkinson lost his re-election bid for the presidency by one vote and was replaced by Hiram Abrams, a former Boston exchange man, hand-selected by Zukor himself. *Variety* reported that "the defeat of William W. Hodkinson for re-election as president of Paramount came not only as a complete surprise to everybody but those directly concerned in its consummation, but to Hodkinson himself...it is understood that Famous Players and Lasky pledged their support to the new regime and gave their assurance that no further effort would be made by them to make any outside alliance."⁷⁹ On July 29, 1916, Zukor and Lasky merged their two companies, plus twelve smaller producers, to form the Famous Players-Lasky Corporation.⁸⁰ Zukor and Lasky bought Hodkinson out of Paramount and merged their companies with the distribution corporation making it the largest, most powerful producer-distributor in the industry. After the merger, gross rentals for Famous-Players-Lasky features

⁷⁷ Koszarski, *An Evening's Entertainment*, 69. Hodkinson opposed the idea of vertical integration whole-heartedly, believing that each wing of the business should function on its own. He argued that there was plenty of money to be had if everyone played their part. His concern about the merger was not without its merits. In 1915, Mutual Film Company's head, Harry Aitken, unsuccessfully tried to merge production and distribution and was essentially put out of business.

⁷⁸ *Ibid.*

⁷⁹ "Hodkinson of Paramount Defeated at Annual Election," *Variety*, June 16, 1916, 19.

⁸⁰ Their official positions changed with the merger: Adolph Zukor was named president; Jesse L. Lasky, vice-president; Samuel Goldfish, chairman of the board of directors; and Cecil B. DeMille, director of production. Zukor and Goldfish did not get along from the start. In his autobiography, Lasky writes that the animosity between the two men was so great that Zukor demanded that he choose between them. Although Lasky and Goldfish were brothers-in-law, Lasky chose his business partner and cut Goldfish a check for \$900,000. See Jesse L. Lasky, *I Blow My Own Horn*, with Don Weldon (London: Victor Gollancz, 1957), 122–124.

ranged from \$60,000 to \$100,000 (about \$40,000 to \$60,000 after deducting distribution).⁸¹ By 1918, the company had the most popular stars under contract including Mary Pickford, Douglas Fairbanks, William S. Hart, Wallace Reid, and Marguerite Clark, and released 220 features that year.⁸²

Despite Famous Players-Lasky's impressive weekly turnout, the high cost of quality features was beginning to take its toll on the company. To relieve some of the burden, Zukor convinced exhibitors to switch from the daily program change to a weekly program that included two or three quality features, arguing that both distributors and exhibitors could benefit from word of mouth advertising. Michael Conant notes that Famous Players-Lasky also adopted a system of rentals even more discriminatory than General Film's. According to Conant, the country's largest theaters paid "\$500 to \$700 a week for a five-reel feature. Better class smaller houses paid \$100 to \$300 a week, and poorer houses paid as little as \$5 on a daily rental basis."⁸³ During the 1917–1918 calendar year, it is estimated that out of a total of approximately 20,000 theaters operating in the U.S., 5,000 to 6,000 of them were exclusively showing Famous Players-Lasky's Paramount films with gross rentals valued at \$100,000 to \$125,000.⁸⁴ Rival companies soon after began releasing one feature a week, making on average less than half the amount of Famous Players-Lasky's gross rentals.

⁸¹ Conant, *Antitrust in the Motion Picture Industry*, 22.

⁸² Koszarski, *An Evening's Entertainment*, 71. Zukor and Lasky had 75 contract players signed to their studio—more than double the amount at any other company.

⁸³ Conant, *Antitrust in the Motion Picture Industry*, 23.

⁸⁴ *Ibid.*

Crystallizing the Pattern: Block Booking, Vertical Integration, and the Rise of the Studio System

During World War I, the American film industry saw rapid growth in production, distribution, and exhibition. The large-scale operations needed to produce feature length films resulted in increased costs, healthy box-office returns, and widespread expansion in all areas of industry. In the post-World War I period, America had replaced Europe as the leading producer of motion pictures. With the erection of picture palaces, the quality of feature filmmaking (and the quantity of films produced) became a determining factor in a company's survival. Those in the industry looking remain relevant engaged in ruthless competition with one another.

By end of 1918, Zukor's plan to control the industry was in full swing. With its enviable stable of stars, exhibitors coveted Famous Players-Lasky's Paramount films. Knowing that the popularity of a star was a key factor in determining a film's box-office success, Zukor implemented the controversial practice of block booking, a plan whereby exhibitors were forced to rent an entire block of films made during a stipulated timeframe.⁸⁵ For example, if a prospective exhibitor was interested in Paramount's Mary Pickford and Douglas Fairbanks films, he would have to rent the entire block of films that also included a number of less appealing titles. The practice was advantageous to producer-distributors because it gave them a guaranteed outlet for their films. Exhibitors, however, were at an economic disadvantage since they were forced to buy films that had not yet been produced and relied on the selective film going habits of the audience.⁸⁶ While all of Zukor's competitors adopted the practice of block booking, independent exhibitors fervently opposed this method of sale right from the start.

⁸⁵ Koszarski, *An Evening's Entertainment*, 71–72.

⁸⁶ *Ibid.*, 72.

The controversy over block booking led several exhibitors to merge into chains and hire booking agents to bargain for films with the producer-distributors as a group. However, the creation of large booking firms caught the attention of the Federal Trade Commission (FTC), which launched the first of a series of investigations into the formation of illegal combinations and anticompetitive business practices in the industry.⁸⁷ In 1918, the Stanley Booking Corporation of Philadelphia, one of the largest booking firms in the country, was prosecuted for violating Section 5 of the FTC Act for its “unfair methods of competition” in film booking.⁸⁸ Because of the large number of theaters tied to the firm, the Stanley Booking Corporation was accused of “procuring the cancellation of contracts for the exhibition of moving picture films made and entered into by and between its competitors and the producers of moving picture films.”⁸⁹ The firm was able to force exhibitors into exclusive booking contracts by threatening to “induce and compel owners and operators of moving picture theaters to pay...a sum equal to ten percent of the cost of the moving picture films booked directly from the producer” or risk their supply of films from being cut off.⁹⁰ The Stanley Booking Corporation was also found to have acquired films that were advertised for exhibition by its competitors and exhibiting them in the

⁸⁷ “Some Amusement Company Sues Mastbaum,” *Moving Picture World*, March 9, 1918, 1352. Stanley Mastbaum, owner of the Stanley Booking Company, Metro Pictures Corporation of New York, and the Metro Pictures Exchange of Pennsylvania were indicted for forming an illegal combination in violation of the Sherman Act. The complaint charges the defendants with “having formed a ‘trust’ and with using illegal methods of threats against exhibitors who refuse to enter into contracts with them.”

⁸⁸ *Stanley Booking Corp.*, 1 F.T.C. 212 (1918). Section 5 of the Federal Trade Commission Act prohibits “unfair or deceptive acts or practices in or affecting commerce.” The prohibition applies to all persons engaged in commerce, including banks. Federal Trade Commission Act, ch. 311, 38 Stat. 717 (1914) (current version at 15 U.S.C. §§ 41–58).

⁸⁹ “Stanley Corporation Is Enjoined,” *Moving Picture World*, September 28, 1918, 1869. See also *Stanley Booking Corp.*, 1 F.T.C. at 218; and “U.S. Board Orders Film Booking Co. to Stop Trust Tactics,” *Chicago Daily Tribune*, September 17, 1918, 10.

⁹⁰ “Stanley Corporation Is Enjoined,” *Moving Picture World*, September 28, 1918, 1869. See also “Ordered to Discontinue ‘Unfair’ Film Practices,” *Wall Street Journal*, September 17, 1918, 9.

same neighborhood *before* the dates advertised by their competitors in an attempt to “hinder, harass, and embarrass its competitors.”⁹¹ The FTC ordered the Stanley Booking Corporation to cease and desist the above stated practices.⁹² Ultimately, the findings in this case were eye-opening insofar as that it became clear that “a combine on the distribution and exhibition levels could form a marketing bottleneck with more monopoly power than the earlier combines in equipment, production, and distribution.”⁹³ This potential for a monopoly was certainly in the back of minds of the principal distributors when they feverishly started to buy theaters in an attempt to expand their businesses.

Almost immediately after distributors began using booking agents, exhibitors in the U.S. decided to form a combine and establish their own distribution outlet. Fed up with the block booking practices of producer-distributors like Zukor’s Paramount, Thomas Tally, a well-respected exhibitor from Los Angeles, formed a new organization composed of twenty-six of the largest first-run theaters in April 1917 called the First National Exhibitors Circuit. Initially, Tally and the two-dozen stockholders who controlled about one hundred theaters kept developments of First National under wraps. When the news broke, however, the potential threat of open market buying ruffled the feathers of Zukor who relied on predatory business practices. The idea behind First National was simple: instead of independent exhibitors renting the films individually, a circuit of theaters would buy the exclusive rights to films from the producer and each member would control his own exhibition territory.⁹⁴ By April 1919, First National affiliates “controlled

⁹¹ *Stanley Booking Corp.*, 1 F.T.C. at 218.

⁹² *Ibid.*, 219–220.

⁹³ Conant, *Antitrust in the Motion Picture Industry*, 24.

⁹⁴ Grace Kingsley, “Film Exhibitors Organize Circuit,” *Los Angeles Times*, April 21, 1917, II3.

190 first-run theaters, 40 subsequent-run theaters, and indirectly controlled 366 others by subfranchise agreements...In January 1920 the total number of theaters controlled by First National had increased to 639; of these 224 were first-run houses, 49 were subsequent-run houses, and 366 were outlets operated by subfranchise holders.”⁹⁵ Now that First National supplied and exhibited its own films, Zukor and his Paramount program were abandoned by almost half of the theaters that carried his product.⁹⁶

In addition to encouraging a number of theater owners to join First National, the organization looked to sign top talent away from leading producer-distributors. Four months after its formation, First National entered into production after offering a million dollars to Charlie Chaplin and Mary Pickford if they signed with the company.⁹⁷ First National was able to lure Chaplin away from Mutual not only by offering him more money, but also by setting him up as his own producer, complete with his own studio.⁹⁸ However, the hiring of Pickford away from Zukor was acrimonious to say the least. Already feeling the pressure brought about by the exhibitors’ revolt, Zukor could not match First National’s offer. It was reported that Zukor offered Pickford “\$250,000 simply to retire from the screen for five years,” which she was said to have immediately declined.⁹⁹ After procuring Chaplin and Pickford’s talents, First National

⁹⁵ Howard T. Lewis, *The Motion Picture Industry* (New York: Van Nostrand, 1933), 17. These figures are also quoted in Conant, *Antitrust in the Motion Picture Industry*, 24; and Koszarski, *An Evening’s Entertainment*, 73.

⁹⁶ Koszarski, *An Evening’s Entertainment*, 73.

⁹⁷ Chaplin signed first in 1917; Pickford signed the following year after her contract with Famous Players-Lasky expired.

⁹⁸ Koszarski, *An Evening’s Entertainment*, 74. Chaplin’s deal was unprecedented at the time. In addition to the million dollar a year salary, Chaplin was advanced “\$125,000 for the production of each of eight two-reelers, with an additional \$15,000 per reel if Chaplin chose to produce a longer picture. First National also paid for prints and advertising, took 30 percent of the gross to pay for distribution expenses, and split the remaining profits with Chaplin.”

⁹⁹ *Ibid.*

later signed director D.W. Griffith and producers Louis B. Mayer, B.P. Schulberg, and Joseph Schenck who brought with them such stars as Lillian Gish, Constance and Norma Talmadge, Anita Stewart, and Katherine McDonald.¹⁰⁰

The struggle for control in the film industry, formerly based on patent holdings and market monopoly, now emerged in a fierce battle for theaters. Large theater holdings “strengthened bargaining power, and the fight for control of outlets became the order of the day.”¹⁰¹ Looking to avoid paying monopoly premiums to local theater circuits and also eliminate what he called the “uncertainties of bargaining for sufficient first-run exhibition” to cover costs, Zukor reacted to First National’s control of exhibition by entering the theater business in 1919.¹⁰² *Variety* reported that Paramount was granted a \$10 million dollar stock issue underwritten by Kunh, Loeb & Co. to be “used in the development and expansion of the business, and particularly to intensify distribution.”¹⁰³

Much of Paramount’s expansion took place between 1919 and 1925. By mid-1921 Paramount owned 303 theaters, insuring first-run exhibition in the majority of the country’s biggest cities.¹⁰⁴ While Zukor had acquired only a fraction of the 14,000 theaters operating in the U.S. at the time, the number is significant because out of the 200 key “first-class, first-run” motion picture palaces located in the major metropolitan areas, the majority of them were now

¹⁰⁰ Ibid.

¹⁰¹ U.S. Temporary National Economic Committee, Monograph No. 43, *The Motion Picture Industry—A Pattern of Control* (Washington: 1941), 6.

¹⁰² Conant, *Antitrust in the Motion Picture Industry*, 25.

¹⁰³ “New York Theatre May Join Famous Players’ Big Strong,” *Variety*, October 31, 1919, 65.

¹⁰⁴ Conant, *Antitrust in the Motion Picture Industry*, 25.

owned by Paramount, thus creating an effective monopoly.¹⁰⁵ Paramount's presence in the cities where First National owned its theaters posed an immediate threat to Tally and the affiliated theater owners. By the end of 1921 Paramount had acquired interests in the "three large circuits affiliated with First National...and by 1925 it signed an operating agreement with one of the largest, most active First National affiliates—the Balaban and Katz Corporation, a 50-theater chain in Chicago and northern Illinois—in which it acquired controlling interest in 1926."¹⁰⁶ Paramount's acquisition of the Balaban and Katz chain was the final blow to First National. On April 21, 1926, *Variety* mused that the "trend of affairs in First National during the last year points to the domination of the company by [Famous Players'] interests. The alignment of Balaban & Katz with F.P. in Publix theatres and the report of the purchase of controlling interest in B & K by Famous [Players], the taking over within the last few days of Publix of the A.H. Blank interests; the lining up of the Skouras brothers in the St. Louis territory a few months ago, added to taking over by purchase of the First National New England outlet the Gorden circuit by Famous, all point to but one conclusion."¹⁰⁷ Indeed, by the end of the year the majority of First National's affiliates were bought out by Paramount and were merged into Zukor's newly established Publix Theatres Corporation.

Zukor was not the only producer-distributor to obtain bank loans to acquire theaters in the 1920s. In 1920, exhibitor Marcus Loew, owner of 70 theaters in the New York metropolitan area, entered into the production and distribution of films by acquiring all of the stock in Metro Pictures Corporation with a \$9.5 million loan from Montgomery and Company and Van

¹⁰⁵ Koszarski, *An Evening's Entertainment*, 75.

¹⁰⁶ Conant, *Antitrust in the Motion Picture Industry*, 25.

¹⁰⁷ "History of First National," *Variety*, April 21, 1926, 26.

Emburch and Atterbury.¹⁰⁸ While the merger resulted in some initial success at the box-office, Loew's new company did not draw the kind of money his former partner was bringing in over at Paramount. In an attempt to expand production and distribution, Loew bought out Goldwyn Pictures Corporation and Louis B. Mayer Productions and merged his newly acquired assets.¹⁰⁹ On April 24, 1924, Loew's new subsidiary—Metro-Goldwyn-Mayer (MGM)—became the fourth vertically integrated company in the industry. Although it is estimated that Loew owned only 125 theaters after the merger was completed, eighty-five percent of his theaters were located in large cities, including the above stated highly coveted New York City area.¹¹⁰

The Loew's-Goldwyn-Mayer merger was not without its critics. In an interview with *Film Daily* Loew explained that "the reasons for the merger [rested] on the need for stabilization and economy both in production and distribution. The advantages of operating with one studio instead of three are sufficiently obvious. Equally, the economic benefit of operating one set of exchanges in place of several in direct competition [were] equally plain. Together, these two things in theory...should eliminate the production waste which is such a big factor in the high cost of pictures, and should provide cheaper, if not better, distribution service to the exhibitor."¹¹¹ Ironically, Loew's rationalization for the merger was publically denounced by

¹⁰⁸ Koszarski, *An Evening's Entertainment*, 80.

¹⁰⁹ "Metro-Goldwyn," *Film Daily*, April 18, 1924, 1, 6–7. Loew acquired all of the stock in Samuel Goldwyn's former company (Goldwyn was voted out in 1922 by the board of directors). As part of the deal, Loew acquired: (1) Goldwyn's production lot in Culver City; (2) a distribution contract with William Randolph Hearst's Cosmopolitan Pictures; (3) the contracts of several celebrated directors including King Vidor and Erich von Stroheim; and (4) all of Goldwyn's theaters and exchanges, which included control of New York's largest theater—the Capitol. Loew also acquired all of the stock in Louis B. Mayer Productions and, as part of the negotiations, made Mayer head of the studio on the West coast. Mayer brought along with him his wunderkind protégé Irving Thalberg, who would become MGM's head of production. Nicholas Schenck, one of Loew's oldest advisors, ran the New York offices. See also, "Exchanges Combined," *Film Daily*, June 5, 1924, 2.

¹¹⁰ "Exchanges Combined," *Film Daily*, June 5, 1924, 2.

¹¹¹ "Centralization," *Film Daily*, June 9, 1924, 1, 4.

Zukor as “an attempt at monopoly.”¹¹² Yet Loew’s venture into production and distribution was a clearly a reaction to Paramount’s meteoric rise.

Like Zukor, Loew wanted to protect his own interests. Along with Balaban and Katz in Chicago, Loew was one of the most prominent theater owners in the country and was unwilling to succumb to the pressure of Zukor’s ambition just as Zukor refused to let First National take control of the industry. After acquiring two floundering production and distribution outlets, Loew’s vertically integrated company was positioned to compete directly with Paramount. Industry insiders commented that Loew’s MGM threatened Paramount’s domination and speculated that “it [was] unlikely...that Zukor [would] be content to let things remain as they are and further readjustments and mergers may be looked for.”¹¹³ Within one month, Zukor went on another buying spree and continued to purchase theaters all over the country.

In 1914, William Fox, owner of the Greater New York Film Company film exchange and a local vaudeville exhibitor, established his own production studio to make films. Having grown tired of waiting for product from the independents, Fox’s Box Office Attractions ensured that he would have a steady supply of films to exhibit.¹¹⁴ After the success of his first film, *Life’s Shop Window* (Edwards, 1914), Fox decided to expand production, and subsequently hired a number of actors who would later become bonafide screen stars including cinema’s first vamp, Theda Bara, and cowboy Tom Mix. Backed by the John F. Dryden-Prudential Insurance group, Fox

¹¹² Ibid., 4.

¹¹³ Ibid.

¹¹⁴ Sklar, *Movie-Made America*, 83.

reorganized his company as the Fox Film Corporation and purchased 27 theaters the following year.¹¹⁵

Backed by a group of investors rather than a bank, Fox was in a unique position as head of his newly formed vertically integrated company. Film historian Richard Koszarski notes that Fox was able to “maintain majority control of this empire in his own hands, a claim neither Zukor, Laemmle, Loew, nor any other mogul could make.”¹¹⁶ For the next ten years, Fox expanded production and made a fortune by keeping all business matters simple. However, Fox grew concerned that the continuous theater expansion of Paramount, Loew’s, and First National might render his company irrelevant if he did not expand his own theater holdings. On November 5, 1925, he formed the Fox Theater Corporation and offered public stock in the new company as well as in the Fox Film Corporation.¹¹⁷ Fox used the profits of the stock issue to buy theater chains including the East Coast based Poli circuit, the Midwest circuit, and “one third of the common stock of West Coast Theatres, Inc.,” which had previously been associated with First National, by the end of the year.¹¹⁸

Throughout the 1910s Laemmle’s Universal Pictures Inc. was one of the most prominent motion picture studios in the country, turning out dozens of 2 to 3 reel pictures a week. Although he was responsible for the creation of the star system, Laemmle resisted the move to feature filmmaking and continued to produce 2 to 3 reel pictures until the late 1910s. Many historians

¹¹⁵ Conant, *Antitrust in the Motion Picture Industry*, 25.

¹¹⁶ Koszarski, *An Evening’s Entertainment*, 83.

¹¹⁷ “Theater Unit for Fox,” *Film Daily*, November 6, 1925, 1, 6. According to *Film Daily*, Fox’s present plan “900,000 [shares] of common stock will be presently out standing, consisting of 800,000 of Class A and 100,000 shares of Class B. The authorized but unissued balance will be reserved for future needs.” Fox wanted to expand his theater holdings on the West Coast, specifically in big cities such as Los Angeles and San Francisco. See also, “Fox Theaters,” *Film Daily*, November 8, 1925, 1–2; and “Fox Issue Ready,” *Film Daily*, November 13, 1925, 1–2.

¹¹⁸ Conant, *Antitrust in the Motion Picture Industry*, 25.

have noted the factory-like working conditions at Universal during this period. Koszarski writes, “work was easily attainable [at Universal] but...substandard...John Ford, Rudolph Valentino, Rex Ingram, Lon Chaney, and Mae Murray all spend considerable amount of time at Universal, but just as they began to establish themselves, Laemmle let them get away, lured elsewhere by promises of greater control, money or both.”¹¹⁹ Although he had several opportunities to have a stranglehold on the industry with big-name talent and top executives like Irving Thalberg, Laemmle’s unwillingness to spend money and take risks ultimately resulted in his studio’s minor status after the coming of sound.

In 1925, after the financial success of two Thalberg-produced feature films—*The Hunchback of Notre Dame* (Worsley, 1923) and *Merry-Go-Round* (von Stroheim/Julian, 1923)—Laemmle decided to enter into domestic exhibition. Backed by the Boston-based investment group, Shields and Company, Laemmle reorganized his company and formed the Universal Chain Theaters Corporation.¹²⁰ In the agreement, *Film Daily* reported, “Shields and Company [would] float a \$4,000,000 issue of eight per cent preferred stock of the new company, each share to be sold at \$100” and Universal [would] take over 93 theaters including ownership in the Hostettler, Sparks, and Schine circuits.¹²¹ Laemmle commented on his decision to enter into exhibition, and stated: “The motion picture theater is the retail medium of the industry. The business is stable, because it is the last to feel the effects of general depression and is the first to benefit in periods of prosperity...The motion picture theater chain has advantages over the

¹¹⁹ Koszarski, *An Evening’s Entertainment*, 87.

¹²⁰ “Chain Unit Formed,” *Film Daily*, December 3, 1925, 1.

¹²¹ Ibid. The article further notes that it is unusual that Universal agreed to take “\$1,000,000 of the second preferred in the new company for its interest in the above personal houses.” Laemmle also agreed to personally “purchase for cash \$1,000,000 of the second preferred. The capitalization of the new company provides for \$2,000,000 of this class of stock.” Ibid.

individual theater in that it can secure experienced executives and specialists...Its large buying power gives it the preference in securing new and popular films.”¹²² Unfortunately, Laemmle came to the exhibition game too late. Universal owned only a handful of first-run theaters in major cities across the U.S. and they made little impact on the company’s bottom line.¹²³

In the early teens, Warner Bros. was a small studio that had at one time or another been associated with touring exhibitions, running exchanges, and states rights distribution. Owned and operated by four brothers (Harry, Sam, Albert, and Jack), Warner Bros. started dabbling in production in 1914 but did not incorporate until April 4, 1923.¹²⁴ Following the examples set by Zukor and Loew, the brothers Warner acquired top talent including stage actor John Barrymore and German director Ernst Lubitsch, and began producing a more prestigious program.¹²⁵ Two years later Goldman, Sachs and Company financier, Waddill Catchings, took an interest in the modestly successful company and granted Warner Bros. a \$4 million stock issue in 1925 for studio expansion.¹²⁶ On April 23, 1925, Warner Bros. acquired the Vitagraph Company of

¹²² Ibid., 1, 3. See also, “Universal Issue Out Today,” *Film Daily*, December 4, 1925, 1.

¹²³ The theaters proved to be so unsuccessful that Laemmle began selling them off in 1927.

¹²⁴ “A \$50,000,00 Unit,” *Film Daily*, April 6, 1923, 1, 8. After the success of their first big production, *My Four Years in Germany* (1914), the brothers were looking to slowly expand into production. With the help of Motley Flint, vice-president of the Los Angeles Trust and Savings Bank, they were able to obtain a \$1 million cash loan and started to produce more features. Warner Bros. was incorporated in the state of Delaware. The three distinct corporations were organized in three separate dates: (1) California—where a holding company has been established for studio properties and other real estate; (2) New York; and (3) Delaware—where the holding company for all of the Warner enterprises will be held. See U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 15–16.

¹²⁵ Warner Bros. also acquired the rights for David Belasco’s Broadway properties. Its more successful star in the 1920s, however, was a dog named Rin-Tin-Tin (“Rinty”). Darryl F. Zanuck, who would go on to be Warners’ most celebrated producer in the early 1930s, wrote the majority of the early Rin-Tin-Tin films. For more on the history of Warner Bros. see Clive Hirschhorn, *The Warner Bros. Story* (New York: Crown Publishers, Inc., 1979); Jack L. Warner, *My First Hundred Years in Hollywood* (New York: Random House, 1965).

¹²⁶ “On Warner Board,” *Film Daily*, October 16, 1925 1, 4. Catching was made head of the Finance Committee on Warner Bros.’ Board of Directors after the successful takeover of Vitagraph and the purchase of Vitaphone.

America and entered into nationwide distribution. Although Vitagraph had made very few films in recent years, it did “operate thirty-four domestic and twenty foreign exchanges as well as large studio facilities on both coasts.”¹²⁷ While the new facilities and talent made them competitive with the larger studios, it was their Warner partnership with Western Electric in 1925 that made them real contenders for control of the industry.

In March 1925, Sam Warner went to see a demonstration of the Vitaphone, Western Electric’s sound-on-disc process.¹²⁸ Convinced that sound motion pictures would not only differentiate them from their competitors, Sam convinced Harry that investing in the process would alleviate some of the financial pressures because “canned” musical accompaniment was far less expensive than paying large orchestras to play in all of their major theaters across the country.¹²⁹ The Warner Bros.—Western Electric subsidiary, the Vitaphone Corporation of America, was formed on June 25, 1925.¹³⁰ One year later, on August 6, 1926 Warner Bros. debuted the Vitaphone process in the John Barrymore vehicle, *Don Juan* (Crossland, 1926). The film had a synchronized soundtrack with sound effects, but no spoken dialogue. The following day the Vitaphone was heralded as “the most important development in motion picture exhibition in years.”¹³¹ Although the film was critical success, it did not recoup its costs at the

¹²⁷ Koszarski, *An Evening’s Entertainment*, 90.

¹²⁸ Douglas Gomery, *The Coming of Sound* (New York: Routledge, 2005), 36.

¹²⁹ Warner Bros. had acquired a radio station in Los Angeles that year, KWBC, at Sam’s insistence earlier that year. Sam was able to persuade Harry of its value by pitching it as a way to advertise Warner Bros.’ pictures.

¹³⁰ Gomery, *The Coming of Sound*, 37–38.

¹³¹ “Vitaphone,” *Film Daily*, August 8, 1926, 1, 3. See also, “New Entertainment Possibilities Seen as Vitaphone Debut Soars,” *Film Daily*, August 8, 1926, 1, 3, 12. It was reported that “repeated and prolonged applause indicated that both the Vitaphone and the picture thrilled the audience which filled the house. That the Vitaphone marks a new era in entertainment was the opinion generally expressed in the lobby.” A series of Vitaphone shorts, including one featuring MPPDA president Will Hays, preceded the film.

box-office. While many believed the company was near ruin after *Don Juan*, the brothers pressed on and released the first part-talking feature, *The Jazz Singer* (Crossland, 1927), to commercial and critical acclaim.¹³² With the proceeds from their early talking pictures, Warner Bros. acquired First National's production facilities in Burbank, California and purchased the Stanley Circuit, making the studio "one of the most formidable theater-operating concerns of the country, [and] greatly [fortified] the company's already strong position among producer-distributors, to which it was elevated by the tremendous reception given sound pictures by the public."¹³³ By the end of 1928, Warner Bros. owned 182 theaters and controlled 51 others.¹³⁴

After a decade of accelerated growth in all areas of industry, the battle over first-run theaters was set. Theater circuits and their association with the major producer-distributors defined the motion picture industry. When the dust settled in 1930, there were six vertically integrated studios—Paramount, Fox, Warner Bros., Loew's/MGM, Radio-Keith-Orpheum (RKO), and Universal. In 1931, *Film Daily Yearbook* reported on the affiliated theater chains and estimated that the companies owned a total of 2,437 theaters in the U.S.: Paramount—971 theaters; Warner Bros.—529 theaters; Fox—521 theaters; Loew's/MGM—189 theaters; RKO—161 theaters; and Universal—66 theaters.¹³⁵ Universal sold off its theaters in 1933 after the studio went into receivership during the Great Depression. The five remaining companies acquired theaters in separate areas in the country, which allowed each of them to financially

¹³² On the eve of the premiere for *The Jazz Singer*, Sam Warner passed away.

¹³³ "Warner Deal For Stanley Purchase Is Declared Set," *Film Daily*, September 7, 1928, 1, 6.

¹³⁴ Conant, *Antitrust in the Motion Picture Industry*, 26.

¹³⁵ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 345. Numbers were compiled from the *Film Daily Yearbook*, 1932. See also Conant, *Antitrust in the Motion Picture Industry*, 26.

flourish.¹³⁶ Furthermore, the division of the exhibition branch into separate areas of control “not only eliminated competition in exhibition between the major companies, but also has made each major company the dominant element in every territory in which it operates, even where opposed by independent interests.”¹³⁷ While they owned only one eighth of the theaters operating in the U.S., they were the most important first-run theaters in terms of generating revenue. Michael Conant notes that while the major circuits never attempted to completely eliminate all independent theaters in their areas of operation, they violated antitrust laws “by forcing distributors to cease dealing with independent exhibitors” in an attempt to protect their investment in the downtown theaters.¹³⁸ All five vertically integrated companies continued to build and acquire theaters (albeit much less rapidly) until 1940 when “further acquisitions were enjoined by the consent decree in the *Paramount* case.”¹³⁹ After a decade of contentious competition, a very definite sense of cooperation between the major motion picture studios took its place in the 1930s, a cooperation that [would] last until the *Paramount* decision in 1948.

¹³⁶ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 15–16. With the largest theater holdings, Paramount dominated the Southern states (with first run theaters in every major city); Midwest and Central states including Minnesota, Iowa, Utah, North and South Dakota, eastern Nebraska, and southern Illinois; and was the only affiliated exhibitor in the New England states of Maine, New Hampshire, and Vermont. Fox’s theaters were located primarily in the Western and Mountain states (California, Oregon, Washington, Montana, Colorado, and Wyoming); Fox was the sole affiliated exhibitor in Kansas and western Nebraska and has a major share in Missouri and Wisconsin. Warner Bros.’ theaters were located for the most part in the East including Pennsylvania, New Jersey, New York, and Connecticut; the studio also had important holdings in Massachusetts, the District of Columbia, Maryland, Delaware, Virginia, West Virginia, Ohio, Illinois, Wisconsin, Oklahoma, and Kentucky. RKO’s theaters were predominantly in New York and New Jersey; RKO also had a presence in Ohio, Michigan, and a smattering of 30 theaters located in 10 other states. Loew’s/MGM operated more than one half of the theaters located in New York City proper and had a number of theaters in Ohio and Connecticut. The rest of its theaters were scattered around the U.S. and were among the best first-run houses in the country.

¹³⁷ *Ibid.*, 16.

¹³⁸ Conant, *Antitrust in the Motion Picture Industry*, 84.

¹³⁹ *Ibid.*, 26–27.

Antitrust and the Federal Trade Commission: The Famous Players-Lasky Case

Early prosecution of distribution and exhibition practices began in 1921 when the Federal Trade Commission (FTC) filed suit against Famous Players-Lasky. The FTC began its investigation into the business practices of Famous Players-Lasky soon after Zukor and Lasky acquired Paramount Pictures and Arcraft Pictures Corporation to distribute their films.¹⁴⁰ On August 31, 1921, the FTC issued a formal complaint against the Famous Players-Lasky Corporation, accusing the company of forming an illegal combination in an effort to secure control of the industry.¹⁴¹ The FTC charged Famous Players-Lasky with engaging in unfair competition in “violation of the fifth section of the Federal Trade Commission act, and the purchase of stock in competing concerns in violation of Section 7 of the Clayton Act.”¹⁴² Specifically, the policies enacted by Famous Players-Lasky including block booking as well as the building, purchasing, and otherwise controlling first-run theaters were done “through coercion and intimidation.”¹⁴³ The commission also alleged that out of the 18,000 theaters showing films to 20 million Americans who spend \$4 million in cash to see films every day “67¢

¹⁴⁰ Arcraft Pictures Corporation was formed in August 1916 to distribute the films of actress Mary Pickford. The company operated 25 independent exchanges and distributed the films of other prominent actors of the day including Pickford’s husband, Douglas Fairbanks, William S. Hart, and Lillian and Dorothy Gish. Famous Players-Lasky bought Arcraft the following year when Pickford came to work for Zukor again. See *Famous Players-Lasky Corp.*, 11 F.T.C. 187, 200 (1927).

¹⁴¹ *Famous Players-Lasky Corp.*, 11 F.T.C. at 200.

¹⁴² “Attacks Big Firm as Film Monopoly,” *New York Times*, September 1, 1921, 14. The Clayton Act was enacted in 1914 as an amendment to the Sherman Act and specified specific prohibited actions including (1) price discrimination; (2) conditioning sales on specific dealings; (3) the formulation of mergers and acquisitions in an effort to stifle competition; and (4) serving on the Board of Directors of two competing companies. Section 7 of the Clayton Act states: “No person engaged in commerce or in any activity affecting commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital and no person subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or any part of the assets of another person engaged also in commerce or in any activity affecting commerce, where in any line of commerce or in any activity affecting commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly.” Clayton Act, ch. 323, 38 Stat. 730 (1914) (current version at 15 U.S.C. §§ 12–27).

¹⁴³ “Famous Players Methods Scored,” *Los Angeles Times*, September 1, 1921, 14.

out of every \$1 paid into movie theaters throughout the United States [was] paid to see attractions under the name of Paramount and Paramount-Artcraft pictures, distributed by the Famous Players-Lasky Corporation.”¹⁴⁴ The FTC further charged that Famous Players-Lasky concealed its ownership of some of the corporations it acquired, including Real Art Pictures Corporation, in an effort to hide Paramount’s association with it.¹⁴⁵

According to the FTC, the acquisition of Paramount Pictures (“as a result of the conspiracies and combinations therein”) made the Famous Players-Lasky Corporation “the largest concern in the motion picture industry and...the biggest theater owner in the world.”¹⁴⁶ Like the MPPC’s bid to control the industry in the early teens, the FTC claimed that Famous Players-Lasky’s extensive purchasing of theaters was evidence that Zukor and Lasky intended to create a monopoly.¹⁴⁷ The FTC pointed to specific anticompetitive practices that suggested that Famous Players-Lasky was looking to exclude independents from the marketplace entirely.

Not surprisingly, the principal distribution practice the FTC condemned was block booking. In its investigation, the commission discovered that exhibitors entering into a contract for Paramount film, were forced to purchase an entire season’s (one year) worth of films in a single block. If a theater in a city or small town refused to license the block, Famous Players-Lasky would bargain to license them individually and “in single selling the asking price per film

¹⁴⁴ “Antitrust Charge Against Film Firm,” *Washington Post*, September 1, 1921, 5.

¹⁴⁵ “Attacks Big Firm as Film Monopoly,” 14. The *New York Times* reported that there were “many exhibitors who did not desire to lease Famous Players-Lasky films and leased Real Art Pictures Corporation films in the belief that they were not made or produced by Famous Players-Lasky.” The FTC claimed that all of Famous Players-Lasky’s acquisitions should not have been covered up and should have been made known to the independents.

¹⁴⁶ “Motion-Picture Concerns Are Charged with Unfair Practice,” *Wall Street Journal*, September 1, 1921, 9.

¹⁴⁷ The complaint alleged that in 1920 Famous Players-Lasky owned 400 theaters and supplied the Paramount program to 6,000 of the 18,000 theaters in the U.S. See also “U.S. Accuses Big Firms of Conspiracy,” *San Francisco Chronicle*, September 1, 1921, 8.

was approximately 50 per cent above the price in blocks.”¹⁴⁸ The FTC reasoned that the aggressive block booking tactics made it difficult for independent exhibitors to operate for two reasons: (1) smaller theaters were being forced to license more films than they needed; and (2) because of the high cost of licensing films, any independent theater wanting the Paramount program effectively became a “Paramount theater” for the duration of the contract, as the owner would not be able to afford the licensing fees for another studio’s films. Block booking certainly benefitted the producers and distributors who were guaranteed to make some money on lesser quality films; it was the independent exhibitor who ended up taking a financial hit. The FTC issued a cease and desist order “against the continuing conspiracy, against block booking, and against building or threatening to build theaters for the purpose of coercing exhibitors to license Famous Players-Lasky films.”¹⁴⁹

Famous Players-Lasky was given thirty days to respond to the allegations brought against them by the FTC. Jesse L. Lasky, vice-president of the Famous Players-Lasky Corporation, responded to the charges from Los Angeles the following morning and emphatically stated:

There is nothing in the structure of the Famous Players-Lasky Corporation, which is counter to the anti-trust law. The idea of branding us as a trust is absolutely

¹⁴⁸ Conant, *Antitrust in the Motion Picture Industry*, 27.

¹⁴⁹ Ibid. The FTC and the Department of Justice (DOJ) Antitrust Division enforce federal antitrust laws. If the FTC have evidence that:

a person company has violated the law or that a proposed merger may violate the law, the agency may attempt to obtain voluntary compliance by entering into a consent order with the company. A company that signs a consent order need not admit that it violated the law, but it must agree to stop the disputed practices outlined in an accompanying complaint or take certain steps to resolve the anticompetitive aspects of its proposed merger... Final decisions issued by the Commission may be appealed to a U.S. Court of Appeals and, ultimately, to the U.S. Supreme Court. If the Commission's position is upheld, the FTC, in certain circumstances, may then seek consumer redress in court. If the company violates an FTC order, the Commission also may seek civil penalties or an injunction... The FTC also may refer evidence of criminal antitrust violations to the DOJ. Only the DOJ can obtain criminal sanctions. The DOJ also has sole antitrust jurisdiction in certain industries, such as telecommunications, banks, railroads, and airlines. Some mergers also require approval of other regulatory agencies using a ‘public interest’ standard.

See “Federal Trade Commission—The Enforcers,” Federal Trade Commission, accessed February 17, 2014, <http://www.ftc.gov/tips-advice/competition-guidance/guide-antitrust-laws/enforcers>.

unreasonable. We are not acting in restraint of trade. There isn't a city in the nation where our interests are such that we have exclusive control of the motion picture business. We are, possibly, the largest factor in the production and exhibition of motion pictures in America. That does not make a trust of Famous Players-Lasky. Some organization is bound to be foremost.¹⁵⁰

After several delays, the case against Famous Players-Lasky was brought to trial on April 23, 1923.¹⁵¹

Six weeks before the trial commenced, Zukor and Lasky formally submitted their answers to the FTC's complaint alleging that in conspiracy with others, they were using anticompetitive business practices that violated Section 5 of the Federal Trade Commission Act. In their response, Zukor and Lasky stated that "insufficient facts [were] contained in the complaint; that the commission [failed] to make any charges within the meaning of the act and that the act itself [was] 'indefinite, uncertain and in violation of the Constitution of the United States.'"¹⁵² On the first day of the trial, their former associate, W.W. Hodkinson, testified that he was "put out" of his position as president of Paramount Pictures by Zukor and Lasky.¹⁵³ In his testimony he told the commission of "conversations he had with Mr. Zukor in 1915 and 1916 relative to a producing firm distributing its own pictures...and that as early as 1915 Mr. Zukor had advocated the control of motion picture theatres for the exhibition as well as the production and distribution pictures."¹⁵⁴ Hodkinson said under oath that he disagreed with Zukor

¹⁵⁰ "Motion-Picture Concerns Are Charged With Unfair Practice," 9.

¹⁵¹ The other respondents named in the complaint included both corporations and individuals. Corporations: Realart Pictures Corp., Stanley Company of America, Stanley Booking Corp., Black New England Theaters, Inc., Southern Enterprises Inc., Saenger Amusement Co. Individuals: Adolph Zukor, Jesse L. Lasky, Jules Mastbaum, Alfred S. Black, Stephen A. Lynch and Ernest V. Richards, Jr.

¹⁵² "Deny 'Movie' Conspiracy," *New York Times*, March 18, 1923, 13. See also, "Movie Men Answer Suit," *Washington Post*, March 18, 1923, 2.

¹⁵³ "Hodkinson Discusses Importance of First Run Showings to Independents," *Film Daily*, April 25, 1923, 1,4.

¹⁵⁴ "Says Film 'Trust' Bars Independents," *New York Times*, April 24, 1923, 44.

and asserted, “My objection was purely fundamental. I did not think a healthy condition would result in the industry if such action were taken. I did not think that producers could make pictures in sufficient quantities to support the expensive operation of distribution.”¹⁵⁵ Having formed his own distribution outfit after his departure from Paramount, Hodkinson claimed that “the independent motion picture producers are virtually shut out from exhibiting their films in the first class ‘movie’ theatres on Broadway,”¹⁵⁶ and because of this the independent producer was “compelled to resort to ‘all sorts of measures’ to have his picture shown.”¹⁵⁷

Several independent producers from all over the country took the stand after Hodkinson and aired similar grievances over the difficulties of getting first run bookings in key cities.¹⁵⁸ To combat this, lawyers representing Famous Players-Lasky’s interests countered with testimony from distributors in large markets who claimed that competition had been “normal.” Famous Players-Lasky introduced evidence to refute charges that it “followed an all-or-none policy of distributing pictures in an asserted effort to stifle competition.”¹⁵⁹ In the Southern California and Arizona districts, for example, attorneys for Famous Players-Lasky introduced reports to show that “pictures shown in the 600 motion-picture theaters in the territory since 1920 have included only a fair proportion of those made by Famous Players-Lasky...and in no instance has an

¹⁵⁵ Ibid. See also “Federal Trade Commission Opens Case Against Famous Players,” *Film Daily*, April 24, 1923, 1, 3.

¹⁵⁶ Ibid.

¹⁵⁷ “Hodkinson Discusses Importance of First Run Showings to Independents,” 4.

¹⁵⁸ “Federal Trade Commission Opens Case Against Famous Players,” *Film Daily*, April 24, 1923, 1, 3. The term “key city” is a trade jargon that refers to those cities that are “entrances to the markets of...various communities.” Hodkinson noted that “because of the desire to have these first runs affect the business generally, advertising and exploitation [are] conducted on a much larger scale for...presentation in these communities.” When asked about the first run theaters owned by Famous Players-Lasky he said that there was “practically no possibility to dispose of Hodkinson pictures in any of New York first run theaters owned by Famous Players, excepting now and then a short subject.” Ibid., 3.

¹⁵⁹ “No Unfair Film Booking Found,” *Los Angeles Times*, August 7, 1924, A3.

exhibitor in this district contracted for a complete block of pictures released by the Lasky organization.”¹⁶⁰ The chief examiner for the FTC, E.C. Alvord, found that there was no evidence introduced to suggest that block booking was used in Southern California or Arizona.

As the trial continued on into 1925, the FTC began to lose some its footing. Famous Players-Lasky introduced sufficient evidence that they did not engage in anticompetitive business practices. Zukor and Lasky consistently refuted all claims they conspired to create a monopoly. Because the general language of the FTC’s charges was either too broad or too specific, Famous Players-Lasky’s lawyers were able to poke holes in the commission’s allegations as the example above illustrates. One key finding was that “on the basis that [Famous Players-Lasky’s] share of domestic releases had dropped from 17 per cent in 1919 to 11.6 per cent in 1923 and rentals from 29.8 per cent in fiscal 1919–1920 to 20.5 per cent in 1924, the court found a ‘state of free competition in the industry.’”¹⁶¹ It is also important to note that in the four years since the complaint was filed, five other companies bought theater chains and engaged in the same business practices as Famous Players-Lasky. With other viable competitors now in the market, Famous Players-Lasky’s films were not indispensable to any one exhibitor. According to the brief filed by Zukor and Lasky, the Famous Players-Lasky Corporation “[produced] about one-eighth of the total number feature pictures manufactures; [distributed] about one-eighth of them and is interested in less than one one-hundredth of the motion picture theatres and about one-fifteenth of the key city first run theatres in the country.”¹⁶² To this point,

¹⁶⁰ Ibid.

¹⁶¹ Conant, *Antitrust in the Motion Picture Industry*, 28.

¹⁶² “Zukor and Lasky Deny Monopoly,” *New York Times*, November 3, 1925, 1, 13. The brief further states that “Never has [Famous Players-Lasky] produced more than one-fifth of the total number of feature pictures manufactured; more than one-fifth of the total number of feature pictures distributed or operated more than one seventy-fifth of the motion picture theaters of more than one-tenth of the first run pictures in the country.” Ibid., 13.

they argued that these numbers reflect normal expansion and do not indicate that Famous Players-Lasky dominated the market.

Zukor and Lasky also responded directly to the FTC's suggestion that they should "divest themselves of all interests which they have in theatrical properties where motion film is exhibited," claiming that "a motion picture producer, like any other manufacturer, may lawfully sell its product directly to the ultimate consumer and may lawfully own the facilities—that is, theatres—necessary for such sale."¹⁶³ While the FTC took issue with the rapid expansion of the Famous Players-Lasky Corporation between 1918 and 1920, Zukor and Lasky exclaimed, "What have [our] competitors been doing? The mere and absolute size of [Famous Players-Lasky] constitutes no violation of either the Sherman Act or Section 5 of the Federal Trade Commission Act."¹⁶⁴ On November 25, 1925, testimony ended. While there was no clear-cut winner after this first round of hearings, the FTC's failure to prove monopoly four years after the original complaint was filed was a victory of sorts for Famous Players-Lasky.

Attempts to prosecute Famous Players-Lasky did not end in 1925. For the next two years, the FTC continued to investigate the studio's anticompetitive practices. On July 9, 1927 the FTC cited Famous Players-Lasky as a trust, and found that Adolph Zukor and Jesse L. Lasky, operating through Paramount "conspired and confederated together...to unduly hinder competition in the production, distribution and exhibition of motion picture films in interstate and foreign commerce and to control, dominate, monopolize or attempt to monopolize the motion picture industry."¹⁶⁵ In its final report, the commission condemned the practice of block

¹⁶³ Ibid., 1.

¹⁶⁴ Ibid., 13.

¹⁶⁵ "Lasky Ordered to Cease Monopolistic Practices," *Los Angeles Times*, July 10, 1927, 1. The FTC's order dated July 9, 1927 prohibits Zukor, Lasky, and Paramount: "(1) From continuing a conspiracy among themselves or with

booking, under which Famous Players-Lasky refused to lease films individually and imposed a policy of leasing films in blocks that contain not only feature films which the exhibitor feels compelled to lease, but numerous other films of lower quality the exhibitor was forced to accept. The exhibitor's only alternative—to lease a smaller number of films at an exorbitant price—made competition with other theaters virtually impossible. Moreover, because of Famous Players-Lasky's dominant position in the industry, the FTC claimed:

[Famous Players-Lasky's] methods of competition, policy and practice [were] necessarily followed, adopted and maintained by all competitors of Famous Players-Lasky Corporation that [were] strong enough to acquire and operate first-class, first-run theaters to exploit their most meritorious pictures and to offer to lease, and lease films in blocks only, and in sufficient numbers to occupy the available exhibition time of exhibitors. Thereby it [was] made difficult for small and independent producers or distributors of films to enter into or remain in the moving picture industry or market or to lease individual pictures on merit.¹⁶⁶

In addition to block booking being ruled illegal, Zukor and Lasky were further ordered to refrain from acquiring more theaters. In its final summation, the commission held that the above stated acts constituted “‘unfair competition’ as defined and prohibited by Section 5 of the act creating the Federal Trade Commission.”¹⁶⁷ Famous Players-Lasky, Zukor, and Lasky were given 60 days to file a report with the FTC outlining the manner in which they intend to comply with the order.

other persons to lessen competition and restrain trade in interstate and foreign commerce in the production, distribution and exhibition of motion-picture films; (2) From the practice of block booking, i.e., leasing films in a block or group and compelling the picture house which shows the films to all pictures in the group of block, or none at all without regard to the character of the pictures or the wishes of the picture house; and (3) From acquiring or threatening to acquire theaters for the purpose of intimidating or coercing an exhibitor of films to book and exhibit films of the Famous Players-Lasky Corporation.” See “Text of Paramount Decision,” *Film Daily*, July 18, 1927, 4, 21, 23.

¹⁶⁶ “Famous Players Guilt of Film Trust Conspiracy, Says Trade Commission,” *New York Times*, July 10, 1927, 1, 19.

¹⁶⁷ *Ibid.*, 19.

Three days after the FTC's ruling was handed down, Zukor announced that Paramount Famous Players-Lasky would disregard the order as it related to block booking and would not make any changes to its current sales policy. In a statement submitted to the press Zukor said:

We are glad to find that, after the commission's searching investigation begun in 1921 and but recently completed, the only existing business practice of this corporation to which its order purports to apply is the sales method of offering pictures in groups referred to by the Commission as 'block booking' ... This sales method is not peculiar to our company, but is almost universal in the industry. It will be seen that the Commission's order, if sustained by the courts, will present a question which will have to be dealt with not alone by the Paramount Company, but by the entire motion picture industry. Therefore, no change in our existing sales policies is contemplated at the present.¹⁶⁸

Zukor's argument was not lost on those in the industry. Indeed, if the FTC or the Department of Justice were to come after Paramount, they would have to include all of the vertically integrated companies that engaged in the very same practices. He made a similar argument in 1925 and was determined to stick to it. Zukor was not, after all, alone in this matter. It would take the cooperation of the major motion picture studios to stave off government attacks. But one thing was certain: the inquiries into their business practices were not going to stop.

To be sure, the introduction of sound technology in 1927 took some of the attention off of Zukor and Paramount. The rivalry between Warner Bros. and Fox's sound systems and the entry of Radio Corporation of America (RCA) into film production, distribution, and exhibition through its subsidiary, Radio-Keith-Orpheum Corporation (RKO) created new competition, making it clear that Famous Players-Lasky was not the only studio monopolizing the film industry as the FTC had previously asserted.¹⁶⁹

¹⁶⁸ Ibid.

¹⁶⁹ Warner Bros.'s sound system—the Vitaphone—was a sound-on-disc process; Fox's sound system—Movietone—was a sound-on-film process. Western Electric, a subsidiary of AT&T, organized a marketing subsidiary called Electrical Research Products, Inc. (E.R.P.I.) in 1926. After terminating its exclusive patents it had given Warner Bros. for the Vitaphone process, E.R.P.I. locked in the rest of the industry in 1928. By December of

Throughout the FTC’s investigation into the monopolistic practices of Famous Players-Lasky in the 1920s, Zukor and Lasky had the support of the industry’s trade organization, the Motion Picture Producers and Distributors of America, Inc. (MPPDA) and its president, Will Hays. As discussed in Chapter One, the MPPDA was established in 1922 after several reform groups pressed for federal censorship after a series of Hollywood scandals rocked the nation. However, in addition to implementing steps towards self-regulation in an effort to combat the threats of government intervention, Hays and the MPPDA worked to “provide means for adjusting their internal disputes without recourse to the courts.”¹⁷⁰ Supported by the largest motion picture studios, the MPPDA fostered the adoption of important trade practices and was “an illuminating example of the cooperation of large business units” by 1928.¹⁷¹ While the necessity for a trade organization came about as a result of outside forces threatening to dictate the industry’s policies and business practices in the early 1920s, the MPPDA was instrumental in the implementation of every protectionist measure the studios took as it crystallized its business pattern at the end of the decade. All pricing and trade practices were sanctioned and supported by

that year, “E.R.P.I. had 90 per cent of sound film production under exclusive licenses, and 1,046 theaters were using it in its sound equipment as compared to 95 theaters using other makes. This was accomplished by refusing films to theaters which did not have Western Electric reproducing equipment.” In 1928, RCA created a subsidiary, RCA Photophone, Inc., to market its own variable density sound-on-film process—the Photophone. RCA objected to E.R.P.I.’s licenses with the major film companies as well as the producer licenses, which required them to “pay royalties on all sound films produced or distributed using the technology. Because RCA signed a cross licensing of patents agreement in 1926, they were subject to payment of the above stated royalties even if they produced sound films using the Photophone. This gave E.R.P.I. almost complete control over sound technology. In order to capitalize on the sound technology RCA developed, RCA head, David Sarnoff, created RKO—a vertically integrated motion picture company—in 1928. RKO was established after Sarnoff acquired Joseph P. Kennedy’s Film Booking Offices of America (FBO) and the Keith-Albee-Orpheum theater chains. RKO was the only studio not tied to E.R.P.I.’s licensing agreements. The exclusive control over sound technology came to an end in 1935, after the threat of private antitrust action resulted in a settlement between RCA and AT&T, bringing an end to E.R.P.I.’s exclusive control contracts. See Conant, *Antitrust in the Motion Picture Industry*, 28. For more information on motion picture sound, see Gomery, *The Coming of Sound*. For more information on the history of RKO, see Richard B. Jewell, *RKO Radio Pictures: A Titan is Born* (Berkeley: University of California Press, 2012).

¹⁷⁰ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 6.

¹⁷¹ *Ibid.*

the MPPDA including clearance and zoning, admission prices, film rentals, and marketing patterns.

Paramount Famous Players-Lasky's legal battles with the FTC throughout the 1920s had a significant impact on the entire industry. After it became clear that sound films were the future of the motion picture industry, the studios adopted the same sound technology and borrowed millions of dollars from Wall Street banks to build and buy extravagant theaters that were equipped for sound. By the end of the decade Hays and other executives believed that it was imperative that MPPDA members band together and implement procedures and practices that were uniformly exacted by the studios in all their business dealings.

One of the first policies the MPPDA enacted in the immediate post-sound period was the standardization of exhibition contracts. On May 1, 1928 the MPPDA adopted a standard contract between distributors and exhibitors after both parties agreed that the arbitration of disputes was a fair trade practice and "essential to modern business."¹⁷² The studios agreed that "the standard exhibition contract would be used for all contracts with exhibitors."¹⁷³ The MPPDA established arbitration boards in the 31 cities where the Film Boards of Trade were located.¹⁷⁴ Each Film Board of Trade was comprised of MPPDA affiliated distributors that distributed nearly "60 per cent of the motion picture films distributed annually in the United States...[and these same] film boards of trade distribute approximately 98 per cent of the motion picture films distributed

¹⁷² "Confident," *Film Daily*, May 1, 1928, 1.

¹⁷³ William F. Whitman, "Anti-Trust Cases Affecting the Distribution of Motion Pictures," *Fordham Law Review* 7 (1938): 194.

¹⁷⁴ *Ibid.*, 193.

annually in the United States.”¹⁷⁵ In the spring of 1928 the form contract was agreed upon and adopted by both distributors and exhibitors after several meetings. The contract provided for “the compulsory arbitration of disputes and the furnishing of security by an exhibitor to each distributor in the event of failure to arbitrate disputes or to abide by the award of the arbitrators and gave each distributor the option to cancel its contract upon the failure of the exhibitor to furnish security” if the demand is not complied with within seven days.¹⁷⁶ However, it was impossible for any theater owner to secure first-run “A” pictures without dealing with one or more of the members of the Film Board of Trade in a particular territory—especially if the theater was not affiliated with one of the major studios.

Five months later, Department of Justice filed a lawsuit against the ten leading distributors for conspiring to restrain trade (a violation of Section 1 of the Sherman Act).¹⁷⁷ The conspiracy charged in *United States v. Paramount Famous Players-Lasky Corp.* (1929) was “predicated upon acts of the defendants in adopting and agreeing to use, and in using

¹⁷⁵ *United States v. Paramount Famous Players-Lasky Corp.*, 34 F. 2d 984, 984–985 (S.D.N.Y. 1929). The rules of arbitration provided that the board of arbitration “[consisted] of six persons, three of whom [must] be members of the film board of trade, called distributor’s representatives, and three of whom [must] be proprietors or managers of theaters in the territory where the film board of trade is located, called exhibitor’s representatives, provided, however, that in no event [should] such exhibitor’s representatives be managers of theaters owned or controlled by producers or distributors.”

¹⁷⁶ Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 194.

¹⁷⁷ *Ibid.* Although this lawsuit was tried separately, it was a companion case to *United States v. First National Pictures, Inc.* (1929), which was decided on September 25, 1929. In this case, the Supreme Court said the credit committee’s rules adopted by the local film boards of trade in 1926 were illegal. The rules stipulated that “distributors agreed not to license films to the purchaser of a theater until he had agreed to preform the uncompleted distribution contracts of the former owner or made some satisfactory settlement with distributors who were in contract with the former owner.” This rule was meant to protect distributors’ block booking agreements. See Conant, *Antitrust in the Motion Picture Industry*, 28.

The Court held in *United States v. First National Pictures, Inc.*, that “the agreement of distributors to endeavor to prevent exhibitors from colorable transfers of theatres for the purpose of evading film contracts by requiring an exhibitor to deposit security, unless he assumed the existing film contracts, or until his credit rating had been approved, was an unreasonable restraint on interstate commerce.” See Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 195.

exclusively, certain uniform contracts for the lease of motion picture films to theater owners throughout the United States, containing provisions for the determination by arbitration of all claims and controversies arising under said contracts, and in adopting and enforcing collective action rules governing the procedure and practice to be followed in the arbitration of such claims, and in the enforcement of arbitration awards.”¹⁷⁸ On October 15, 1929, District Court Judge Thomas D. Thatcher granted an injunction against enforcement of the “alleged illegal provisions of the standard contract and arbitration agreements.”¹⁷⁹ In his opinion Judge Thatcher found that exhibitors who were not represented in the adoption of the uniform contracts have “been constrained to accept their terms regardless of their wishes...That such coercive restraint upon commercial freedom of an exhibitor, who is neither represented nor consulted with reference to the agreement to adopt the standard form of contract is undue and unreasonable, both at common law and under the Sherman Act.”¹⁸⁰ This case was one of the first among many to follow that raised the question as to whether the MPPDA distributors acted together or as a result of a pre-existing understanding in the adoption of a particular form of contract that resulted in a restraint of trade affecting interstate commerce.

Cooperation and Self-Regulation: The National Recovery Administration’s (NRA) Fair Code of Competition and the Hays Office

When the stock market crashed on October 29, 1929 there was grave concern in Hollywood as to whether or not the studios would be able to survive the economic crisis.¹⁸¹

¹⁷⁸ Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 194.

¹⁷⁹ “‘Compulsion’ Big Issue of U.S. Decision,” *Film Daily*, October 17, 1929, 4.

¹⁸⁰ *Paramount Famous Players-Lasky Corp.*, 34 F. 2d at 989.

¹⁸¹ “Wall St. Lays an Egg,” *Variety*, October 30, 1929, 1, 64.

Caught in the downward free fall of the market, film stocks hit new lows.¹⁸² The studios had borrowed heavily from investment banks to finance the new technology and theater equipment necessary for sound motion picture production and exhibition. Coming on the heels of the talking picture craze, Wall Street investors closely monitored their recent investments. Surprisingly, box-office receipts were not immediately affected by the crash. Despite the lowered purchasing power of Americans in the early days of the Depression, the new technology kept audiences intrigued. However, when the novelty of talking pictures wore off, box office receipts plummeted. Average weekly attendance “dropped from an estimated 80 [million] in 1930 to 50 [million] in 1932 and 1933.”¹⁸³ It was clear that the industry was not immune to the economic effects of the Depression as studio executives once believed. When their massive theater holdings and real estate investments started to depreciate in 1931, Wall Street creditors began to exercise more direct influence. With the largest theater holdings, Paramount was adjudicated bankrupt in 1933 and was reorganized in 1935; RKO and Universal went into equity receivership; Fox went into receivership and was eventually reorganized after William Fox’s ouster from his own company.¹⁸⁴ Unable to afford the upkeep, the studios began dropping

¹⁸² “Crash Hits Film Issues,” *Film Daily*, October 29, 1929, 1.

¹⁸³ Conant, *Antitrust in the Motion Picture Industry*, 32.

¹⁸⁴ *Ibid.*, 31. See also U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 7. In 1933 Universal sold off all of its remaining theaters and became a producer-distributor. After trying to merge Fox with Loew’s-MGM after Marcus Loew’s death, William Fox found himself in the center of an antitrust investigation. In the government’s examination of Fox’s business practices, it was found that not all of his dealings were done above board. While recovering from a car accident in 1929, the stock market crashed, leaving Fox in financial ruin. The government refused to let the Fox-Loew’s merger go through on the grounds that it violated antitrust law. Fox was forced out of his own company in 1930 and was forced to sell off his holdings during bankruptcy hearings. In 1935, the Fox Film Corporation, under the leadership of its new president Sidney Kent, merged with Darryl F. Zanuck’s company, Twentieth Century. The new corporation was called 20th Century-Fox.

theaters they could not afford to keep any more. It is estimated the number of theaters owned by the major motion picture studios went from 3,600 in 1930 to 2,225 in 1935.¹⁸⁵

In the spring of 1933, President Roosevelt’s “Brains Trust” formulated the National Industrial Recovery Act (NIRA) to meet the immediate needs of the crippling economy.¹⁸⁶ Sanctioning, enforcing, and allying industries, the NIRA was the single most divisive economic experiment of the New Deal. The sole objective of the bill introduced to Congress was “the widespread and permanent re-employment of workers at wages sufficient to secure comfort and a decent living.”¹⁸⁷ Industrial and trade groups were called upon to draft industry-wide “Codes of Fair Competition” that limited competition, fixed prices and wages, and established labor quotas.¹⁸⁸ Once submitted, the Codes were subjected to public hearings and required the signature approval of the president. After the NIRA was signed into law on June 16, 1933, Roosevelt signed a separate executive order establishing the National Recovery Administration (NRA) and selected a member of his “Brains Trust,” General Hugh S. Johnson, to act as the Administrator for Industrial Recovery.

Like other big industries in the country, the motion picture industry was subject to regulation as an amusement trade and submitted its own Code of Fair Competition to Johnson on

¹⁸⁵ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 7.

¹⁸⁶ During his 1932 election campaign, Roosevelt recruited a trio of Columbia University professors—Raymond Moley, Rexford Guy Tugwell, Adolph A. Berle, Jr—to advise him on economic and social issues that plagued the country. After the election Moley, Tugwell, and Berle were kept on as special advisers to the president. Other intellectuals including Basil (“Doc”) O’Connor, Samuel I. Rosenman, and General Hugh S. Johnson were hired to aid in the development a recovery plan for the country. Coined the “Brains Trust” by *New York Times* reporter James Kieran, the programs devised by these men became the backbone of the New Deal.

¹⁸⁷ Charles Dearing, et al., *The ABC of the NRA* (Washington: The Brookings Institution, 1934), 13.

¹⁸⁸ *Ibid.*, 13–14.

August 23, 1933.¹⁸⁹ At the mandatory public hearings held in Washington on September 12–14, several objections to the motion picture Code were submitted. Among the chief complaints were the excessive salaries of the executives and above the line talent, the competitive methods that were used to obtain the services of various classes of employees (artistic, technical, supervisory, etc.), and the monopolistic business practices used by the studios to limit competition from independent producers and exhibitors.¹⁹⁰ Under the NIRA, Roosevelt was given a “degree of power over business enterprise unparalleled in the previous peace-time history of the country...the concept of ‘business affected with a public interest’ was thought of as having a far wider application than had been given it in the past.”¹⁹¹ After mulling over the grievances levied against the industry, Roosevelt, in his Executive order dated November 27, 1933, tentatively agreed to approve the Code after a thorough investigation into the above provisions was made by an assigned deputy administrator.¹⁹² Hays and the moguls were informed that if the NRA representative discovered that the objectionable provisions did indeed violate the spirit of the

¹⁸⁹ Sol A. Rosenblatt, *Report Regarding Investigation Directed to Be Made by the President in His Executive Order of November 27, 1933, Approving the Code of Fair Competition for the Motion Picture Industry* (Washington: Government Printing Office, 1934), 1.

¹⁹⁰ *Ibid.* This last complaint held no bearing on the industry’s Code of Fair Practice because anti-trust laws were suspended. Working outside of the studio system, independent producers and exhibitors were not consulted when industry insiders drafted its Code of Fair Competition. It was not in the best interest of the vertically integrated studios to do so. The moguls felt that business practices including block booking and blind bidding were necessary if the studios were to make it out of the Depression. While the complaints of the independent producers and exhibitors did not go unheard by members of Congress, the loosening of anti-trust laws during the brief tenure of the NRA made it perfectly acceptable for the motion picture industry to continue conducting their business as usual.

¹⁹¹ Dearing, et al., *The ABC of the NRA*, 12. Section 3 of the NIRA states that industrial and trade groups “must place before the President for approval codes of fair competition for their respective trades or industries. The President is authorized to approve such codes, if he finds: (1) That the applicants for a code impose no inequitable restrictions to membership in the groups represented; (2) that the applicants are truly representative of the trades or industries for which they speak; (3) that such proposed codes are not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against the latter; and (4) that the proposed codes will, in his judgment, tend to effectuate the policy of the law.” See *Ibid.*, 16.

¹⁹² *Ibid.*, 3.

Code of Fair Competition, immediate changes (or even omission) must be made before the president approved it.

Sol A. Rosenblatt, a former industry lawyer and current Deputy Administrator in charge of amusement and transportation codes for the NRA, was put in charge of the investigation into the questionable provisions in the motion picture industry's Code of Fair Competition. He informed Hays that he would be coming out West to gather "more facts and enlightenment on the subject matter, as [he] believed that such material upon which proper conclusions could be based might be more properly secured by direct contact with the production executives and employees affected by the investigation employed in production."¹⁹³ With pressure coming from the Catholic Church and women's groups demanding a moral cleanup of Hollywood, industry insiders remained skeptical about the purpose of Rosenblatt's visit. When the NRA called for revisions of an industry or trade's Code of Fair Competition, officials were typically given ninety days to revise the document. And while it was not out of the ordinary for an NRA official to meet with industry officials in person, it was not the agency's practice during the revision process.¹⁹⁴ With the negative press Hollywood received in recent months, Hays and the moguls mulled over the purpose of Rosenblatt's visit. Ultimately, they were concerned that: (1) the government was making inquiries into whether or not federal regulation of film content needed to be imposed; and (2) Rosenblatt might be looking more closely at some of the public claims made by independent exhibitors and producers, as well as the Motion Picture Research Council

¹⁹³ Rosenblatt, *Report Regarding Investigation*, 3.

¹⁹⁴ Over 500 Codes of Fair Competition were drawn up between June 1933 and March 1934; nearly a quarter of which had to be revised and resubmitted. While the NRA had a large number of employees, the agency was overburdened with drawing up each industry's code. See Dearing, et al., *The ABC of the NRA*.

(MPRC), regarding certain business practices employed by the studios that limited competition and put a stranglehold on the industry.¹⁹⁵

Hays and the moguls rightly worried that government oversight of the industry would lead to federal censorship.¹⁹⁶ In truth, Rosenblatt did not come to Hollywood on January 20, 1934 to investigate the need for regulating motion picture content. Per the instructions of Johnson, Rosenblatt was officially there to look into some of the business practices that were outlined in the original Code of Fair Competition submitted by the motion picture industry including the excessive salaries of executives and above the line talent, as well as labor issues surrounding the length and terms of employee contracts. While he was aware that industry insiders were on edge after the Catholic Church's formation of the Legion of Decency in October/November 1933, Rosenblatt did not want to get NRA business mixed up with any discussion about the morality of motion pictures.¹⁹⁷

¹⁹⁵ During the September hearings, several independent producers and exhibitors claimed that the motion picture industry was engaged in monopolistic business practices that made it difficult for them to turn a profit. They called for the elimination of block booking, blind bidding, and the arbitrary clearance and zoning policies enforced by the studios. In Roosevelt's Official File 73 (Motion Pictures) at the Franklin Delano Roosevelt Library, there are several letters to Rosenblatt from independent theater owners about the anticompetitive business practices the studios engaged. The majority of the letters ask that Rosenblatt prohibit these practices in the motion picture industry's own Code of Fair Competition. See Box 2, July-October 1933 folder.

¹⁹⁶ The U.S. Supreme Court's decision in *Mutual Film Co. v. Indus. Comm'n of Ohio* (1915) found that motion pictures did not have protection under the first amendment, which made the industry vulnerable to the threat of federal and state censorship. The passage of the National Industrial Recovery Act (NIRA) into law exacerbated this threat as the number of groups opposing motion content grew steadily. The creation of the Catholic Legion of Decency and the Motion Picture Research Council posed a real concern for the motion picture industry. While the Legion of Decency gave film ratings based on moral grounds, the Motion Picture Research Council, a group composed of social scientists subsidized by the Payne Fund, had come to the conclusion (via a three-year scientific study on the impact of motion pictures on children titled *Our Movie-Made Children*) that without regulation Hollywood films were "extremely likely to create a haphazard promiscuous, and undesirable national consciousness." See Henry James Forman, *Our Movie Made Children* (New York: Macmillan, 1933), 140.

¹⁹⁷ Hollywood's inability to enforce the Production Code led to the creation of the Legion of Decency in late 1933. In a matter of weeks, the Catholic Church had thousands of its parishioners from around the country sign a pledge to boycott motion pictures that offended decency and Christian morality. Like the Studio Relations Committee (SRC), the Legion of Decency employed a group of censors (mainly priests) who screened motion pictures. Their job was to give each new film a rating that was to be read out loud to Catholic parishioners every Sunday after the priest delivered his sermon (the full list of ratings was also published in the weekly church bulletins). Films were rated as

Hays, Breen, and Joy spent the Christmas holiday preparing for Rosenblatt's arrival.¹⁹⁸ In response to Rosenblatt's initial letter informing Hays of his trip west, Hays assured him that he would receive "the fullest cooperation from each group concerned."¹⁹⁹ In an attempt to ease the palpable tension during the first hours of his twelve-day visit, Rosenblatt told industry insiders at a scheduled dinner speech for the Western Association of Motion Picture Advertisers that he was personally "opposed to government regulation...and I am opposed to the snooping activities of certain reforming organizations."²⁰⁰ Ever the New Dealer, Rosenblatt concluded his brief remarks by firmly suggesting that trip out west on behalf of the NRA meant serious business

follows: A—morally unobjectionable; B—morally objectionable in part; and C—condemned. The A rating was divided into three categories: A-I—suitable for all audiences; A-II—suitable for adults and adolescents; A-III—suitable for adults only; and A-IV—suitable for adults with reservations. By signing the Legion of Decency pledge, Catholics around the country promised to boycott any film that received a C rating. According to Thomas Doherty, copies of the pledge were "distributed wherever Catholics congregated: Sunday masses, parochial schools, and, to the horror of exhibitioners, in front of motion pictures to patrons queuing in line." This coordinated effort made the Legion of Decency "the most feared of all of the private protest groups bedeviling Hollywood." Unwilling to risk the possibility of losing eternal salvation, Catholics around the country kept their promise and stayed away from films that were officially condemned by the church. Among the first films to receive a C rating were Ernst Lubitsch's *Design for Living* (1933), Rouben Mamoulian's *Queen Christina* (1933), and the Czech film *Ecstasy* (1933)—the first film to show sexual intercourse and female orgasm. With over 20 million Catholics in the U.S. in 1933, the threat of losing such a large number of potential moviegoers worried industry insiders. As box office receipts continued to dwindle in the midst of the Depression, Hays and the moguls found themselves once again in the middle of public relations disaster that could possibly bring down the industry. See Thomas Doherty, *Hollywood's Censor: Joseph I. Breen and the Production Code Administration* (New York: Columbia University Press, 2007), 57–58.

¹⁹⁸ "Can't Be Annoyed by Yelps," *Daily Variety*, December 9, 1933, 1, 3. Before the holiday, Hays and some of Hollywood's insiders met with Roosevelt and NRA head General Hugh S. Johnson in Washington two days after Rosenblatt scheduled his visit with them. There is no official record of the meeting, but *Daily Variety* reported that the executives "emerged [from the meeting] very glum." *Ibid.*, 3. It must have been made plain by Roosevelt and Johnson that the government was, in fact, monitoring the industry's every move from accusations of monopolistic business practices to the outcry over film content. Hays, Joy, and Breen, reconvened on December 26 and began formulating a plan. Hays wanted to avoid any suggestion that the Production Code should be folded into the NRA Code.

¹⁹⁹ Rosenblatt, *Report Regarding Investigation*, 3.

²⁰⁰ "Doesn't Care for Censors," *Daily Variety*, January 31, 1934, 1, 3. Rosenblatt maintained his position on federal censorship after the final approval of the motion picture industry's Code of Fair Competition. He told the Motion Picture Herald later that year, "I myself do not believe in [government censorship]. Self regulation and education, under powerful and virile leadership, are the only effective mediums." See "Rosenblatt Against Federal Censorship," *Motion Picture Herald*, October 20, 1934, 12.

insofar as the government's inquiry into some of the provisions set forth in the Code of Fair Competition are concerned. He told executives that "unless the facts are faced and present indications are taken into account, the industry is set for plenty of trouble."²⁰¹

The first part of his statement was, in fact, exactly what Hays and moguls wanted to hear. For the next week and a half Rosenblatt conferenced with representative executives, actors, directors, writers, technicians and supervisors who supplied him with the necessary information needed to report back to Johnson and Roosevelt. Before his visit, Rosenblatt had sent questionnaires to every employee of the motion picture industry regarding salary compensation. More than 2,000 questionnaires were mailed to companies and individuals engaged in the production, distribution, and exhibition of motion pictures.²⁰² Hays arranged for Rosenblatt to meet with employees from each studio to discuss excessive salaries and unfair business practices used in securing the services of certain classes of employees. What Rosenblatt discovered, however, was "a divergence in views regarding the practicability, enforceability and wisdom of the suspended provisions of the code."²⁰³

Throughout his visit, Rosenblatt listened to industry officials describe the general problems the studios were experiencing in the wake of the Great Depression. Among the factors contributing to the crippled financial conditions of the industry were: "(1) a greatly reduced mass audience for screen entertainment by reason of wide-spread unemployment; (2) great operating losses, due to undoubted over-investment in large-type theatres; (3) cutthroat competition for the services of outstanding screen personalities, resulting in (4) excessive salary ranges, making it

²⁰¹ Ibid., 1, 3.

²⁰² Rosenblatt, *Report Regarding Investigation*, 3.

²⁰³ Rosenblatt, *Report Regarding Investigation*, 3.

difficult to secure economical production.”²⁰⁴ Rosenblatt was informed by Hays that the suspended provisions of the Code of Fair Competition he was there to investigate—the necessity for excessive salaries and the unfair competitive methods used in negotiating contractual relationships between the studios and their employees—were rationalized by industry sponsors as absolutely necessary for the financial rehabilitation of the production division of the motion picture industry.²⁰⁵ Hays contended “(1) that the payment of excessive salaries constitutes a major factor in the maintenance of high production costs, and that the rationalization of production costs can be best accomplished by devices to control the payment of excessive salaries; and (2) that the provisions dealing with excessive salaries, and with unfair competitive practices utilized in securing the services of certain classes of employees, [furnished] an effective and practical method of control.”²⁰⁶

With three of the five vertically integrated companies operating in bankruptcy and receivership and all five losing money at the box office, Rosenblatt found no indication that progress was being made to lower production costs. He also noted that the salaries of executives and creative talent had not been adjusted to the changed earning capacity of the studios. Rosenblatt’s comprehensive statistical survey covered a cross section of the activities of 77 separate organizations used in the investigation and personal information was obtained from each

²⁰⁴ Ibid., 4.

²⁰⁵ Ibid. Rosenblatt was informed of the financial state of the five vertically integrated companies during the discussions that took place in January 1934. In his report for Johnson and Roosevelt, Rosenblatt outlined the conditions of the industry. He writes: “Of the 5 largest companies in the field, 1 is in bankruptcy (Fox); 1 is operating in receivership and bankruptcy (Paramount Pictures, Inc); 1 undertook capital reorganization to meet an indebtedness of \$42,000,000 (R-K-O); 1 showed a loss of more than \$16,000,000 for the year 1932 (Warner Bros.); and the earnings of 1 were reduced from a net income of \$15,000,000 in 1931 to a net income of \$7,000,000 (Universal).” Ibid.

²⁰⁶ Ibid.

organization regarding the total number of, and total compensation to, all of its employees.²⁰⁷ To his credit, Rosenblatt acknowledged that “no salary is too high or excessive if the picture produced by the individual receiving the salary meets with unusual public favor...Such a picture may continue to earn large sums after the charges for the services which produced it have been absorbed.”²⁰⁸ On the other hand, Rosenblatt argued that the reverse may also be true because “public popularity of artist is a flimsy and perishable product. It is dependent upon the vagaries of public favor. A screen personality may be a popular hero today and forgotten tomorrow.”²⁰⁹ In his final report, Rosenblatt firmly states that these indeterminate factors make it difficult but not inherently impossible for executives to “maintain a reasonable adjustment between income and outlay for salary payments to executives and artists.”²¹⁰ Rosenblatt argued that the difficulties he observed were not particular to the motion picture industry but were found in “every commercial enterprise whose existence is dependent upon the whims of public favor.”²¹¹ Despite the many

²⁰⁷ Rosenblatt distributed the surveys on January 15, 1934 and requested that they be returned no later than February 15, 1934. His survey included a comprehensive look at the salary information of executives; supervisors; clerical and office workers; service employees; actors and actresses; extra players; directors; musical directors and musicians; writers, authors and dramatists (regularly employed and not regularly employed); composers, arrangers, and librarians; artists and sculptors; scenic artists and designers; costume designers; sound engineers; sound technicians; cameramen; studio mechanics; laboratory workers; and “all other” employees. For salary breakdowns, see Rosenblatt, *Report Regarding Investigation*, Appendix.

²⁰⁸ Rosenblatt, *Report Regarding Investigation*, 5.

²⁰⁹ Ibid. To this end, Rosenblatt states that it is difficult for film executives to “determine with even a reasonable degree of certainty the extent of the contribution made to a motion picture by the author, director, actor, scenic artist, photographer, publicity agent, or any one of a large number of individuals who contribute to its creation and final presentation to the public.” Ibid.

²¹⁰ Ibid.

²¹¹ Ibid., 5, 6. During their conferences with Rosenblatt, Hays and the other industry executives claimed that the lucrative star system led to the inflated salaries of artists and created a vicious cycle of bidding for their services. As an outsider looking in, Rosenblatt observed that the institutionalization of the star system—a system the producers created themselves—had come to plague the industry. According to Rosenblatt, “the practice of competitive bidding for stars, which has led to a great deal of the mischief in the production division of the industry, is based on the stuff of which stars are made. It appears that the services preformed by stars and directors are of such character, and moreover, their temperament is of such character, that complete contentment is necessary to the proper performance of their work. Their value is apparently nil when they are ‘unhappy’...The mere offer to a star of substantially

legitimate reasons given by Hays and other industry officials concerning the comparatively high salaries and the difficulties they experienced in setting proper salary standards, Rosenblatt concluded that “the fact remains that all available evidence [indicated] that primary gross salary ranges in the motion picture industry have gone beyond any rational standard of compensation, i.e., based upon a percentage of the receipts representing the contribution of the picture.”²¹²

Rosenblatt’s assessment of the second suspended provision of the industry’s Code of Fair Competition he was called upon to investigate paints an unflattering picture of the industry’s contract negotiations. Specifically at issue with the NRA, were the provisions surrounding the competitive offers of employment. The sections suspended by Roosevelt’s Executive Order sought to preserve the relationship between a producer and his employees by controlling the terms under which competing offers of employment may be made.²¹³ In his discussions with stars, directors, and writers, Rosenblatt was informed by all those affected that “any restriction on their right to negotiate...would constitute an interference not only with their legal rights, but also with the right to assure themselves presently for the future.”²¹⁴ The producers provided a

increased compensation upon termination of his existing contract apparently produces a psychological effect in his work which tends to decrease or actually destroy the value of his services with his present employer. Thus, in actual operation, a producer can by a mere offer compel his competitor to increase the compensation of the star beyond the value which the business judgment of that producer has placed upon the services of this employee.” *Ibid.*, 6.

Rosenblatt reached the conclusion that the competitive bidding between producers for the services of stars not only forced the salary scales to excessive heights, but also lowered the quality of film entertainment. In a time of severe economic depression, Rosenblatt stated that the producers must make a considerable effort to “correct the abuses resulting from excessive production costs.” *Ibid.*, 6.

²¹² Rosenblatt, *Report Regarding Investigation*, 5.

²¹³ *Ibid.*, 10. Producers sought to control the terms of competing offers of employment in three ways: (1) prior to the last 30 days of the period of the contract; (2) within the last 30 days of the contract; and (3) within 3 to 6 months after the expiration date of the contract, dependent on the salary range. The government saw the first two of these provisions as a means to control the conditions of any offer of employment made to an employee prior to the termination of his contract.

²¹⁴ *Ibid.* Rosenblatt illustrates this argument in his report by pointing to California’s statutes permitting contractual relationships for employment for a seven-year period drawn up by the producer. In such a contract, the producer, while he, “through the exercise of options at stated intervals of time, may continue the services of the affected

view different scenario for Rosenblatt, and claimed that employees engaged in artistic and creative work benefit from the facilities furnished by the studio they work for. According to the producers, an artist may be born, but he must first be molded into a star by the studio before his talents have any unusual commercial value. Producers provided talent with careful training, beauty and fitness regimens, proper casting, and expensive advertising all of which contribute to the development of his star status which makes it possible for him to command substantial compensation. The producers explained to Rosenblatt that they compensate artists in two ways: “First, through the actual payment of salaries; and second, through the professional training which the artist secures as a result of intelligent directing and proper casting.”²¹⁵ Interpreting the provision from a legal perspective, Rosenblatt concluded that the producers’ request to limit when and how current talent under contract can engage in competitive bidding wars only serves the producer who will simply use the terms of the contract to his benefit. He argued that while “a producer makes substantial investment in a star during the period of the contract, there seems no valid reason why he should expect to retain any option in any values which might be created as a result of this investment beyond the period of the contract...As in any other type of speculative investment, the producer will naturally adjust the terms of the contract to the best of his business judgment, with a view to securing an adequate return of his capital investment within the life of the contract.”²¹⁶

employee for the full 7-year period, nevertheless upon his failure to exercise such option he will be free of any contractual obligation and the employee will be without employment...The balance of interests is so nicely adjusted that the consideration of the public interests involved would appear to be the determining factor.”

²¹⁵ Ibid., 12.

²¹⁶ Ibid. Rosenblatt’s conclusion about the state of the seven-year long term option contract foreshadowed two important cases of actresses dissatisfied with their respective contracts at Warner Bros. Dissatisfied with the roles she was getting from producers, Bette Davis refused to play the parts assigned to her and was put on suspension by Warner Bros. in 1935. Each day an actor (or actress) under contract refused to report to work, the studio was within its rights to extend the contract for each day a star spent on suspension. Warner Bros. made no exception for Davis

Before returning to Washington, Rosenblatt told Hays that he would carefully assess the data he collected on the salary compensation of studio employees before finalizing his report for Johnson and Roosevelt. He further stated that while Hays and the industry officials made a compelling case for including the second set of provisions, Rosenblatt was all but certain it would be removed from the final version of the Code of Fair Competition because he believed that “the entire system of notice of offers and further opportunity to negotiate would in fact tend to increase unreasonable inducements rather than to decrease the same.”²¹⁷

After months of thoughtful consideration, Rosenblatt sent his final report to Roosevelt and Johnson on July 7, 1934. Not surprisingly, Rosenblatt recommended that both the provision regarding excessive salaries and the provision seeking to eliminate competitive offers of employment be “indefinitely suspended” and written out of the motion picture industry’s Code of Fair Competition entirely.²¹⁸ At the conclusion of his report, Rosenblatt offered some suggestions to the industry one of which was the establishment of a permanent industry commission composed of a representative of producers, as well as representatives from other

(by then an Academy Award winning actress) and suspended her without pay. She accepted an offer to make two films for twenty thousand pounds apiece in England (*I’ll Take the Low Road* with Douglas Montgomery and Nigel Bruce; the second film would also star Maurice Chevalier). Knowing that she was in breach of her contract (which still had five years left on it), Davis later wrote, “I was being offered not only my choice in roles but a climate of mutual respect in which I could flourish.” Jack Warner filed an injunction against the actress and won in a British court (the studio’s lawyer characterized Davis as a “naughty little girl who wants more money.” Davis was ordered to go back to Warner Bros. and fulfill the terms of her contract. “I was his and if he exercised his options, my inhuman bondage stretched to 1942,” Davis recalled. In the 1940s, Olivia de Havilland similarly refused to play in films assigned to her at Warner Bros. and was put on suspension. De Havilland filed suit against Warner Bros. in 1943 over the studio’s suspension practices. The California Court of Appeal ruled in 1944 that de Havilland was not bound to perform services beyond the seven-year term stipulated in her contract. The case became state law (now known as the de Havilland Law) and is considered an important victory for Hollywood’s top stars, as negotiation power shifted from the studios to the talent. See Tino Balio, *Grand Design: Hollywood as a Modern Business Enterprise, 1930–1939* (Los Angeles: University of California Press, 1995), 160–161; and Bette Davis, *The Lonely Life* (New York: The Berkley Publishing Group, 1962), 151, 160.

²¹⁷ Rosenblatt, *Report Regarding Investigation*, 12.

²¹⁸ Both provisions are found in article V, division b, part 5, sections 4 and 6 of the original Code of Fair Competition for the Motion Picture Industry dated August 23, 1933.

classes of employees including actor, directors, writers, technicians, and supervisors to be overseen *with or without government participation*.²¹⁹ Rosenblatt stated that this committee would serve as a forum for the open discussion of business issues that might require the consent and approval of the industry. At the same time, the committee would have considerable regulatory authority, including the following powers:

- (1) To require all proposed offers of employment to be transmitted to the commission for its approval prior to the same being actually made;
- (2) To require all proposed negotiations for employment to be with full disclosure to the commission;
- (3) To provide for regulation of salaries in proper cases;
- (4) To direct that the services of employees not utilize by the then employing producer may be available upon such equitable terms and conditions as the commission may prescribe, and in a proper case, to other producers; and
- (5) To make findings and report to the producing company concerned when in the opinion of the commission corporate assets have been wasted by production executives in their employment of any members of the foregoing classes of employees above mentioned.²²⁰

While Hays and the moguls were somewhat disappointed with Rosenblatt's conclusion, what they found more alarming was the suggestion of government involvement in the business of making motion pictures. During Rosenblatt's visit in January, industry insiders did their best to impress upon Rosenblatt that the government did not need to intervene in industry matters. Despite reports in the trades that Production Code would be folded into the NRA Code of Fair Competition, Rosenblatt stayed out of any formal talks surrounding the moral restoration of motion picture content.²²¹ To his credit, Rosenblatt remained focused on economic recovery.

²¹⁹ Rosenblatt, *Report Regarding Investigation*, 12.

²²⁰ *Ibid.*, 12–13. In addition to the creation of a permanent industry committee, Rosenblatt also recommend that a “method for compensating those engaged in artistic, creative, interpretive, directorial, technical, and supervisory capacities on the basis of a minimum guaranteed compensation against a percentage of the receipts of the respective pictures upon which they may be engaged.” He also suggested that the industry come up with “a uniform production cost formula; a uniform production report system; a uniform budget schedule; and uniform salary ranges.”

²²¹ “Will Study Morality of Films,” *Daily Variety*, January 30, 1934, 1, 7.

Ever the lawyer, he continued to remind Hays and the moguls that while the producers continued to balk at and ignore the Production Code, the NRA Code of Fair Competition had the weight of the law behind it.

During the many meetings held during the course of his visit, Rosenblatt continued to take note of Joseph I. Breen who often sat in with Hays. Breen's intimate knowledge of the industry and his candid opinions won Rosenblatt over. Many film historians writing on the Production Code Administration (PCA) credit Breen's appointment as its head to his connection to and influence with the Catholic Church.²²² However, his new position was just as much the result of the strong impression he made on Rosenblatt during his visit to Hollywood in January 1934. Breen's acute knowledge of the censorship issue and his proposal to get the industry out of its public relations nightmare with a concrete plan that ensured full cooperation by all the studios was enough for Rosenblatt's endorsement.²²³ *Variety* reported that Breen's promotion was made "at the suggestion of Rosenblatt, who [insisted] that code enforcement be done [according to] the machinery set up by Breen. The administrator deemed this the best method for carrying out the purpose of the code than if a commission [were to] set up for the handling of the independent end of this matter."²²⁴ The creation of the PCA and the strict enforcement of the Production Code by

²²² See Leonard J. Leff and Jerald L. Simmons, *Dame in the Kimono*; Gregory D. Black, *Hollywood Censored: Morality Codes, Catholics and the Movies*; Richard Maltby, "The Production Code and the Hays Office." Thomas Doherty's *Hollywood's Censor: Joseph I. Breen and the Production Code Administration* makes the first mention of Rosenblatt's possible connection to the hiring of Breen, 62.

²²³ "Kahane Heads Coast Ass'n, Breen Ups," *Variety*, February 6, 1934, 5, 63. On February 5, 1934, Will Hays announced at the Association of Motion Picture Producers that Breen would be appointed to represent the MPPDA on matters pertaining to the Production Code. Although the PCA would not become the official censoring body of the MPPDA until June 15, 1934, this preliminary announcement indicated that the reorganization of the Studio Relations Committee (SRC) and the Breen's eventual replacement of Dr. James Wingate. See "Hays Group Stand Pat; Gives Breen New Powers," *Hollywood Reporter*, February 6, 1934, 1.

²²⁴ *Ibid.*, 5, 63.

Breen and his staff were seen as positive steps by Rosenblatt and his enthusiastic endorsement of the Code was an important step in government-industry relations.

Despite the controversy over film content, Roosevelt had no real interest in government regulation of the film industry and saw its initial steps towards committed self-regulation in 1934 as promising. During a radio broadcast on July 9, 1934, Mrs. Roosevelt publically supported the hiring of Breen and commended the MPPDA's efforts to uphold moral standards. She said:

The matter of moving pictures is very important to the whole country. I am extremely happy that the film industry has appointed a censor within its own ranks. It has long been a question of great interest to women's organizations, particularly, of course, because of the fact that moving pictures are so popular with children...this new announcement should do much to make these organizations feel that the film industry as a whole desires to cooperate and use its tremendous power for improvement of the country.²²⁵

Six months after his initial visit to Hollywood, Rosenblatt put the government's stamp of approval on the appointment of Breen, the retooled Production Code, and the intricate machinery put in place by Breen for his staff at the PCA to ensure enforcement.

Underwriting Monopoly: The NRA and the Motion Picture Producers and Distributors of America, Inc. (MPPDA)'s Implementation of Uniform Trade Practices in the 1930s

When Roosevelt signed the Motion Picture Code of Fair Competition on November 27, 1933, the Hollywood majors were relatively pleased with the final version.²²⁶ The approved Code "provided for a Code Authority to administer the code, consisting of five members representing the affiliated interests, five members representing unaffiliated interests, three representatives of the Administration without a vote, and labor representation when labor

²²⁵ "Mrs. Roosevelt Cheered After Fair Radio Talk," *Chicago Daily Tribune*, July 10, 1934, 9. See also "Movies Discussed by Mrs. Roosevelt," 19.

²²⁶ "No Changes by Roosevelt in Film Code," *Film Daily*, December 1, 1933, 1, 4.

problems were to be considered.”²²⁷ Although the make-up of the Code Authority appeared to be unbiased, only two of the ten members of the Code Authority were not “connected in some way with the affiliated producers, distributors, and exhibitors and could thus be classified as really independent.”²²⁸ However, the two unaffiliated members did not have a voice on the board. Additional circumstances of tightened control by the major studios were observed in the “composition of the 31 local grievance boards and 31 local clearance and zoning boards set up under the code to adjudicate motion pictures disputed of a local nature.”²²⁹ This arrangement allowed the major circuits to “give legal sanction to the marketing pattern which they had established to give them preemptive first-run exhibition in most major cities.”²³⁰ As a result, the studios were able to “perpetuate a market structure with its barriers to entry which enabled them to be the most powerful market force in determining the distribution of profits among the firms in the industry.”²³¹ Indeed, the control and structure of the industry remained relatively undisturbed after the implementation of the NRA Code of Fair Competition. In many ways, the code stabilized industry practices that were objected to by the independent producers and exhibitors who felt that the interests of studio affiliated distribution and first-run exhibition were being protected. No matter the scenario brought before the Code Authority “the voting strength of the boards [was] four to two against the independent subsequent-run exhibitors.”²³² For all

²²⁷ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 7. Actors Eddie Cantor and Marie Dressler were two of the three members representing affiliated interests; former Harvard president Dr. A. Lawrence Lowell was one of the unaffiliated members.

²²⁸ *Ibid.*, 8.

²²⁹ *Ibid.*

²³⁰ Conant, *Antitrust in the Motion Picture Industry*, 32.

²³¹ *Ibid.*

²³² U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 8.

intents and purposes, this system of self-government was run by the five vertically integrated studios trying to protect their large affiliated circuits of theaters.

Throughout the drafting process of the Motion Picture Code of Fair Competition, the independents vehemently protested the majority of the provisions proposed in the Code. The independents were not privy to the meetings held by the MPPDA affiliated personnel and they strongly objected to what they perceived as a refusal to protect the interests of the independents. Several organizations representing the independents including the Allied States Association of Motion Picture Exhibitors, the Federation of the Motion Picture Industries of America, and the Independent Theatre Owners' Association expressed their dismay not only as to the contents of the Code, but, more importantly, what was omitted from it. In a letter to Division Administrator Sol A. Rosenblatt dated October 5, 1933, representatives of independent producers, distributors, and exhibitors responded in amazement to the most recent version of the Code. They wrote:

We have presented facts showing that prevalence in the Industry of monopolistic and unfair practices, the existence of which has been readily admitted in the discussions before you, and to which you have frequently averted, and we have been led to believe that the Administration is cognizant of these practices and oppressions. The inevitable effect of the proposed Code is to deny all interests in the Industry unaffiliated with the major producers, the relief which they had the right to expect, and to *place a cloak of legality on manifestly unfair and harmful business practices* from which in the past it has been possible to procure some measure thru the courts. Further the proposed Code, fails to deal with many major abuses that afflict the industry, and it contains none of the major provisions which have been urged to permit the industry to go forward under the N.R.A., as for example: the provisions intended to insure to exhibitors an opportunity to procure sufficient product, the prevention of unfair discrimination, the elimination of salacious and indecent pictures, the right to exercise individual discretion in vital policies in theatre operations, etc.²³³

²³³ Letter from representatives of independent producers, distributors, and exhibitors to Sol A. Rosenblatt, October 5, 1933, OF 73, Box 2, File Motion Pictures July-October 1933, Franklin Delano Roosevelt Library, Hyde Park, New York (hereafter cited as FDRL). Italics my own. Three drafts were written before Roosevelt signed the final version.

By all accounts, Rosenblatt ignored the independents.²³⁴ The trade press reported on the outcry of independent producers and exhibitors during the drafting of the Code and their contentious battles with the majors. *Film Daily* observed that “regardless of whether any minority factions should refuse to sign the film industry code if it is not acceptable to them, which has been talked about as a possibility, the code would become binding upon all of them, making the recalcitrant members just as subservient to the code as the others, it has be ruled by the NRA.”²³⁵ After a series of bitterly antagonistic meetings with Rosenblatt, the independents walked out and stated that they will “no longer actually participate in the conferences, but will present their views and analysis in writing.”²³⁶ In addition to their acrimonious opinions on block booking, the walk out was spurred by “(1) the lack of a clause preventing restrictions on double features, and (2) the lack of provisions covering the right to buy.”²³⁷

Organizations representing the independents began writing letters and sending telegrams to their representatives in Congress asking them to request that president withhold the final decision on the Code until the independents were granted a fair hearing.²³⁸ Powerful attorneys, including Abram F. Myers, chairman and general counsel of Allied States Association of Motion Picture Exhibitors, wrote President Roosevelt directly on behalf of Allied States stating its

²³⁴ Arthur Eddy, “Independents in Revolt Against Code Draft,” *Film Daily*, October 5, 1933, 1, 12.

²³⁵ William Silberberg, “NRA May Use ‘Teeth’ On Factions Not Signing,” *Film Daily*, October 2, 1933, 1, 14.

²³⁶ Arthur Eddy, “Independent Factions Walk Out On Code Confab,” *Film Daily*, October 6, 1933, 1, 6.

²³⁷ *Ibid.*, 6. Right to buy refers to the practice of giving every theater owner the right to buy any run of motion pictures (first, second, third) he desires provided that he can pay the top price for the run in the competitive area in which his theater is located. In 1933, independent theater owners were forced to take subsequent run films that were subject to protection because the first runs were allocated to the studio owned chains under certain master contracts or arrangements.

²³⁸ Letter from Congressman A.C. Willford, 3rd Iowa District to President Roosevelt, October 9, 1933, OF 73, Box 2, File Motion Pictures July-October 1933, FDRL.

objection to the current draft of the Code after Rosenblatt's inferences that the analysis of the Code being prepared by the independents "will be ignored by the NRA because the exhibitors have exercised their rights under the Constitution 'to petition the Government for redress of grievances.'"²³⁹ He explained:

When Mr. Rosenblatt filed his draft of the code it was found by the independent producers, distributors and exhibitors to be drawn primarily in the interest of the major producers and their affiliated theaters. The independents then asked for time in which to file a written analysis of the code and this reasonable request was not acknowledged. In fact Mr. Rosenblatt announced in the trade press that he proposed to present the code to General Johnson "with or without analysis." This came as a shock to the exhibitors and they began sending wires of protest asking that no code be approved until the independents' analysis could be filed and considered... The theatre owners all are pledged through their organizations to support the N.R.A and lend their screens to publicizing and popularizing the movement. The only purpose in sending telegrams to head off approval of Mr. Rosenblatt's code until the objections of the independents could be filed and considered and Mr. Rosenblatt could have prevented this by granting the reasonable request made of him.²⁴⁰

Protests made by the independents were heard by congressional representatives and the White House. On October 13, 1933 Roosevelt's secretary Col. Louis Howe asked General Hugh S. Johnson to draft a form letter to send to the "hundreds" of inquiries demanding the withholding of the final decision on the Motion Picture Code of Fair Competition until the independent exhibitors had a hearing.²⁴¹

Although the independent exhibitors were granted a meeting with the Resolutions Committee and General Johnson in Chicago, Rosenblatt declared his prejudice against every exhibitor leader present (a consortium of six regional and national associations). As stated

²³⁹ Letter from Abram F. Myers to President Roosevelt, October 12, 1933, OF 73, Box 2, File Motion Pictures July-October 1933, FDRL. Rosenblatt is not legally able to hold such a position as a government official.

²⁴⁰ Ibid.

²⁴¹ Letter from Louis McH. Howe to General Hugh S. Johnson, October 13, 1933, OF 73, Box 2, File Motion Pictures July-October 1933, FDRL.

earlier, Rosenblatt took offense to the independent organizations sending wires of protest to General Johnston, members of Congress, and President Roosevelt.²⁴² An Assistant NRA Administrator, Col. R.W. Lea took his place at the negotiating table. However, during these conferences the trades published reports emanating from Washington to the effect that nothing would come of these meetings. For example, on October 17, 1933, *Film Daily* reported that the independents would not sign any Code that endorses the double bill, a valid story based on the topics discussed the first day of the conference; on the very same page, directly below the story, was another short statement from Washington that read: “Rosenblatt Expects Code Will Ignore Dual Bills.”²⁴³ It was all too clear that these conferences were simply a courtesy that had resulted, at least in part, from the pressure that had been put on the NRA by the independents and outside groups. The following day the trades reported that the independents’ code proposals were “entirely ignored” and “did not embody clauses directly relating to the righ-to-buy [sic], block booking, double features, score charges and cooperative buying”—all practices the independents either outright objected to or wanted addressed in the Code.²⁴⁴

While the document awaited Roosevelt’s signature, letters of protest flooded the NRA offices and the White House. In addition to the organizations that represented the independents, the Motion Picture Research Council (MPRC) sent Johnston a four-page letter dated November 1, 1933 on behalf of “the consuming public...whose rights and welfare have not yet received due

²⁴² Letter from Abram F. Myers to President Roosevelt, October 12, 1933, OF 73, Box 2, File Motion Pictures July-October 1933, FDRL. Rosenblatt was not legally able to hold such a position as a government official.

²⁴³ “Says Indep’t Won’t Sign Any Code Unless It Assures Freedom of Duals,” *Film Daily*, October 17, 1933, 4; and “Rosenblatt Expects Code Will Ignore Dual Bills,” *Film Daily*, October 17, 1933, 4.

²⁴⁴ “Indie Code Proposals Entirely Ignored,” *Film Daily*, October 18, 1933, 1, 2. See also Arthur W. Eddy, “Only One Major Change in Code Revision: Independents Expected to Reject Third Code,” *Film Daily*, October 18, 1933, 1, 2.

consideration.”²⁴⁵ Composed of socially minded citizens (psychologists, sociologists, lawyers, and clergymen) concerned with public welfare, the MPRC emphatically stated that the practices of block booking and blind selling should be forbidden under the Code of Fair Competition. In the argument presented to the NRA chief, the MPRC claimed:

Producer-distributors now have and exercise the power to force into communities everywhere films which are obnoxious to those communities...and are believed to be harmful to their children and youth, 28,000,000 of whom visit motion picture theatres weekly, including 11,000,000 under fourteen years of age. This is done by means of the trade practice known as ‘block-booking,’ whereby an exhibitor must buy all, or nearly all, the product of a producer-distributor, in order to get any at all. Blind-selling and block-booking enter into nearly all sales transactions between producer-distributors and exhibitors. Together they work to keep the screen-time of exhibitors filled, long in advance, with pictures of the major producer-distributors, which are not yet made and the nature of which is not known.²⁴⁶

Towards this end, the MPRC argued that any defense of these practices is fallacious. Block booking, for example, is simply wholesaling and “ignores the feature of compulsion, that practically all, or none, must be purchased;” blind selling is another form of full-line forcing that makes it virtually impossible for the exhibitor to make a wholly informed decision as to what he is putting out into his community.²⁴⁷ Because of the high cost of licensing pictures, exhibitors are left with little choice as to what they can screen and local communities are left saturated with “crime and sex pictures,” which, “[are] not in keeping with good public policy.”²⁴⁸ As a result, the public and the parents of movie going children are “now as helpless in the matter of

²⁴⁵ Letter from the Motion Picture Research Council to General Hugh S. Johnson, November 1, 1933, OF 73, Box 2, File Motion Pictures November-December 1933, FDRL.

²⁴⁶ Ibid.

²⁴⁷ Ibid.

²⁴⁸ Ibid.

influencing the pictures that shall come to their communities as are the exhibitors.”²⁴⁹ By keeping the screen occupied for months in advance, it was increasingly difficult for independents to penetrate the market. The MPRC concluded that both block booking and blind buying were anticompetitive practices that enforce the monopolistic structure of the affiliated studios.

Despite the protestations leading up to the president’s signature of approval on the Motion Picture Code of Fair Competition, the independents’ requests were almost completely shut out. No outside group was able to force the hand of Rosenblatt and the NRA. In a seven-page letter to Roosevelt’s press secretary, Stephen Early, dated December 10, 1933, Allied States’ General Council Abram F. Myers unleashed his wrath over what he and the general counsels of other independent organizations believed was the sanctioning of anticompetitive practices by the U.S. government. Falling just short of accusing the president of contributing to the conspiracy taking place in Hollywood, Myers wrote:

Dear Steve,

This is going to be a disagreeable letter from the standpoint of yourself, your Chief and some of your associates... The motion picture business as you know from your experience is the world’s most gossipy industry and at the outset of the Code proceedings the “wise guys” freely predicted that the outcome would be to give the major producers that domination over the exhibitors from which they have been thwarted by antitrust laws. As reasons they cited the following alleged facts:

- (1) The newsreel is a valuable medium of publicity and the Administration will want to sew it up.

²⁴⁹ Ibid. In addition to the elimination of block booking and blind selling, the Research Council posited other suggestions for Johnson to consider including that the Code “require pictures to be ‘trade shown’ and adequate descriptions of them to be given, before they are offered for sale, so that both exhibitors and citizen committees know what is being purchased.” They also endorsed “right to buy,” and rejected unreasonable “protection” of runs. The Research Council argued that “country and suburban theatres and communities are now discriminated against by monopoly rights given to producer-owned theaters, with the effect of decoying young people into down-town portions of cities, away from their suburban and country homes, in order to see pictures while they are new and being talked about. We believe that this is a harmful practice.”

- (2) H.M. Warner made one of the largest single contributions to the Democratic campaign fund and will expect a quid pro quo.
- (3) Frank Walker, Treasurer of the National Committee and the holder of a responsible position in the Administration was an officer of the Comerford (Paramount-Publix) Circuit of theatres and cooperated with the Hays Office in exhibitor matters.
- (4) Solomon Rosenblatt, appointed deputy administrator for amusements was an employee of Nathan Burkan, motion picture lawyer, in some way connected with the Loew-M-G-M Company, and was, therefore, "hand-picked."
- (5) No. 4 was strengthened by the fact that Mr. Burkan participated in the Code proceedings as attorney for the producers, more especially Loew-M-G-M.
- (6) Mr. McIntyre and yourself were former newsreel men, representing Pathé and Paramount, respectively, and would see that our case was not presented at the White House after we had been kicked around by N.R.A.
- (7) General Johnston's executive assistant and guardian of the outer chamber, Miss Robbins, was a former employee of R-K-O lent by that company to the Democratic Committee.
- (8) Assistant Administrator R.W. Lea was formerly an official of a Chicago bank that lent a lot of money to Paramount Publix a few years ago and was supposed, therefore, to be interested in the last-mentioned company.
- (9) Harold Phillips, a former newspaper man employed by Will H. Hays had virtually taken charge of publicity matter in Rosenblatt's office, where he spent most of his time and assumed an air of importance and authority.

Our confidence in the President, as well as in the correctness of our position was such that we paid no attention to sniping (at least, I did not) and we cooperated with the Deputy Administrator [Rosenblatt] up to the point where he drafted a code which conferred on the major producers that power to put the theatres we represent out of business...the President's approval [of the Code] was accompanied by an Executive Order which provided for certain safe-guards against the unrestricted power conferred on the major producers by the Code.²⁵⁰

To be sure, the level of cooperation between the industry and government is on full display in this letter. Myers' letter to Early came on the heels of learning that the MPPDA and its affiliates were unwilling to submit to a review by the Administrator of their business practices under the Code. According to Myers, Roosevelt "ignored our protests on the Code, as well as our modest request to be heard on it, [yet] received Will Hays and Nicholas Schenck (the highest paid

²⁵⁰ Letter from Abram F. Myers to Stephen Early, December 10, 1933, OF 73, Box 2, File Motion Pictures November-December 1933, FDRL.

executives in the business at whom the suspended salary clause must have been aimed), and at their behest, the beneficent provisions of the Executive Order have been emasculated.”²⁵¹ It was unthinkable to the independents that the Roosevelt Administration would approve a Code for the motion picture industry which does not include provisions condemning as unfair methods of competition all practices which impair the ability of theater owner to make a decent living.

The final insult to the independents was naming Rosenblatt as one of the representatives on the Code Authority.²⁵² Throughout the course of the proceedings, and in his final draft of the Code, Rosenblatt “expressed his conviction on all issues between the independents and the trust...[and] displayed active antagonism to all independent representatives not subsidized by or subservient to the major producers.”²⁵³ One of the immediate issues the independents found themselves faced with was the appointment of local clearance and zoning boards set up by the Code Authority. Independents worried that a clearance schedule would “hold the independent theatres back so far in playing time as to put them out of business.”²⁵⁴ With local boards comprised of individuals associated with the affiliated theatres, the threat was even greater that independents would be shut out entirely.

Looking for the fair deal the president promised when he signed the NIRA into law, the independents were wholly disappointed by its own industry’s Code of Fair Competition. By allowing the anticompetitive practices of the major studios to continue, the U.S. government was

²⁵¹ Ibid.

²⁵² Arthur W. Eddy, “Rosenblatt May Be Permanent Film Code Head,” *Film Daily*, December 2, 1933, 1, 4.

²⁵³ Letter from Abram F. Myers to Stephen Early, December 10, 1933, OF 73, Box 2, File Motion Pictures November-December 1933, FDRL.

²⁵⁴ Ibid.

effectively underwriting monopoly despite the fact that the NIRA declared that it was the policy of Congress “to eliminate unfair competitive practices” and to refuse endorsement of proposed codes that “promote monopolies.”²⁵⁵ The sanctioning of anticompetitive practices—block booking, blind selling, zoning, clearances, admission price fixing—in the local film boards of trade allowed the pattern of monopolized control to continue long after the NIRA was declared unconstitutional in 1935.²⁵⁶

²⁵⁵ Charles Dearing, et al., *The ABC of the NRA*, 15–16.

²⁵⁶ The NIRA was declared unconstitutional in the unanimous Supreme Court decision in *A.L.A. Schechter Poultry Corp. v. United States*, 295 U.S. 495 (1935). Legal scholar Erwin Chemerinsky writes that the Supreme Court “declared unconstitutional a regulation adopted under the National Industrial Recovery Act. Pursuant to this law, the president approved a Live Poultry Code for New York City. In part, the Code was designed to ensure quality poultry by preventing sellers from requiring buyers to purchase the entire coop of chicken, including sick ones. The Code also regulated employment by requiring collective bargaining, prohibiting child labor, and establishing a 40-hour work week and a minimum wage.” The Supreme Court found that any such code would be a violation of the interstate commerce clause and an unacceptable delegation of legislative power. See Erwin Chemerinsky, *Constitutional Law* (New York: Aspen Publishers, 2011), 251, 328.

Chapter 3: Battling It Out in the Courts: Historicizing the *Paramount* Case and the Collective Cooperation of the Motion Picture Committee Cooperating for National Defense (1938–1941)

The growing hostility between the U.S. government and Hollywood came to a head in 1938 with the filing of *United States v. Paramount Pictures, Inc.*¹ After years of lawsuits and counter lawsuits accusing the studios of enforcing unfair trade practices, the Department of Justice (DOJ), on July 20, 1938, filed a petition in equity against the five vertically integrated companies (Paramount, Loew's/MGM, 20th Century-Fox, Warner Bros., and RKO) and the three “minor” defendants (Universal, Columbia, and United Artists) charging them with combining and conspiring to unreasonably restrain trade, and with attempting to monopolize commerce in violation of the Sherman Act.

The timing of the federal lawsuit could not have been worse for the studios. Box office receipts were down an estimated 15 to 20% overall, and the rapidly declining grosses “in some instances reaching 40 to 50% below all-time depression day lows, [had] exhibitors... jittery, and frantically trying to devise ways and means to combat the serious situation that [had] developed.”² Additionally, top circuit theaters were forced to shut their doors in June as a result of the falling picture grosses. Exhibitors claimed “business [was] bad and at the present time... [we] can't see keeping the houses open during the summer without taking a large loss.”³ Many exhibitors blamed the “scarcity of top Class A pictures” and the “lack of interest in the ordinary run-of-the-mill films that major studios have been turning out in recent months” as the

¹ The case was first filed July 20, 1938 but was not decided until May 3, 1948 by the U.S. Supreme Court. *United States v. Paramount Pictures, Inc.*, 334 U.S. 131 (1948), *aff'g in part* 66 F. Supp. 323 (S.D.N.Y., 1946) & 70 F. Supp. 53 (S.D.N.Y., 1947). The studios entered into a consent decree November 20, 1940. *Ibid.*, 141 n.3.

² “Box Office Dives to New Low,” *Daily Variety*, May 2, 1938, 1, 4.

³ “Closing of 50 Metropolitan Area Theaters Proposed,” *Film Daily*, June 23, 1938, 1, 4.

key reasons for the box office slump.⁴ There were several reports of theaters having to resort to revivals, even using popular silent era box office successes to “stave off utter collapse at the box office.”⁵ Although a number of high grossing “quality” films including *Gone with the Wind* (Fleming, 1939), *Mr. Smith Goes to Washington* (Capra, 1939), *Stagecoach* (Ford, 1939), *The Wizard of Oz* (Fleming, 1939), *Dark Victory* (Goulding, 1939), *Wuthering Heights* (Wyler, 1939), *Ninotchka* (Lubitsch, 1939), and *Goodbye, Mr. Chips* (Wood, 1939) would be released in 1939, the highest grossing film of 1938 was Walt Disney’s *Snow White and the Seven Dwarfs* (1937), the first independently produced feature length animated film. Five months after the film had its premiere on December 21, 1937, exhibitors in Los Angeles were still playing the film at a “two a day run” which made it difficult for subsequent run theaters to cash in on its record profits.⁶

In addition to its box-office woes, the industry was pummeled in the press for stifling creativity under the guise of self-regulation. Screenwriter Dudley Nichols told radio audiences on an NBC coast-to-coast broadcast of the New York Critics Awards that he found Hollywood “incapable of self-criticism and unable to understand why pictures hailed as colossal within the studios and by the intramural press were indifferently or hostilely received elsewhere.”⁷

According to Nichols, resorting to contests and advertising schemes took Hollywood away from the realities of everyday life. “The truth,” he argued, “is that motion pictures must use the strong

⁴ “Box Office Dives to New Low,” 4. Exhibitors were also frustrated by frequent holdovers and extended first runs of the few films that were drawing filmgoers like Disney’s *Snow White and the Seven Dwarfs* and Warner Bros.’s Bette Davis vehicle, *Jezebel* (Wyler, 1938).

⁵ Ibid.

⁶ Ibid. *Snow White* did not receive a general release in Los Angeles until July 1938.

⁷ Frank S. Nugent, “The Quiz and Other Posers: Post Mortem on the Prize Contest and the Resurrection of That Old Problem of Bringing Reality to the Screen,” *New York Times*, January 15, 1939, X5.

materials of life or go into the discard. And Hollywood, in its fear of losing profits by making enemies, in its mad desire to appease the prejudice of every group, has submitted to an ever-tightening censorship under which it becomes impossible to deal with reality... The American cinema is strangling under a rope which it has helped to put under its own neck.”⁸ Playwright (and future Librarian of Congress) Archibald MacLeish also commented on the industry’s slump and stated:

Hollywood is in trouble at the box-office. And the reason why Hollywood is in trouble with the box-office is precisely that its pictures lack the fourth dimension of life...they do not know their own time, do not present their own time, do not belong to their own time, and therefore, quite naturally, have lost the interest of their own time...To be invited in the autumn of 1938, with Hitler swallowing the Czechs...with France crushing a general strike by force of arms...with England accepting the indecency of Munich...with Japan tearing at the gigantic carcass of China, with the Jews suffering unspeakable indignities in Germany...to sit through such films as *THE COWBOY AND THE LADY*, *THE SHINING HOUR*, *MARIE ANTOINETTE*, *SUEZ*, and *THE GREAT WALTZ* is almost an impertinence. To be asked to sit through no films except these films and others like them is pretty close to insulting...The truth of the matter seems to be that Hollywood has played safe so long that it is now in the greatest danger...Hollywood has been so careful not to offend any group of customers that it has ended up boring all groups of customers.⁹

Much to the dismay of the Hollywood studios, many critics and filmgoers pointed to Pare Lorentz’s government documentaries *The Plow That Broke the Plains* (1937) and *The River* (1938) as films that rose against “mere exploitation by the reality of the facts it presented,” despite being propaganda for the Roosevelt administration.¹⁰ Because of its reliance on the foreign markets, the industry actively avoided any controversy by essentially ignoring the impending war brewing in Europe during the late 1930s. Although there were a few attempts at

⁸ Ibid.

⁹ Press Summary, January 25, 1939, Will Hays Papers, Box 53—0149, Microfilm—Series, Reel 22, Charles Young Research Library, University of California, Los Angeles (hereafter cited as Hays Papers).

¹⁰ Ibid.

filmed “reality”—*Blockade* (Dieterle, 1938) and *The Citadel* (Vidor, 1938)—Hollywood would not start producing films with explicit political or social themes with any regularity until the following year.

Another significant change in the make-up of the studio system at the time of the filing was the rise of independent producers and freelance talent. Film historian Thomas Schatz notes that “the status of major independent producers like Selznick, Walt Disney, and Sam Goldwyn signaled this trend, as did the steadily increasing clout of top stars and filmmakers,” including Charlie Chaplin, Frank Capra, Orson Welles, and Cary Grant.¹¹ Unlike the independent exhibitors who were subjected to unfair trade practices, independent talent made some significant headway in their negotiations with studio brass. Yet while the growing power of top talent was in many ways alarming and gave the industry some pause for concern, the mounting threats from various outside forces in the late 1930s consumed the attention of Will Hays and the studio executives.

Certainly, as President Roosevelt’s attention shifted to foreign affairs and the war abroad, he was decidedly less sympathetic towards the industry and its legal troubles.¹² This chapter will closely examine the origins of the *Paramount* case, its initial resolution in the 1940 consent decree, and its impact on the beginnings of the unprecedented collaboration between Washington

¹¹ Thomas Schatz, *Boom and Bust: American Cinema in the 1940s* (Berkeley: University of California Press, 1999), 12. Capra ended a decade-long relationship at Columbia after filming was complete on *Mr. Smith Goes to Washington*. Schatz also notes that stars were beginning to take their careers in their own hands. Katharine Hepburn, after being dubbed “box-office poison,” spent a year away from Hollywood (1939) and acquired the rights to the hit Broadway play she was starring in, *The Philadelphia Story*. When she returned to Hollywood she auctioned “both the presold story property and her own renewed star status to the highest bidder.” MGM would eventually win both. RKO’s newest talent, Orson Welles, the 25-year old radio star, was virtually given a blank check to make *Citizen Kane* after his first project based on Joseph Conrad’s *Heart of Darkness* was shelved. He would go on to become one of the youngest producer-director-writer-actors in film history.

¹² By 1940, the studios still had not made films for the U.S. government. The documentary films made by Pare Lorentz and the U.S. Film Service were the only films produced that dealt with the president’s programs head-on. Congress withdrew financial support for the U.S.F.S. later that year. See Chapter One.

and Hollywood during World War II. Two days into the government's antitrust trial in New York State Federal Court in 1940, MPPDA president Will Hays sent out a press release to industry trades announcing the formation of the Motion Picture Committee Cooperating for National Defense (MPCCND), a group committed to distributing and exhibiting short films made by the government to aid in the war effort abroad, naming George Schaefer, president of RKO, as its chairman.¹³ By offering to aid the president as he tried to damper down anti-interventionists' criticism of his policies, Hays and the studios created an intriguing quid pro quo opportunity. With the help of Roosevelt's son-in-law, John Boettiger, Hays and members of the MPPDA mapped out a publicity campaign to win over the Roosevelt administration in the early years of World War II.¹⁴

Pre-Paramount Private Antitrust Actions (1934–1939)

Antitrust litigation against the major motion picture studios before the *Paramount* case was largely unsuccessful. The cases that were won are certainly of note because the basic structure of the industry remained intact. Organized control of motion picture marketing was centered in the film boards of trade; both the National Film Board of Trade and the local boards of trade in the 31 exchange cities “were organized and controlled by the leading distributors...by acquiring control of the majority of downtown metropolitan theaters, [the five majors] became dominant in the film boards of trade and, thereby, governors of the industry.”¹⁵ Towards this end, it is clear that the history of combination and anticompetitive business practices on the part of the

¹³ “Haysites Meet on National Defense Pix,” *Variety*, July 3, 1940, 5.

¹⁴ Boettiger, a former Hays employee, current editor-in-chief of *The Seattle Post-Intelligencier*, and Roosevelt's son-in-law, acted as the eyes and ears for Hays during these tumultuous times for the industry. Much of the industry's initial strategy for self-preservation—in particular, the MPPDA's decision to offer its services gratis for the first time since Roosevelt took office—came at the suggestion of Boettiger.

¹⁵ Michael Conant, *Antitrust in the Motion Picture Industry* (New York: Arno Press, 1978), 202.

Hollywood studios was sanctioned and, in some cases, aided by the federal government throughout the 1930s. During this period, independent exhibitors filed a number of lawsuits against the major distributors. Most of the courts upheld clauses in the MPPDA's "standard exhibition contract" which was first introduced in 1928. However, a series of actions brought about by distributors tested whether clauses that "violated antitrust laws voided the whole standard contract or only specific illegal clauses in the agreements."¹⁶ There were several cases that went to trial involving distributors who claimed that exhibitors they had contracts with refused to accept or pay for films purchased under the standard contract. The courts were evenly divided in such cases.¹⁷

By examining a number of cases between 1934 and 1938, one can see the government's attitude towards many of these practices overseen by film boards of trade including zoning and clearance, price fixing, the double bill, overbuying, and block booking was ambivalent at best. Almost every single government agency—from the Federal Trade Commission to the Department of Justice to the U.S. Congress—took part in "approving different aspects of the monopolized control carried on by the film boards of trade."¹⁸ Under these circumstances, it is not surprising that even when injunctions were filed the courts largely ignored them.

Actions Involving Conspiracy

There were several treble damage lawsuits brought to trial by exhibitors who were forced to shut down their theaters because the affiliated distributors conspired against them by refusing

¹⁶ Ibid., 180.

¹⁷ Ibid.

¹⁸ Ibid., 204.

to sell them films. In *Quittner v. MPPDA*,¹⁹ Edward Quittner, a small town exhibitor in Middletown, New York, accused Paramount and the other major studios of colluding with each other in the “planning of production schedules, building of theaters and exchange of sales information.”²⁰ In the suit, Quittner claimed Paramount threatened to build a theater in Middletown if he refused to buy the block of Paramount films. Although his lawyers provided substantial evidence that a conspiracy had taken place, New York District Court Judge Francis G. Caffey dismissed the case because Quittner had not shown that the deprivation of films resulted from the conspiracy.²¹ Judge Caffey further noted that the distributors sold their films “in competition rather than in combination.”²² The court held that “computation of damages in a case involving motion pictures is impossible owing to the intangible value of film...because of this it [is] impossible to fix damages due to refusal of distributors to sell pictures to Quittner’s theaters at Middletown, N.Y.”²³ Quittner was granted permission to appeal *in forma pauperis*;²⁴ however, he dropped the appeal after receiving a \$10,000 settlement from Paramount.²⁵

¹⁹ *Quittner v. Motion Picture Producers & Distrib. of Am., Inc.* (S.D.N.Y. 1933) (unreported).

²⁰ “No Collusion Between Film Companies, Kent Testifies at Quittner Meeting,” *Film Daily*, January 4, 1933, 1.

²¹ “The Motion Picture Industry and the Anti-Trust Laws” (Note), *Columbia Law Review* 36 (1936): 640–641. See also Conant, *Antitrust in the Motion Picture Industry*, 182–183.

²² “Value of Pictures Called Intangible by Judge in Quittner Suit,” *Film Daily*, February 25, 1933, 1, 3. Judge Caffey found that Quittner’s theaters did not suffer any substantial loss through the opening of Middletown’s Paramount Theater and presented figures to indicate that “to the contrary during some of the weeks involved in the period under consideration grosses were larger than in comparative weeks of the corresponding year.”

²³ “Quittner Loses Conspiracy Suit against Para.,” *Film Daily*, February 25, 1933, 1, 3.

²⁴ *Quittner v. Motion Picture Producers & Distrib. of Am.*, 70 F.2d 331, 331–332 (2d Cir. 1934). *In forma pauperis* is a legal term that translates to “in the character or manner of a pauper.” Quittner filed legal documents with the appellate court claiming that he was unable to pay the various costs associated with an appeal (for example, filing fees and cost to provide the court with copies of testimony from the trial court). See also “Court Reserves Decision on Quittner Pauper Appeal,” *Film Daily*, April 3, 1934, 2.

²⁵ “Submit Para. Claim Settlements,” *Film Daily*, October 24, 1934, 2. Paramount paid Quittner \$10,000—a fraction of the \$425,000 he asked in damages.

A similar situation was presented in *Rembusch v. MPPDA*.²⁶ Frank J. Rembusch, a former exhibitor from Indiana, filed suit against the MPPDA claiming that the affiliated studios “granted each other special considerations in the sale of first run product and protection which were denied to the independent exhibitors” and subsequently led to his being put out of business.²⁷ Finding no evidence of conspiracy, Federal District Court Judge Coxe dismissed the treble damage complaint stating, “although a theatre in competition with a large chain of theatres undoubtedly suffers a competitive disadvantage, the Sherman Anti-Trust Law was not made to redress such inherent disadvantages.”²⁸ In his decision, Judge Coxe stated that Rembusch failed to prove that his theater closed *only* because his supply of films had been cut off. Because the court could speculate as to other possible reasons as to why his theaters shut down no antitrust remedy was found.

Criminal Conspiracy Action: *United States v. Warner Bros. Pictures, Inc.*

In October 1935, a federal criminal trial against Warner Bros., its various subsidiaries, Paramount, and RKO got under way in St. Louis. *United States v. Warner Bros. Pictures, Inc.* concerned the Fanchon and Marco company and three theaters it had recently acquired in St. Louis.²⁹ The defendants were charged with conspiracy to interfere with the interstate movement of films for use in Fanchon and Marco’s theaters. Towards this end, at issue in the lawsuit was the refusal of Warner Bros., Paramount, and RKO to rent their films to Fanchon and Marco’s

²⁶ *Rembusch v. Motion Picture Producers & Distrib. of America, Inc.* (S.D.N.Y. 1934) (unreported).

²⁷ “Hess, Netter, Ed Grainger Queried at Rembusch Trial,” *Film Daily*, February 15, 1934, 2. See also “Rembusch Hearing Feb. 5,” *Film Daily*, February 5, 1934, 2.

²⁸ “The Motion Picture Industry and the Anti-Trust Laws,” 642n49, citing *Rembusch*; also quoted in Alexandra Gil, “Breaking the Studios: Antitrust and the Motion Picture Industry,” *NYU Journal of Law and Liberty* 3 (2008): 10.

²⁹ *United States v. Warner Bros. Pictures, Inc.*, 13 F. Supp. 614 (E.D. Mo., 1936), *aff’d*, 298 U.S. 643 (1936).

three new theaters: the Ambassador, Missouri, and New Grand Central.³⁰ Prior to 1936, a corporation controlled by Paramount and Warner Bros. had operated the theaters. When Fanchon and Marco assumed control of the theaters after Warner Bros. lost them to foreclosure, long-term contracts for Warner Bros. films were unceremoniously cancelled.³¹ The films went to two other houses operated by a subsidiary of Warner Bros. RKO and Paramount also refused to rent its films to the theaters. The government charged Warner Bros., Paramount, and RKO with conspiracy to restrain trade by refusing to conduct business with the three theaters unless Warner Bros. was permitted to operate them.³² On November 11th the jury found in favor of the defendants.³³

After the acquittal, the government filed an equity injunction lawsuit in St. Louis in January 1936. On the witness stand, Marco Wolff (a.k.a. Mike Marco to those in the theatrical profession) testified that he leased the theaters “in the belief they had long-term franchises for Warner-First National pictures.”³⁴ He relayed a conversation he had with Paramount’s George Schaefer in June 1934 at the Ambassador Hotel in Los Angeles. He told Schaefer that “it [was] hard to believe that Paramount would permit Warners to take Paramount pictures away from the Ambassador and Missouri theaters.”³⁵ According to Marco, Schaefer responded: “Of course you can give us better representation and we don’t want to take the pictures away from you, but we

³⁰ “Testimony is Begun in Film Trust Case,” *New York Times*, October 5, 1935, 31; and “Government Sues 9 Movie Companies,” *New York Times*, August 7, 1935, 22.

³¹ “Testimony is Begun in Film Trust Case,” 31.

³² “Government Sues 9 Movies Companies,” 9.

³³ “Film Heads Not Guilty,” *Daily Variety*, November 12, 1935, 1, 5; and “St. Louis Jury Acquits Big Film Firms of Conspiracy to Break Anti-Trust Law,” *New York Times*, November 12, 1935, 1.

³⁴ “Marco Tells of Pleading With Para. for Product,” *Film Daily*, January 18, 1936, 1, 8.

³⁵ *Ibid.*

have to do many things in this business that we don't want to do. We don't want to ruin your business. So far Warners haven't got the pictures. We have only made them a commitment. Lots of things can happen between now and the opening of next season."³⁶ After waiting more than two months for a response, Marco went directly to Paramount's head, Adolph Zukor. During that meeting he said he "appealed to Zukor as one of the big leaders of the industry" to do something to "save us little fellows from destruction in St. Louis."³⁷ Marco claimed that Zukor agreed that the Ambassador and Missouri were the best theaters in St. Louis but that, unfortunately, "we big companies sometimes have to do things we would prefer not to do."³⁸

While Marco's testimony was sensational at times, the rest of the government's case appeared to be on shaky ground. Federal Judge Joseph W. Molyneaux, in a series of rulings, "almost completely confined the question of whether Warners, Paramount, and RKO conspired in 1934 to violate the Sherman anti-trust act by interfering with the interstate movement of films into the Ambassador, Missouri, and New Grand Central theaters, to the correspondence that passed between officials of the various concerns affected in connection with the commitments and actual contracts for the furnishing of Paramount and RKO pictures to the Shubert-Rialto and Orpheum theaters for the 1934-35 season."³⁹ In surprise reversal, Federal Judge Joseph W. Molyneaux sustained the government's motion for permission to dismiss without prejudice.⁴⁰

³⁶ Ibid. Marco also quoted Paramount's general sales manager, Neil Agnew as saying: "We would rather have our pictures play in the Ambassador and Missouri because you pay us more money through the percentage brought in through the greater result. You could also give us great representation for our pictures." Ibid.

³⁷ Ibid.

³⁸ Ibid.

³⁹ "Defense Scores Several Points in St. Louis Trial," *Film Daily*, January 28, 1938, 1, 6.

⁴⁰ "Await Hardy's Next Move in St. Louis Case," *Film Daily*, January 30, 1936, 1, 6.

In April 1936 the government re-filed the suit against Warner Bros., Paramount, and RKO. Not wanting to go through another trial, an out of court agreement was reached.⁴¹ Federal Judge John C. Knox signed an order “sanctioning a stipulation whereby the producers promised that they would refrain from committing the acts charged.”⁴² The *Wall Street Journal* reported that “Bases of the settlement include an agreement by Warner Bros. and RKO to give ten-year franchises to Fanchon and Marco for their St. Louis theaters, and a general release by Fanchon and Marco as to any triple damage suits contemplated during the controversy. Paramount agrees not to refuse to deal with Fanchon and Marco for any reason other than price.”⁴³ Warner Bros. gave up its St. Louis theaters in 1936 and thereafter released films to independent exhibitors.⁴⁴

Actions Involving Protection: Clearances and Zoning

Generally speaking, distributors secure most of the money they make in the “first run” exhibition of a film. First run pictures were shown in deluxe theaters located in metropolitan areas where a large amount of money is spent on advertising quality films. A well-established practice in the industry was the enforcement of a protection period otherwise known as a clearance. During this window of time, a distributor enters into an agreement with the exhibitor that a film will not be exhibited a second time in a particular territory until a prescribed time had lapsed in that territory (or zone).⁴⁵ MPPDA affiliated theaters generally wanted extended clearance and zoning protection; however, distributors wanted to impose limited clearances and

⁴¹ “Settlement of Government Suit is Reported Set,” *Film Daily*, April 29, 1936, 1, 6. Sol A. Rosenblatt acted as mediator in the dispute.

⁴² “Film Distributors Capitulate in Suit,” *New York Times*, May 1, 1936, 18.

⁴³ “U.S. Anti-Trust Suit against Three Leading Film Concerns Settled,” *Wall Street Journal*, May 1, 1936, 3.

⁴⁴ Conant, *Antitrust in the Motion Picture Industry*, 86.

⁴⁵ *Ibid.*, 58.

zoning so as to give subsequent runs “the full benefits of extensive first run advertising and still protect first runs enough to channel a large proportion of prospective viewers into them.”⁴⁶ All conflicts dealing with clearance and zoning patterns were dealt with by the local film board of trade, which determined the market patterns of films for the majors and gave each theater in the area fixed zone for insurance.⁴⁷

It seems reasonable that the exhibitors who pay more money for quality pictures and supply the publicity which benefits not only first-run films but also subsequent run films would go to great lengths to enforce protection policies.⁴⁸ Harvard economist Howard T. Lewis argues that the need for protection rests on the unique nature of the product; the “newer a picture is, ordinarily, the more valuable it is...Promptness in distribution is deemed, therefore, both necessary and of value.”⁴⁹ Because films have a lesser drawing power in subsequent runs, theaters that primarily show these films are forced to change programs more frequently than first run theaters in order to cover costs. If a film is performing particularly well in a first run house and is held over for a longer run, the subsequent run theater was at a tremendous disadvantage because it could only show films after the fixed clearance.⁵⁰ Longer first runs for any given picture meant inadequate releases for a second run theater that showed double bills and changed

⁴⁶ Ibid., 66.

⁴⁷ Ibid.

⁴⁸ It is important to note here that a theater that purchases a film for a second or third run is not allowed to advertise the film during any previous run in the same zone.

⁴⁹ Howard T. Lewis, *The Motion Picture Industry* (New York: Van Nostrand Company, 1933), 201. Lewis correctly notes that the “real appeal of a picture consists in the fact that it is new; other people are talking about it; fan magazines and newspapers are writing about it...if the distributor does any national advertising on billboards or in such media as the *Saturday Evening Post*, this advertising stresses the new pictures, not old ones...This factor of perishableness lies at the root of protection.” Ibid., 203.

⁵⁰ Conant, *Antitrust in the Motion Picture Industry*, 68.

its program twice a week.⁵¹ Extended runs resulted in a shortage of films and reduced earnings for these theaters.

The practices of clearances and zoning had two purposes during the 1930s: (1) they were the distributor's method of subdividing markets for admission price discrimination; (2) first-run theaters were able to limit exhibition rivalry.⁵² Independent exhibitors attempted to flex some muscle by filing treble damage suits against the oppressive marketing patterns enforced by local film boards of trade. In the first legal battle dealing specifically with clearance and zoning, *Youngclaus v. Omaha Film Board of Trade*,⁵³ a Nebraska exhibitor, William N. Youngclaus, accused the Omaha Film Board of Trade, affiliated distributors, and the Publix theater circuit of "entering into an agreement among themselves not to license the exhibition of a picture by the plaintiff for a period of ten days after the picture had been exhibited at a rival theatre."⁵⁴ The essential legal issue that was raised during the trial was "whether the Nebraska protection agreement, signed in July, 1930, introduced compulsory protection for the first time in this state."⁵⁵ The plaintiff's council looked to show that the oppressive marketing patterns used by the film board of trade on the grounds of protection was a direct, physical restraint of trade.⁵⁶

On the witness stand, Youngclaus testified that he had "been assured of freedom from

⁵¹ Lewis, *The Motion Picture Industry*, 203–204.

⁵² Conant, *Antitrust in the Motion Picture Industry*, 66.

⁵³ *Youngclaus v. Omaha Film Bd. of Trade*, 60 F.2d 538 (D. Neb. 1932).

⁵⁴ William Whitman, "Anti-Trust Cases Affecting the Distribution of Motion Pictures," *Fordham Law Review* 7 (1938): 200. Most of the protected theaters in Nebraska were owned either directly or indirectly by Publix. Allied States helped raise \$15,000 for Youngclaus's defense fund before trial, see "Iowa-Nebraska Allied Raises Youngclaus Fund," *Film Daily*, March 9, 1932, 11.

⁵⁵ "Bitter Fight Seen as Zoning Test Case Opens," *Film Daily*, April 19, 1932, 1, 4. See also "Distribs. Open Guns Today in Protection Case," *Film Daily*, April 20, 1932, 1, 7.

⁵⁶ Whitman, "Anti-Trust Cases Affecting the Distribution of Motion Pictures," 200.

protection restrictions when he opened the Madison, [Nebraska], theater in April, 1930. When the July agreement went into effect, Youngclaus at first took no interest in the matter because Madison is 15 miles by road to Norfolk, where Publix has two protected theaters. He was summoned before the zoning committee and was told that he was within the 15 mile Norfolk zone, when the distance was computed by *air* miles. Regardless of the fact that he signed contracts early in 1930, none of which specified protection, Youngclaus testified that ten days' preference given Norfolk in the July agreement was enforced."⁵⁷ Federal Judge T.C. Munger ruled that the enforcement of this agreement providing for uniform clearance and zoning in the Omaha distribution territory was an unreasonable restraint of interstate trade in violation of the Sherman Act.⁵⁸ The court's decision denounced the collective action taken by the major studios but did not affect protection arrangements of individual distributors.⁵⁹

However, most of the other cases brought against the major distributors and their affiliated circuits by independent exhibitors were won by the defendants. The failure to prove conspiracy and specified damages that might have incurred as a result of the identical standard

⁵⁷ Ibid. Youngclaus's wife (and office manager) later testified that there was a 70% drop in box-office receipts when the "freshness and quality of pictures were lowered by protection granted the nearby city of Norfolk." See "Protection Cause 70% Drop, Mrs. Youngclaus Testifies," *Film Daily*, April 21, 1932, 1, 7.

⁵⁸ Whitman, "Anti-Trust Cases Affecting the Distribution of Motion Pictures," 200. The court ruled: Whatever the length of the period, whether for one day or more, the distributors limited their freedom to contract according to their individual judgments, as to the period of protection to be accorded to the Norfolk theatre and to be imposed on the plaintiff. This agreement has been enforced against the plaintiff. Whatever may be the right of the distributors separately and individually to license the exhibition of pictures by contracts giving to the licensees the exclusive right of exhibition for a period of time, a combination of distributors such as exists here, controlling a large part of trade in interstate commerce, to refrain from competition among themselves in making such licensing agreements with exhibitors, by agreeing that they will grant a substantial period of protection to one exhibitor over a rival distributor in competitive territory, is an unreasonable restraint of interstate trade, and is condemned by the anti-trust laws of the United States. The plaintiff is entitled to the right to bargain with distributors who are free from a combination among themselves not to bargain with the plaintiff unless he shall consent that his rival shall have had the first opportunity to exhibit a picture. *Youngclaus*, 60 F.2d at 540.

⁵⁹ Ibid.

contracts used by the majors in regard to runs, clearance, and admission prices was usually held “insufficient” by the courts to establish illegal combination.⁶⁰ For example, in *Rolsky v. Fox Midwest Theaters*, thirteen independent exhibitors, led by Kansas City exhibitor Emanuel Rolsky, sought a temporary injunction against Fox Midwest Theaters, accusing the company of enforcing illegal zoning and clearance practices that violated antitrust laws.⁶¹ The distributors held that they were “justified under the law to grant priority of run to one theater over another as they saw fit,” pointing out that “subsequent runs in Kansas City, whatever their ownership, were entitled to negotiate for any runs desired.”⁶²

Denying the request for an injunction, Federal District Judge Merrill E. Otis upheld the right of the distributors to grant priority runs and to exclusively license films, stating that the contract between Fox Midwest Theaters and the distributor defendants differed from other contracts drawn this past year only in that they “granted priority of run and that this was a concession which might naturally and legally be granted to a customer contributing revenue greatly in excess of others as Fox Midwest does here.”⁶³ Judge Otis further stated that “the fact that the contracts between Fox Midwest and the distributor defendants were all made during a period of a few months and were similar in essential respects, might tend to prove concerted action on the part of the defendants except that the nature of the business and the fact that Fox Midwest was an important customer, had demanded it—in which case it was more logical to assume the distributor defendants had acted innocently, naturally, and to their best interest than

⁶⁰ Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 201.

⁶¹ *Rolsky v. Fox Midwest Theaters*, 1932-1939 Trade Cas. (CCH) ¶ 55,132 (W.D. Mo. 1936).

⁶² “Exhibits Lose ‘Trust’ Bowl,” *Daily Variety*, August 7, 1936, 1, 5.

⁶³ “Zoning System Upheld in Kansas City Court Ruling,” *Film Daily*, August 6, 1936, 1, 6.

to assume otherwise.”⁶⁴ Unable to find that the clearance granted violated antitrust laws, Judge Otis said:

I think that there cannot be any doubt whatever but that a distributor of motion pictures owning a copyright upon a given picture, may sell to an exhibitor in a given area, the exclusive right to exhibit that picture either for a short period or for a long period provided it is not longer than the life of the copyright without regard to whether that exhibitor is one who charges the same or a different admission price from that which is charged by another exhibitor or other exhibitors in the same area.⁶⁵

Upon their victory in court, Gabriel Hess, general counsel for the MPPDA, commented that “The decision of Judge Otis has upheld what long has been contended by distributors to be their right in the distribution of pictures and settles much disputed questions of law.”⁶⁶ Thus, circumstantial evidence involving identical contracts was found by the court to be as “consistent with innocence as with illegality, and presumption in favor of lawful conduct was upheld.”⁶⁷

Actions Involving Protection: Admission Price Fixing

Minimum admission prices, like clearances, zoning, and runs, were specified in every exhibition contract and were an integral part of the licensing agreement. Originally used for protection purposes, distributors often set the minimum admission prices in the contracts of subsequent theaters “at higher levels than warranted by the clearance and zoning restrictions negotiated.”⁶⁸ The largest theater circuit in each town worked with the leading distributors to set admission prices that would remain the same in all runs; uniform prices were then “stipulated in

⁶⁴ *Ibid.*, 6.

⁶⁵ *Rolsky v. Fox Midwest Theaters*, 1932-1939 Trade Cas. (CCH) ¶ 55,132 (W.D. Mo. 1936).

⁶⁶ “Exhibits Lose ‘Trust’ Bowl,” 5.

⁶⁷ *Rolsky v. Fox Midwest Theaters*, 1932-1939 Trade Cas. (CCH) ¶ 55,132 (W.D. Mo. 1936).

⁶⁸ U.S. Temporary National Economic Committee, Monograph No. 43, *The Motion Picture Industry—A Pattern of Control* (Washington: Government Printing Office, 1941), 45.

the license contracts for each theater, affiliated or independent, by each of the eight [major] distributors.”⁶⁹ It is important to note that runs and admission pricing were mutually dependent and called for the implementation of set prices. Any theater cutting admission prices would lower attendance in other runs and “upset the optimum discrimination pattern.”⁷⁰ In order to eliminate price rivalry, theaters rarely charged higher admission prices than what was stipulated in the license agreement. As noted earlier, theaters were assigned specific runs in a given territory. The rule for pricing was simple: if a theater lowered admission prices, it was assigned to a later run; if it raised its prices the theater was given an earlier run.⁷¹

The most significant lawsuit involving admission price fixing during the 1930s centered on two large theater circuits controlled by Paramount. In *United States v. Interstate Circuit, Inc.*, the eight leading distributors, the Interstate Circuit and its affiliate Texas Consolidated Theaters, Inc., were accused of conspiring to restrain trade in the states of Texas and New Mexico.⁷² Together the two circuits owned 131 theaters (half of which were first run theaters) and were unusually successful in dictating to the majors the terms of licensing agreements for independents.⁷³

In 1934, Robert J. O’Donnell, manager of the Interstate and Consolidated Theater Circuits, sent a letter to all eight of the major distributors stipulating some new requests in regard

⁶⁹ Conant, *Antitrust in the Motion Picture Industry*, 69.

⁷⁰ *Ibid.*, 70.

⁷¹ *Ibid.*

⁷² *United States v. Interstate Circuit, Inc.*, 20 F. Supp. 868, 874 (N.D. Tex. 1937).

⁷³ Michael Conant notes that Interstate and Consolidated “contributed more than 74% of all licensing fees paid by each theater in their respective territories to the eight leading distributors (Paramount, MGM, Warner Bros., 20th Century-Fox, RKO, Universal, Columbia, and United Artists) who were made defendants in the case.” See Conant, *Antitrust in the Motion Picture Industry*, 87.

to pricing for the 1934–1935 season. O’Donnell asked the distributors to include in their license agreements a provision stating that “every feature picture shown first run for an evening admission price of \$.40 or more in certain territories would not be exhibited in the same territories at a subsequent run for less than an evening admission price of \$.25 and would not be exhibited with another feature picture” under the so-called policy of the double bill.⁷⁴ In addition to this price restriction, Interstate and Consolidated went further by insisting that the above stated provisions be included in “all license agreements for the exhibition of pictures in the designated territories.”⁷⁵ O’Donnell ends his letter in a somewhat threatening manner. He writes:

At this time the writer desires to again remind you of these restrictions due to the fact that there may be some delay in consummating all our feature film deals for the coming film season, and it is imperative that in your negotiations that you afford us this clearance. In the event that a distributor sees fit to sell his product to subsequent runs in violation of this request it definitely means that we cannot negotiate for his product to be exhibited in our “A” theaters at top admission prices.⁷⁶

After conferencing with the distributors individually, all eight agreed to the demands outlined by O’Donnell and the restrictions were promptly enforced.⁷⁷

In their decision to uniformly fix prices and limit the exhibition of motion pictures to one feature at the behest of Interstate, the U.S. Department of Justice filed a suit to enjoin them from violating antitrust laws. U.S. District Judge William H. Atwell held that the present contracts

⁷⁴ Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 197.

⁷⁵ Ibid. During the early 1930s, most second and third run theaters had 15 and 10 cent evening admission prices and showed one “A” film on the double bill.

⁷⁶ Letter from R.J. O’Donnell to MPPDA affiliated distributors, quoted in U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 46.

⁷⁷ “Hoblitzelle on Stand in Texas Dallas Trust Case,” *Film Daily*, September 23, 1937, 1, 2. In his testimony, O’Donnell stated that, “in discussions of the proposal to uphold the minimum night admission price to 25 cents he had talked to only one producer at a time, never were representative of more than one producing company at a price conference.” Ibid.

between the defendant companies are illegal agreements in restraint of trade and interstate commerce, and therefore are in violation of the Sherman Act.⁷⁸ Judge Atwell ruled:

The citizen has the right to go to another citizen to make a contract and to have that other citizen free from any inhibiting prior agreement to limit the rights of him who seeks. The subsequent small theatre exhibitor who wanted the right to show a Class A film at ten or fifteen or twenty cents, has a right—that right which belongs to every free man—to contract with the owner of that film, free to exercise his own judgment. This evidence shows that no such subsequent run exhibitor has a field of that sort with the distributor defendant. There had already been a pre-occupation of this very field of agreement. Some of his rights had already been taken away from him. It differs from the exercise of the distributor of the right to refuse to deal at all.⁷⁹

While the distributors attempted to show that there was no understanding or agreement made together as a group and each licensing agreement was made separately with the exhibitor, the court decided that the conspiracy was shown by “the unanimity of action of the distributors at a given time with reference to the identical matter.”⁸⁰ The U.S. Supreme Court affirmed the decision upon appeal.⁸¹

Prior to the *Interstate* case, there were two substantial cases involving the unpopular practice devised by the affiliated distributor-exhibitors in the early 1930s: the double bill. In *Perelman v. Warner Bros. Pictures, Inc.*, Federal District Court Judge George A. Welsh held that

⁷⁸ “Distribs Lose Out in Anti-Trust Decision,” *Daily Variety*, September 27, 1937, 1, 6; see also “Court Finds For Gov’t in Dallas Trust Case,” *Film Daily*, September 27, 1937, 1, 14.

⁷⁹ *Interstate*, 20 F. Supp. at 874.

⁸⁰ *Ibid.*

⁸¹ Conant, *Antitrust in the Motion Picture Industry*, 87. The Supreme Court denied the grounds of error alleged by the appellants for three reasons:

(1) [The Court] ruled that the trial court’s inference of agreement from the uniform action in conforming to *Interstate*’s demands was supported by the evidence; (2) [The Court] ruled that each of the agreements between *Interstate* and the distributors, even individually, was not permitted or protected by the copyright laws, for they attempted to restrain competitive distribution of the copyright article in the open market for the benefit of a party other than the owner of the copyright; and (3) [The Court] ruled that the restraint of trade was unreasonable in that there was no evidence of loss to independent subsequent-run exhibitors. Furthermore, the price restriction was held to be comparable to resale price maintenance, which in a service industry, is in violation of the Sherman Act. *Ibid.*

the defendants conspired against the independents in violation of the Sherman Act (restraint of trade) and the Clayton Act (illegal tying arrangements).⁸² The case was filed by an independent exhibitor from Philadelphia, Harry Perelman, who questioned the legality of the anti-double feature clause in contracts and asked the court for a permanent injunction against six major companies.⁸³ Perelman's lawyer argued that independents were unable to buy the films they wanted because of the double feature clause in their contracts. Several independent producers and exhibitors took the stand and testified that they had been promised on countless occasions by the major studios that double features would be phased out.⁸⁴ The defendants argued that there was no conspiracy or combination and that each distributor had acted independently. However, the court found that although the conspiracy was not achieved by unlawful means, the "collective action on the part of major distributors against double features amounted to a restraint of interstate trade, because independent exhibitors often purchase the second feature from an independent distributor, and the effect of the prohibition was to deter exhibitors from using pictures distributed by independent distributors, who were in competition with the major distributors, and thus tended to lessen competition from independent distributors and create a monopoly in favor of the major distributors."⁸⁵ It was made plain by the court that a continuation of double features would "destroy the cultural and commercial value of motion pictures."⁸⁶

⁸² Perelman v. Warner Bros. Pictures, Inc., 9 F. Supp. 729, 732–733 (E.D. Pa. 1935).

⁸³ "Dual Clause Test Case in Philly Court Today," *Film Daily*, November 21, 1934, 1, 4. The six major companies were Warner Bros., RKO, Paramount, Fox, MGM, and United Artists.

⁸⁴ "Chadwick Testifies on Duals; Motion to Dismiss Is Denied," *Film Daily*, November 28, 1934, 1, 12. Independent producer, I.E. Chadwick, testified that at a May 1st meeting in Los Angeles, MGM's Louis B. Mayer "appeared before a group of exhibitors and declared majors were prepared to stop spread of double features." Ibid.

⁸⁵ Whitman, "Anti-Trust Cases Affecting the Distribution of Motion Pictures," 196.

⁸⁶ "Ban on Duals Illegal, Philly Court Rules," *Film Daily*, February 1, 1935, 1, 4.

Warner Bros. and the affiliated studios appealed the ruling, but the Circuit Court affirmed the previous decision in 1937.⁸⁷

A few months after the *Perelman* ruling, a second case involving the legality of the double feature clause was filed. This time, however, the outcome did not favor the independents. In *Shubert Theatre Players Co. v. Metro-Goldwyn-Mayer Dist. Corp.*,⁸⁸ the action centered on two points: (1) the right of a distributor to prohibit the screening of its films on double bill; and (2) the right of the distributor to refuse to sell its films to theaters charging less than 15 cents, thus requiring a minimum fixed admissions price.⁸⁹ Falling short of proving a conspiracy, Minneapolis Federal District Court Judge Nordby denied a temporary injunction. In his ruling he stated, “Restrictions in the license contracts regarding the admission prices and double features do not tend to substantially lessen competition in contravention of the Sherman Act or the Clayton Act and do not tend to create an illegal monopoly in interstate commerce.”⁹⁰ Unlike the *Perelman* case, the court ruled here that the uniform action among the distributors was not enough to show conspiracy.⁹¹ Furthermore, the court found that “over 50% of all distribution revenue was usually obtained from “first runs” throughout the country and the distributors had an interest in the amount of license fees received, which were based upon a percentage of gross receipts in many cases, and that the restrictions in license agreements regarding admission prices and double features did not tend to substantially lessen competition or to create an illegal

⁸⁷ Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 196.

⁸⁸ *Shubert Theatre Players Co. v. Metro-Goldwyn-Mayer Dist. Corp.* (D. Minn. 1936) (unreported).

⁸⁹ “Distributors Win Ruling in Their Minneapolis Action,” *Film Daily*, February 4, 1936, 1, 4.

⁹⁰ “Minneapolis Dist. Court Holds Price-Fixing is Not Restraint,” *Film Daily*, February 6, 1936, 1, 3.

⁹¹ *Ibid.*

monopoly if uninfluenced by understandings with other distributors.”⁹² The case was dropped against the major distributors on March 26, 1936.⁹³

Actions Involving Block Booking: The Neely-Pettengill Bill

Perhaps a result of the publicity the issue received from the action taken by the Federal Trade Commission (FTC) and the sheer number of lawsuits filed by independent exhibitors, block booking received more attention from the general public than any other trade practice. As discussed earlier, block booking is an example of a tying agreement wherein the exhibitor had the choice of purchasing all of the films in the block (the tied product) or none at all. From the perspective of the major distributors, block booking permitted them to shift some of the market uncertainties to the independent exhibitors by “guaranteeing that poorly accepted pictures would be bought” for the entire film season so that future financing could be secured.⁹⁴

Since the implementation of block booking in the late teens by Zukor at Famous Players-Lasky, no fewer than eighteen congressional anti-block booking measures were introduced in the House and Senate, but not a single one passed in both Houses.⁹⁵ Almost immediately after the National Industrial Recovery Act’s (NIRA) demise in 1935, two members of Congress, Senator Matthew M. Neely (D-West Virginia) and Congressman Samuel B. Pettengill (D-Indiana),

⁹² Whitman, “Anti-Trust Cases Affecting the Distribution of Motion Pictures,” 199. The court also found that clearance was “generally recognized as necessary and desirable by the distributors and exhibitors.” “The Motion Picture Industry and the Anti-Trust Laws,” 646n66.

⁹³ “Minneapolis Dual Test Case Dropped,” *Film Daily*, March 26, 1936, 1.

⁹⁴ Conant, *Antitrust in the Motion Picture Industry*, 79.

⁹⁵ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 25.

proposed a bill that would abolish compulsory block booking and blind selling.⁹⁶ The most controversial part of the bill, Section Three, stated:

It shall be unlawful for any distributor of motion picture films in commerce to lease or offer to lease for public exhibition films in a block or group of two or more films at a designated lump-sum price for the entire block or group and to require the exhibitor to lease all films or permit him to release none; or to lease or offer to lease for public exhibition films in a block or group of two or more at designated lump-sum price for the entire block or group and at separate and several prices for separate and several films, or for a number of numbers thereof less than the total number, which total or lump-sum price and separate and several prices shall bear to each such relation (a) as to operate as an unreasonable restraint upon the freedom of an exhibitor to select and lease for use and exhibition only such film or films of such block or group as he may desire and prefer to procure for exhibition, or (b) as tends to require an exhibitor to lease such entire block or group or forego the lease of any number or numbers thereof, or (c) that the effect of the lease or offer to lease of such films may be substantially to lessen competition or tend to create a monopoly in the production, distribution, and exhibition of films; or to lease or offer to lease for public exhibition films in any other manner or by any other means the effect of which would be to defeat the purpose of this Act.⁹⁷

Although the bill received a great deal of support from independent exhibition organizations, it took almost three years before it finally gained substantial traction in the U.S. Senate's Interstate Commerce Committee. Senator Neely declared in his 1938 report accompanying the bill that its primary purpose is "to establish community freedom in the selection of motion picture films"; its secondary purpose is "to relieve the independent motion picture theater operators of a burdensome and monopolistic trade practice."⁹⁸ The MPPDA affiliated companies emphatically denied any monopolistic practices in the motion picture industry. They stated:

No distributor has a monopoly of distribution. There are many in active

⁹⁶ Neely and Pettengill had originally introduced separate bills in their respective houses. When the leading voice against block booking, Senator Smith Brookhart (R-Iowa), left the Senate in 1935, the two men joined their measures.

⁹⁷ S. 280, 76th Cong. §3 (1939).

⁹⁸ "Neely Monopoly Charge Denied by 26 Companies," *Film Daily*, March 9, 1938, 1, 12.

competition, no one of whom dominates the industry...It is necessary for the exhibitors to know in advance the commitments they will have to make for motion pictures to keep their theaters open and it has been of distinct advantage to exhibitors to know for example that they can contract to be supplied with the motion picture companies of long experience and reliability. It is true the exhibitors contract in advance for motion pictures before they are made. There is no compulsion on an exhibitor to do so and an exhibitor can at any time change his policy as to contract for motion pictures only after they are made.⁹⁹

The Neely-Pettengill Bill required that all films be presented to theater owners before they decided to purchase the block. Each film needed to have a “complete and true synopsis,” which included plot details, character analysis, and a list of the starring players.¹⁰⁰ According to the provisions set forth in the bill, any studio that sold a film without a synopsis, or if it knowingly submitted false information about the production, that studio was subject to fines and culpable personnel could go to federal prison.¹⁰¹ To be sure, the bill proposed harsher penalties than any prior piece of legislation. Studio lawyers argued that many of the necessary elements of production—from storylines to stars—were subject to change once production started. Dialogue needed to be edited and actors had to be screen tested. The notion that the slightest deviation in the final cut of a film could result in breaking the law was too much for the moguls to stomach.

In February 1938, Hays and twenty-six MPPDA affiliated producers appeared before the Senate Interstate Commerce Committee to respond to complaints regarding the controversial practices.¹⁰² Twentieth Century-Fox president Sidney Kent protested that passage of the bill would bring disaster to all but “a few certain companies” and furiously declared:

Any independent exhibitor who believes that this bill is a triumph for the

⁹⁹ Ibid.

¹⁰⁰ “Senators Hit Block Booking,” *New York Times*, February 20, 1938, 3.

¹⁰¹ “Kent Warns Neely’s Bill Spells Industry Ruin,” *Film Daily*, March 8, 1938, 1, 6.

¹⁰² “Film Block Defended,” *Los Angeles Times*, February 29, 1936, 3.

independent is writing his own bankruptcy. Independent exhibitors of this country will rue the day the Neely Bill becomes a law. Setting aside for a moment the question of exhibitor grievances that may be legitimate, let me say that any exhibitor leader who tells his following that this legislation is for their own good is either ignorant or false. An article published this week states 'exhibitors can still buy blocks under the Neely Bill as before.' This is also misleading. A detailed synopsis and a statement of the treatment of the dialogue of each picture must be made part of each contract. Yes, they could if any producer were stupid enough to try and write an accurate description of the kind called for in this Bill and run the risk of criminal prosecution and to be fined in addition. Actually the Bill itself will make any sale impossible except the sale of a finished picture after screening. There isn't a man in the industry today...who would run the risk or could afford to run it.¹⁰³

Abram F. Myers, general counsel and board chairman of Allied States Association of Motion Picture Exhibitors (hereafter Allied States), held that the independents' position on block booking could not be any different from that of the MPPDA affiliated distributors. In response to Kent's accusation that Myers was not as anxious as he appears to be to end block booking, Myers retorted: "It ought to be clear by now that what I am against is compulsory block booking, under which the distributor determines not merely what he shall sell but also what the exhibitor shall buy...[The Neely Bill] is the mildest proposal ever made to outlaw compulsory block booking."¹⁰⁴ Extending an olive branch, Myers concluded:

It is no secret that I have many times expressed the hope that some day with real support for the other major companies, you would lead a successful movement to bring all factions and branches of the industry into harmony, to correct existing abuses and evils and restore confidence, and to erect machinery for the adjustment of intro-industry differences which would make 'self-regulation' an actuality and not an empty phrase.¹⁰⁵

Concerned that the bill could pass in the Senate after the hearing, the MPPDA took extraordinary

¹⁰³ "Kent Warns Neely's Bill Spells Industry Ruin," 6. Kent also pointed out that the "origin of this Bill was founded with the background of morals behind it, yet morals in motion pictures are no issue today and every exhibitor and fair-minded member of the community knows it." Ibid.

¹⁰⁴ "Abram F. Myers Replies to Sidney R. Kent for Allied States," *Film Daily*, April 4, 1938, 1, 4.

¹⁰⁵ Ibid.

measures to defuse the situation.

Encouraged by Hays, producers, directors, writers, stars, and member of affiliated groups, bombarded members of Congress with letters and telegrams opposing the Neely-Pettengill legislation in March. In a letter to Senator Alva B. Adams (D-Colorado) dated March 14, 1938, Harry Cohn, Columbia's head of production, wrote:

I have read the report of the Senate Committee...[which] attempts to define the evils at which the bill is aimed...It is claimed that the present system of selling is monopolistic and unfair. Our company's product is in competition with not only seven other major studios, but at least a dozen independents, some of whom have a gross income very nearly approximating ours in volume...I believe the provisions of the bill related to blind selling, utterly impractical. Motion picture producers do not relish the thought of spending their time in a Federal prison, and these provisions either make such a fate inevitable or make the business of making and selling pictures financially prohibitive.¹⁰⁶

Sidney Kent of 20th Century-Fox echoed Cohn's sentiments in a similar letter, and stated:

Under the vague notion of raising moral standards in motion picture production and the equally vague idea of preventing monopoly, the Neely Bill imposes harsh criminal penalties on ordinary business transactions in the wholesale distribution of motion pictures, and by the same penalties seeks to enforce of the producer of a motion picture to adhere to a scene synopsis or description prepared in advance of what he is going to create. The inevitable effect will be to greatly increase our costs of doing business in this country, and at the same time hamstring and disable studio production...Every leading American producer is convinced that this law will irrevocably damage our business, that it will destroy to a marked extent the high level of quality that has been achieved by the American studios, that it will seriously injure and handicap our pictures which have to meet the competition of other countries in foreign markets.¹⁰⁷

RKO president Leo Spitz vented:

This scheme which the Bill seeks to impose by criminal statute is so fantastic and intolerable to those who create screen entertainment that in all probability the only possible way we can avoid severe penalties in the law is to complete in final form a number of motion picture productions before any of the pictures are offered to

¹⁰⁶ Letter from Harry Cohn to Senator Alva B. Adams, March 14, 1938, Hays Papers, Box 0811, Microfilm—Series, Reel 20.

¹⁰⁷ Draft letter from Sidney Kent to Undisclosed Senator, n.d., Hays Papers, Box 0811, Microfilm—Series, Reel 20.

any exhibitor for the licensing rights. In order to compete successfully in the American and foreign market today, a single quality feature length motion picture film requires a cash investment from \$300,000.00 to \$1,000,000.00 before release prints can be made from the final negative. Unless a company is in a position to complete a reasonably large group of unreleased pictures for wholesale distribution, the sales cost of the wholesale distributor will be prohibitive.¹⁰⁸

While the severe criminal penalties were certainly over the top, the biggest difficulty the Neely Bill provisions would face in practice is that the “magnitude of the price differential which would constitute an unreasonable restraint upon an exhibitor’s choice of pictures or which would substantially lessen completion is not explicitly defined. The interpretation of the provision would thus be left to the courts. A variety of judgments not necessarily in consonance with each other might well arise, and there is little doubt that both the industry and the already crowded courts would be plunged into a new period of extensive and costly litigation.”¹⁰⁹ It is estimated that representatives of the MPPDA sent more than 300 similar letters to members of Congress in March and April, imploring that the Neely Bill be blocked again.

The bold lobbying on the part of the MPPDA affiliated studios worked. The momentum Neely had at the start of the year had been squashed completely. On May 5, 1938, the Senate passed over the anti-compulsory block booking and blind selling measure.¹¹⁰ Senator Neely threatened an investigation of what he termed “movie congressional trust lobbying” and went so far as to say that possible prison terms for “certain gentlemen” were not out of the question.¹¹¹ He angrily told the press: “There has never been a more brazen example of lobbying against

¹⁰⁸ Draft letter from Leo Spitz to Undisclosed Senator, April 18, 1938, Hays Papers, Box 52—0811, Microfilm—Series, Reel 20.

¹⁰⁹ U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 26.

¹¹⁰ “Neely Consideration Again Blocked in Senate,” *Film Daily*, May 6, 1938, 5.

¹¹¹ “Neely Gets Mad,” *Film Daily*, May 12, 1938, 1.

legislation in history. The trust has employed the best talent and openly invaded the offices of high Federal officials to work against it.”¹¹² The defeat of the Neely Bill was certainly a victory for the studios. However, as the debate over compulsory block booking and blind selling waged on, the FTC and the Department of Justice took a renewed interest in the Hollywood and its business practices in 1938.

Between 1932 and 1938, the FTC continued to keep a watchful eye on the various ways in which the affiliated studios dictated marketing patterns. As demonstrated so far in this chapter, the bargaining power derived from owning the majority of the strategically placed picture palaces enabled the five vertically integrated companies to control the industry. In the local film boards of trade, for example, every major distributor agreed to “respect the exclusive first run status assigned to the downtown theaters and the exclusive second-run status assigned to the large neighborhood theaters of the dominant local major circuit...First access to a circuit’s theaters was given to its own pictures. Four of the five major circuits paid more than 25 per cent of total rental outlay to their own affiliated distribution departments.”¹¹³ After the five majors took their share of the screen time, Universal, Columbia, and United Artists divvied up the rest. Independent exhibitors were almost always assigned to later runs and clearances as agreed upon by the MPPDA affiliated studios in the local film boards of trade.¹¹⁴ Because each integrated major was “both a supplier and customer of the other four, each knew that attempts to circumvent the established local marketing patterns in the neighborhood of other major circuits

¹¹² Extract from the *Washington Herald*, June 2, 1938, Hays Papers, Box 0811, Microfilm—Series, Reel 20.

¹¹³ Conant, *Antitrust in the Motion Picture Industry*, 82.

¹¹⁴ *Ibid.*

would result in a retaliation in its own circuit area.”¹¹⁵ In order to avoid reduced profits and/or price gauging in licensing contracts, the studios worked with each other by reciprocating preferential treatment in an effort to prevent any rivalry that would hurt their bottom lines. For these reasons, the five vertically integrated studios combined to do everything in their power to stabilize their theater monopolies. On July 20, 1938, the U.S. Department of Justice began formal proceedings against the eight major studios, accusing them of unreasonable restraint of trade in violation of the Sherman Anti-Trust Act.¹¹⁶ This case and the 1940 consent decree that followed, changed not only the way the studios conducted their business but immeasurably impacted Hollywood’s relationship with the U.S. government during World War II.

Strange Bedfellows: The Not-So-Secret Pre-Paramount Meetings

One month before the *Paramount* case was filed, it had been widely reported in the trade press that Hays had met with the president twice in the month of June. Their first meeting was informal: Hays and his wife, Jessie, joined Roosevelt at his family estate in Hyde Park, New York the weekend of June 4th.¹¹⁷ Two and a half weeks later Hays flew to Washington for a second meeting with Roosevelt and brought with him a delegation of film executives to talk over business matters.¹¹⁸ During the two-hour conference, it was reported that the men discussed the recent closing of theaters and the passage of the Neely Bill in the Senate. Washington insiders

¹¹⁵ Ibid., 82–83.

¹¹⁶ “U.S. Action Aimed to Force Divorcement of Theaters,” *Film Daily*, July 21, 1938, 1, 5.

¹¹⁷ Personal letter from Will Hays to President Roosevelt, June 6, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, Franklin Delano Roosevelt Library, Hyde Park, New York (hereafter cited as FDRL). Hays traveled to the president’s family residence in Hyde Park for an informal visit. Neither Will Hays nor the White House officially commented on the meeting.

¹¹⁸ “Report Top Execs. Will Meet Roosevelt Today,” *Film Daily*, June 25, 1938, 1, 4. Called to the meeting were Will Hays, Nicholas Schenck (MGM/Loew’s, Inc.), Sidney Kent (20th Century-Fox), Barney Balaban (Paramount), Albert Warner (Warner Bros.), Leo Spitz (RKO), Nate Blumberg (Universal), Harry Cohn (Columbia), and George Schaefer (United Artists).

confirmed that Roosevelt was said to have “expressed his frank opinion of industry matters pertaining to production, distribution and exhibition” of motion pictures.¹¹⁹ In his official comment to the press, Hays stated: “We were glad to discuss with the President the general conditions and the steps of industrial activity by producers and distributors. We were particularly struck with the President’s close knowledge of our industry’s problems, and I believe the President in turn received an encouraging picture of production activities and of the continued progress in self-regulation by the motion picture industry. These are times that call for increased cooperative endeavor not only within industry but between industry and government.”¹²⁰ Despite Hays’s attempt to minimize the significance of the meeting in his statement, it was becoming increasingly clear to reporters as well as the interested public that the investigation into the monopolistic practices by the studios had “reached the stage where only the need for the go signal from the White House delays courtroom hostilities as a result of the government’s sleuthing into Sherman Law violations.”¹²¹ By all accounts, the large assembly of studio executives (one representative for each of the eight studios) conferencing with Roosevelt at the White House was highly unusual and certainly did not go unnoticed. It was only the second time

¹¹⁹ “FDR Acts in Theatre Crisis—Film Heads Summoned to Parley,” *Daily Variety*, June 27, 1938, 1, 3.

¹²⁰ Statement by Will H. Hays for Immediate Release, June 25, 1938, Will Hays Papers, Box 53—0156, Microfilm—Series, Reel 21.

¹²¹ “FDR Acts in Theatre Crisis—Film Heads Summoned to Parley,” 3. *Film Daily* ran a similar story, reporting that the White House did not issue an official statement but that it had been learned on excellent authority that “the President, in inviting the execs. to the White House was actuated by the belief that the prospects of the film industry for the next year are about as important a barometer for American business as can be found.” “Execs Pledge Full Co-Op to President,” *Film Daily*, June 27, 1938, 7.

in the history of the motion picture industry that a sitting president and film officials met for formal discussions on the state of the industry.¹²²

The unprecedented meeting between the film officials and Roosevelt appears to have been planned during Hays's visit to Hyde Park. While there is no record as to what the men discussed during their informal visit, a personal note from Hays to the president sent two days later is revealing. At some point during their conversation, Roosevelt must have requested to see some internal memoranda regarding the Neely Bill and the current distribution structures in the various territories. The following Monday, June 6, 1938, Hays wrote a private note to Roosevelt that read: "My dear Mr. President: Herewith original office memoranda in which you will be interested. Kindly return it after you have noted. The situation is encouraging and I am quite hopeful that [the lawyers] will work it out."¹²³ Along with the note, there are a few lines of penciled notation written by Marguerite "Missy" LeHand, the president's private secretary, listing the confidential contents of the material the president requested. While the memoranda Hays speaks of is not included with the material (an interoffice note to LeHand written on the 8th instructs her to "send [Hays] a line of thanks and return the enclosure and say the President is glad to know it"),¹²⁴ one can make an assumption that the documents were related to the recent passage of the Neely Bill in the Senate and the studio-owned theater circuits.¹²⁵

¹²² "FDR Acts in Theatre Crisis—Film Heads Summoned to Parley," 3. Roosevelt was the president during the first official conferences with film mogul. He summoned the executives soon after he signed the industry's NRA Code of Fair Competition into law.

¹²³ Personal letter from Will Hays to President Roosevelt, June 6, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL.

¹²⁴ Memo for the P.S. (Private Secretary—Marguerite "Missy" LeHand) from "G.," June 8, 1938, Box 4, File Motion Pictures January-August 1938, FDRL.

¹²⁵ Personal letter from Will Hays to President Roosevelt, June 6, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL. LeHand noted the words "Neely" and "theater circuits" in pencil on the letter.

When the studio executives descended on the White House nearly three weeks later, it is clear that the conference was held to talk strategy. On June 28, 1938, three days after the meeting, Hays had a scheduled telephone conversation with Roosevelt, who was at his home in Hyde Park. In a memorandum recounting their discussion, Hays recounted their conversation.

I told [the president] I wanted a quick visit with him about the matter of Saturday's discussion before he left as there was something I thought should be done before he went away. I said that the reaction of our people was splendid over the visit; that it was splendid for the purpose of assuring forthright progress on the correction of such trade practices as are really needed, and splendid for the purpose of their understanding of him.

I said the meetings had been started Monday; that the spirit was splendid; that probably there would be some public information given out right away that would show action soon following the meeting with him...[the president] said, "You motion picture fellows can't put it off for too long." I told him we really could not start specific activities until the Neely Bill was out of the way, but that we would have it operating before the end of the year.¹²⁶

Hays told Roosevelt about other meetings that took place with government personnel during their visit to the White House. He relayed that some government officials, in particular Assistant Attorney General Thurman Arnold, were not as sympathetic to the industry and its current troubles. Hays continued:

"A" took us to his office where he talked to us from 12:15 until 1:15, and then asked us to come back at 2:30...we talked until 4...he said he knew nothing about this business yet—that he hadn't had time—but that he thinks a suit should be brought first and then work out something thereafter...he was really very emphatic and, frankly, apparently hostile...I assume he thought we were just another guilty party trying to make arrangements...he said it had not been finally decided whether or not they would take action against us; that while he could not talk about the matter to us until a suit was started, he hoped we would go ahead and try to work things out ourselves and send him memoranda...his attitude worried us both and was quite distressing...I certainly understood his legal theory

¹²⁶ Memorandum, June 29, 1938, Hays Papers, Box 53—0156, Microfilm—Series, Reel 21. The "it" Hays is referring to here is a program that was to address trade problems in the industry that were matters of contention with the independent exhibitors. Sidney Kent, president of 20th Century-Fox, agreed to be the chairman of the committee charged with developing the program. Chester B. Allen, "Majors Act to End Trade Problems," *Film Daily*, June 29, 1938, 1, 10.

but certainly he doesn't know at all that we are trying to be constructive and work something out for the good of the industry and generally; that it would be a terrible thing for him to go ahead and bring a suit while we are in this work, and that he ought to be acquainted with what we are doing—with the motives and purposes and the good faith.¹²⁷

After recounting his meeting with Arnold, Hays explained to Roosevelt that he would be making a public statement about the industry's step forward in terms of developing an equitable program with the independents. According to Hays, the president broke in with: "Splendid! Now that's just fine! Delighted! I'll see him Monday. I will attend to that on Monday...I will talk to him Monday. You go right ahead. It's fine what you are doing. Splendid!"¹²⁸ The following morning, June 29, 1938, *Film Daily* ran a story announcing that the industry was in the early stages of "developing a program for the solution of 'such trade problems in the industry as are still matters of contention.'" ¹²⁹ Under the chairmanship of 20th Century-Fox president, Sidney R. Kent, the program, when completed, would be the "basis of renewed co-operative efforts with representatives both of all organized and individual exhibitor interests throughout the country for new steps in the self-regulation required for the further progress of the industry."¹³⁰ The establishment of a committee that combined industry executives and eventually independent film exhibitors was seen as a possible antidote to the rumored monopoly charges that were currently under scrutiny at the Department of Justice.

¹²⁷ Memorandum, June 29, 1938, Hays Papers, Box 53—0156, Microfilm—Series, Reel 21. "A" here refers to Assistant Attorney General Arnold who was head of the Department of Justice Antitrust Division. Hays and Arnold were joined by Loew's/MGM president Nicholas Schenck.

¹²⁸ Ibid.

¹²⁹ Allen, "Majors Act to End Trade Problems," 10.

¹³⁰ Ibid.

On the day of publication, Kent sent a letter to Roosevelt's secretary, Marvin McIntyre, stating his commitment as chairman of the committee. He wrote: "Mr. Hays has asked me to send you the self-enclosed statement released yesterday which is self-explanatory. This is the beginning of an effort on our part to straighten out among ourselves, not only the problem of block booking but many others confronting the trade. Mr. Hays stated you would understand the reason I am sending this to you, It may be that the President would like to see this."¹³¹ To be sure, Kent and other industry executives were doing their due diligence to halt the impending proceedings. Between June 29th and July 20th, both *Film Daily* and *Variety* regularly reported on the steady progress the distribution group was making, while independent exhibitor organizations watched closely and waited skeptically to hear the majors' plans for self-solution.

Impatient, and perhaps a bit weary of the industry's impending conciliation proposal, Allied States' general counsel and board chairman, Abram F. Myers, filed a request with the National Economic Committee (NEC) to conduct a formal investigation of the motion picture industry. Myers specifically asked that the committee examine the "organization, financing policies and practices of the motion picture industry, and charged that present practices of the moving trust not only serve to drive the independent owners out of business, but also to regulate those who remain in the business."¹³² In the conclusion of his request, Myers stated, "Certainly the degrees of regimentation proposed by the motion picture trust on the theaters and the effect,

¹³¹ Personal letter from Sidney R. Kent to Marvin McIntyre, June 29, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL.

¹³² Prescott Dennett, "Allied Seeks Pix Probe by New Federal Group," *Film Daily*, July 7, 1938, 1, 4. In conjunction with other governmental agencies, NEC is in charge of probing monopolistic practices of large industries including steel, oil, and railroads. This was the first time formal requests were made to look into the motion picture industry. Because the motion picture industry is small relative to steel, oil, and railroads, Myers's request seemed unlikely. However, before the Department of Justice (DOJ) filed suit, the NEC took the complaint seriously and began looking into the materials collected by the Federal Trade Commission and the DOJ. See also "Trust Probers Sidestep Quick Delve into Picture Industry," *Daily Variety*, July 8, 1938, 1, 6.

both actual and potential, on the theatergoing public, are a challenge to government itself.”¹³³

After his experience dealing with the studios throughout the revision process of the Motion Picture Code of Fair Competition during the early months of the NRA, Myers was not taking any chances when it came to the industry’s ability to sway prominent government insiders, including Roosevelt himself. Myers, however, made it clear that “when and if another concrete program is evolved by the distributors, it will receive the consideration of the Board.”¹³⁴

As Myers and Allied States waited to hear whether or not the NEC would take future action, several government departments specializing in different fields were assigned to examine various aspects of the industry in the event of an investigation, suggesting that the probe would be comprehensive in its scope.¹³⁵ Industry executives were well aware that regardless of whether or not the NEC took up Allied States’ request for a formal investigation, any findings they came across would be of “direct concern to industry affiliates.”¹³⁶ It had been reported as early as June 18, 1938 that the long-expected action against the studios would break in the very near future. *Film Daily* reporter Prescott Dennett confirmed the story from confidential sources inside the

¹³³ “Allied Seeks Pix Probe by New Federal Group,” 4.

¹³⁴ George W. Mehrtens, “Allied’s Probe Demand No Bar to Conciliation,” *Film Daily*, July 8, 1938, 1, 6.

¹³⁵ “NEC Sets Up Machinery for Broad Probe of Monopoly,” *Film Daily*, July 9, 1938, 1, 3. Senator Joseph C. O’Mahoney (D-Wyoming), chairman of the committee entrusted no less than six departments to look into the business practices of the motion picture industry:

Justice Department will delve into industrial combinations and mergers as well as price policies in industries; [Securities and Exchange Commission] will inquire into corporation powers and structures, including financial control which may be held by large institutions; [Federal Trade Commission] will expose industrial production and distribution; Treasury will study anti-trust laws [in the U.S.] and abroad... Commerce Dept. will study NRA files which have been turned over to it and would also look into various industrial groups and analyze results of various work which has been undertaken by the census bureau; Labor Dept. will consider the effect of mergers and price policies in industry on labor and wages. Ibid.

¹³⁶ Ibid.

Department of Justice who claimed that, “the film matter is in the office and warm.”¹³⁷ Despite their attempt to show their willingness to make changes and work with the independent exhibitors, it became increasingly clear to industry officials that they had simply run out of time.

“Nothing Short of Divestiture is Acceptable at this Point”—The Department of Justice and the Filing of the *Paramount* Case (1938)

On July 20, 1938, the long-threatened antitrust suit was filed in New York Federal Court against the eight major motion picture companies. In the 119-page complaint drawn up by Assistant U.S. Attorney General Thurman Arnold and filed by order of U. S. Attorney General Homer S. Cummings, the five vertically integrated majors—Paramount, Loew’s/MGM, Warner Bros., 20th Century-Fox, and RKO—were charged with “combining and conspiring to restrain trade unreasonably and to monopolize the production, distribution, and exhibition of motion pictures;” the three minor defendants—Universal, Columbia, and United Artists—were charged with “combining with the five majors to restrain trade unreasonably and to monopolize commerce in motion pictures.”¹³⁸ Specifically, the defendants were accused of “conspiring to fix film license terms, runs, clearances, and minimum admission prices...and concertedly engaging in block booking, blind selling, and systematically discriminating in license terms in favor of circuit theaters.”¹³⁹ The defendants were also accused of:

- (1) Conditioning licenses to theaters of their co-conspirators on receiving similar preferences for their own theaters
- (2) Excluding independently produced films from their theaters
- (3) Excluding independent exhibitors from first and other runs in which defendants operated theaters
- (4) Using first and early runs in affiliated theaters to control the supply of films, runs, clearances, and admission prices of competing unaffiliated theaters

¹³⁷ Prescott Dennett, “Justice Department Readies Pix Action,” *Film Daily*, June 18, 1938, 1, 4.

¹³⁸ “Big Film Concerns Accused in Suit of Acting as a Trust,” *New York Times*, July 21, 1938, 1, 7.

¹³⁹ Conant, *Antitrust in the Motion Picture Industry*, 94.

- (5) Pooling profits in cities where two or more defendants operated theaters, and
- (6) Effecting a division of territories in the entire United States¹⁴⁰

The petition in equity (No. 87-273) was filed under the Sherman Act and sought not only to “enjoin the defendants from discriminating against the independents, but also asks for orders directing five of the defendant corporations to divorce their producing-distributing business from that of exhibition.”¹⁴¹ In addition to the eight major producers, twenty-five affiliates and subsidiaries, and 132 individual industry executives were named in the suit, making it one of the largest antitrust cases filed by the U.S. government against an industry in history.¹⁴²

Following a two-year investigation into the industry’s anticompetitive trade practices, *United States v. Paramount, Inc., et al.* was widely regarded as an extension of the dozens of similar antitrust actions brought against the major studios that took place a few years earlier in cities all over the country including New York, St. Louis, Dallas, Philadelphia, Omaha, and Newark.¹⁴³ Assistant Attorney General Thurman Arnold was keen to note that over the course of the government’s investigation there were “numerous complaints” made not only by independent exhibitors, but by the “theatre-going public” as well.¹⁴⁴ Requesting that the court take “all steps necessary to break up the asserted monopoly,” the government specifically applied for an injunction which would (1) permanently prohibit a number of sales practices including compulsory block booking, full line forcing of shorts and newsreels, excessive protection, overbuying, arbitrary play dates, price fixing, and the double feature; and (2) force the studios to

¹⁴⁰ Ibid. See also U.S. Temporary National Economic Committee, *The Motion Picture Industry*, 73–74.

¹⁴¹ “Big Film Concerns Accused in Suit of Acting as a Trust,” 7.

¹⁴² Warren B. Francis, “Film Anti-Trust Suit Launched,” *Los Angeles Times*, July 21, 1938, 1, 4.

¹⁴³ “Big Film Concerns Accused in Suit of Acting as a Trust,” 7. See earlier discussion in this chapter for a close analysis of these antitrust cases.

¹⁴⁴ Ibid.

divest themselves of their theater chains which were used by the majors to unreasonably restrain trade.¹⁴⁵

In the statement released by the Department of Justice following the filing of the suit, U.S. Attorney General Cumming, on behalf of the U.S. government, declared: "It is the belief of the Department of Justice that certain rearrangements must be made in the moving picture industry in order to maintain competitive conditions in the future. These rearrangements require a more constructive effort than mere prosecution for past practices... The aim of the civil suit which is now instituted is to accomplish those arrangements under the guidance of the court. This method of action through judicial proceedings furnishes the only path to constructive achievement. Under this policy, a lawsuit should be considered as the beginning of cooperation between the courts, the Department of Justice, and the industry to achieve a common end."¹⁴⁶

MPPDA president Will Hays also issued a formal statement following the filing and commented at length on the charges levied at the industry. He stated:

Motion picture producers, wholesale distributors and leading exhibitors of the nation will generally welcome the prospect of a comprehensive, fair and conclusive endeavor to clarify the application of existing laws to the trade customs inherent in the development of the motion picture industry. The entire matter is being approached in that spirit through which beneficial results can come to all concerned. Courts clarify and explain the meaning of law. Such a suit as this can do just that... If the present action instituted by the Department of Justice, in civil proceedings, clarified the law applicable to the complex business operations of the motion picture industry it should promote the further progress of the screen.¹⁴⁷

When news broke of the filing, many reporters and industry insiders were surprised that the government brought civil action, rather than the rumored criminal charges against the eight

¹⁴⁵ Francis, "Film Anti-Trust Suit Launched," 4.

¹⁴⁶ "Justice Dept. Asks 'Free Competition,'" *Film Daily*, July 21, 1938, 1, 6.

¹⁴⁷ "The Statement Issued by Will Hays," *New York Times*, July 21, 1938, 6.

studios.¹⁴⁸ Hays's remarkably controlled tone in his statement, which was released only hours after the papers were filed in federal court, had many outsiders curious as to when the MPPDA head knew the details of the action.¹⁴⁹ Industry insiders, on the other hand, continued to speculate as to whether his two meetings with Roosevelt in June had anything to do with the civil rather than criminal charges handed down by the Department of Justice.¹⁵⁰ John Boettiger, Roosevelt's son-in-law, wrote Hays the day after the filing and commended his statement to the press. He told his former boss: "May I extend my heartiest congratulations on the grand job you did in handling your end of the Justice Department suit. The statement you issued was just the right type in the situation, and completely averted the type of story which would have made it appear a terrific war by the government against the industry...I do hope you get some relaxation after your arduous siege."¹⁵¹ Boettiger's letter suggests that Hays must have had some idea that the filing was going to take place. The notion that Hays would get some "relaxation" after the filing is odd unless the industry had already taken precautionary legal steps in preparation of the filing.

Under the newly instituted "full statement" policy issued by U.S. Attorney General Cummings, the Department of Justice required that "a full factual report and statement be made, whether the announcement calls for a court case or not...so that the film industry won't be left in the dark as to its intentions."¹⁵² After personally submitting the brief to the court, Assistant

¹⁴⁸ "Federal Suit Can Bring Benefits—Hays," *Film Daily*, July 21, 1938, 1, 5.

¹⁴⁹ "Hays Dash Here On U.S. Suit," *Daily Variety*, July 22, 1938, 1, 4.

¹⁵⁰ Personal letter from Will Hays to President Roosevelt, June 6, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL.

¹⁵¹ Letter from John Boettiger to Will Hays, July 21, 1938, Box 20, Will Hays Folder 1938–1946, Boettiger Papers, FDRL.

¹⁵² Dennett, "Justice Department Readies Pix Action," 4. On July 21, 1938, *Film Daily* noted that it was the first publication to break this story. "Government's Suit Against Majors Forecast in *Film Daily* on June 18th," *Film Daily*, July 21, 1938, 4.

Attorney General Arnold reiterated from the steps of the courthouse that the Department of Justice would accept nothing short of theater divestiture. Having thoroughly investigated the industry's trade practices, both Cummings and Arnold found that the defendants controlled 65% of all films produced in the U.S. from "the selection of story to the final showing at the theaters," and that the "actual control of the product is even greater than would appear from this picture, because from 80 to 90 p.c of the quality feature films upon which the exhibitors are dependent for successful operation are produced or distributed by the eight major companies."¹⁵³ In his comments to the press, Arnold further noted that "restoration of free enterprise and open competition among all branches of the picture industry is the prime objective of this proceeding."¹⁵⁴ It was made clear to the industry that this case would likely go to trial some time in the fall and that Arnold would personally prosecute the case.¹⁵⁵

There was a great deal of speculation regarding the role the Roosevelt Administration played in the civil charges levied against the majors. Four days after the case was filed, *Los Angeles Times* staff reporter, Warren B. Francis, wrote a scathing article about the underlying political significance of the government's decision to go ahead with civil charges in the antitrust suit against the motion picture industry, claiming that it "bears the earmarks of political influences."¹⁵⁶ Francis wrote:

While the big shots naturally will offer violent denials, the departmental hand-out and the bill of complaint both show clearly that a political trade was made. With

¹⁵³ Al Steen, "U.S. Action Aimed at Divorcement of Theaters, Monopolistic Practices," *Film Daily*, July 21, 1938, 1, 4.

¹⁵⁴ *Ibid.*

¹⁵⁵ "Justice Dept. Looks for Extended Trial," *Film Daily*, July 22, 1938, 1, 4. Assistant District Attorney General Arnold was head of the Antitrust Division at the Department of Justice.

¹⁵⁶ Warren B. Francis, "Political Trade Indicated in Federal Anti-Trust Film Suit," *Los Angeles Times*, July 24, 1938, A5.

everybody from drug store cowboy to industrial tycoon extremely interested in what happens to the film business, the new dealers have made a good bargain. Their willingness to launch civil proceedings, instead of criminal indictments, is interpreted as proof that the Federal policemen negotiated an agreement with the major companies which calls for both financial and vocal support of the New Deal. The accused corporations and individuals, in other words, are expected to write the checks and beat the drum, while the government will forget about collecting several pounds of flesh for what is supposed to have happened in the past. The petition also is regarded as confirmation of whispers that the recent unadvertised visit of Gen. Will Hays and a platoon of prominent executives was prompted by fear of what would happen. People who know how such things are done in the political world deduce that Gen. Hays and the big-shots promised to ‘do their part’—which means pro-administration attitudes and cash—if the New Dealers would cease harassing them with inspectors, agents, lawyers, and accountants. The industry breast-beaters naturally condemn the thought as irreverent and contumacious but *they cannot hide the fundamental fact that the White House visit occurred while a bill of complaint was on the Attorney-General’s desk and before the Justice Department had decided between a civil and a criminal proceeding.*¹⁵⁷

Francis’s piece did not go unnoticed by the Hays Office or the White House. His accusation that Washington and Hollywood had a political arrangement was particularly off-putting to Roosevelt aides who responded to the potential political firestorm by distancing the president from future proceedings.¹⁵⁸ Even one of the most publically critical opponents of the industry, Allied States’s Abram F. Myers, thought Francis went too far and sent a note to Roosevelt’s press secretary, Stephen Early, stating that the article “made my blood boil. I believe in the freedom of the press here is one occasion when I would crack down if I had the power!”¹⁵⁹

¹⁵⁷ Ibid. Italics my own.

¹⁵⁸ Memorandum from Stephen Early to unknown, July 25, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL.

¹⁵⁹ Personal letter from Abram F. Myers to Stephen Early, July 30, 1938, OF 73, Box 4, File Motion Pictures January-August 1938, FDRL.

In Limbo: Preparing for Trial (1939–1940)

In January 1939, members of the Senate and House of Representatives were told by congressional leaders that (1) all anti-block booking and blind selling bills would be held until there was some movement in the *Paramount* suit or from the NEC probe; and (2) no vote in either house will take place until after full hearings are conducted on the controversial film measures.¹⁶⁰ Representative Clarence F. Lea (D-California), chairman of the House Interstate and Foreign Commerce Committee stated: “it is quite evident that the New York equity suit might materially affect what, if any, legislation Congress might deem necessary for the industry. I believe we will hold hearings on such a measure as [Senator Neely’s] anti-block booking bill. One thing is certain: our committee will take no action on such an important industry measure without thorough consideration by means of a public hearing.”¹⁶¹

As the industry awaited trial, Sidney Kent and other industry leaders continued to hold conferences regarding the trade practice draft between Allied States’ negotiating committee headed by Abram F. Myers, and the distributors’ group.¹⁶² While the talks remained “positive,” Allied claimed that the major distributors’ proposals continue to “fall short of curing the industry evils of which Allied and independent exhibitors have complained for years.”¹⁶³ Allied States’ Board of Directors reiterated the stand taken in its former resolution that “nothing in any plan which may be reported shall in any way hinder or preclude Allied from seeking a larger measure

¹⁶⁰ Prescott Dennett, “Congress to Watch Equity Suit Trial Before Legislating, Lea Indicates,” *Film Daily*, January 3, 1939, 1, 10.

¹⁶¹ *Ibid.*, 10. It was anticipated that the re-introduction of several industry probe measures would be temporarily put on hold until the NEC completed its monopoly hearings. Senator Neely’s anti-compulsory block booking bill was the only bill slated to be re-introduced to Congress in the coming weeks.

¹⁶² “Expect Allied to Press for Draft’s Revision at Capital Meeting Today,” *Film Daily*, January 16, 1939, 1, 9. See also, Al Steen, “Trade Reforms Before Allied Directors Today,” *Film Daily*, January 17, 1939, 1, 6.

¹⁶³ Al Steen, “Allied to Continue Trade Reform Negotiations,” *Film Daily*, January 18, 1939, 1, 3.

of relief than that offered by the distributors, by legislation, litigation or otherwise.”¹⁶⁴ With the agreed upon March 1st deadline approaching, Myers disclosed that he intended to write a draft of his own for submission to the distributors on behalf of Allied States and the independent exhibitors.¹⁶⁵

Not surprisingly, the issue the majors refused to budge on was block booking. Joseph Schenck, chairman of the board of 20th Century-Fox, claimed that any change to the current method of distribution would ruin the independent theater owners who need, on average, 150 films a year to meet their exhibition demands. Schenck argued that the independent theater owner “changes his bill two or three times a week and in the course of the year he and his neighbors use virtually all the films Hollywood produces...*and* has the right to cancel from 10 to 15 percent of the pictures under his contract and that eliminates the undesirable ones...what good would it do him if he bought them individually after looking at them first? There would be weeks when his theater would be dark if block booking were eliminated.”¹⁶⁶ While the industry “welcomed” the suit, Schenck told the press that “the controversy could have been better handled had producers, distributors, and exhibitors discussed their own problems;” adding that the independents are “beginning to realize what they have been done and now that it’s too late they are sorry.”¹⁶⁷ If the independents were “sorry” about the impending suit as Schenck suggests, they did not voice it in the press or anywhere else for that matter. Block booking remained the proverbial line in the sand that neither side was willing to budge on. A few days after Schenck’s

¹⁶⁴ Ibid., 3.

¹⁶⁵ “Allied Tackles Job of Rewriting Draft,” *Film Daily*, January 23, 1939, 1, 11.

¹⁶⁶ “Rewriting of Draft Near Finish; J. Schenck Defends Block-Booking,” *Film Daily*, January 25, 1939, 1, 8.

¹⁶⁷ Ibid., 8.

comments, on February 2, 1939, Senator Burton K. Wheeler (D-Montana), Chairman of the Senate Interstate Commerce Committee, announced that he would appoint a sub-committee to hold hearings on the controversial Neely anti-compulsory block booking and blind selling bill.¹⁶⁸

With the trial still pending, Assistant Attorney General Arnold released the details of the “status quo arrangement” regarding further theater expansion by the majors in early February.¹⁶⁹ Acting on behalf of the Department of Justice, Arnold held that theater divorcement was the primary objective for the Department in the *Paramount* suit. Towards this end, he declared that any additional theater acquisitions made by the majors would be ill advised at this point in time. Arnold emphatically stated that the “view of the Department of Justice on this matter is that control of exhibition by the producers and distributors is in violation of the anti-trust laws. Any decree of the court which may be rendered will be binding upon the defendants in their operations throughout the United States.”¹⁷⁰ However, because the Department of Justice cannot tell any industry how to run its business, these were simply recommendations for the studios while awaiting trial. Arnold revealed that the Department of Justice and the majors’ lawyers came to an agreement on the matter of theater expansion. The majors agreed to: (1) immediately notify the Department of Justice regarding all acquisition contracts or completed deals; (2) report any changes in the defendants’ theater positions including “theaters contracted to be built or building, lost or disposed of, acquired and interests acquired” on the tenth of each month; and (3)

¹⁶⁸ “Name Senate Com. to Hold Neely Bill Hearings Today,” *Film Daily*, February 3, 1939, 2, 6.

¹⁶⁹ “Government to Insist on Divorcement—Arnold,” *Film Daily*, February 6, 1939, 1, 3.

¹⁷⁰ *Ibid.*

acknowledge the Department of Justice's "freedom to petition for preliminary injunction should it feel public interest warranted such reports."¹⁷¹

In addition to their pressing legal issues, the majors were also faced with losing some of their much-needed business in the foreign markets as conditions continued to worsen in Europe. In March 1939, it was reported that there was a five percent drop of U.S films appearing on the world's screens as a result of new foreign restrictions imposed by various countries.¹⁷²

According to numbers released by the Department of Commerce, "the foreign-exchange situation is 'restricted' in 13 countries."¹⁷³ The government recommended that exports to the foreign market be restricted to "choice Grade A films."¹⁷⁴ Nathan D. Golden, Chief, Motion Picture Division, Bureau of Foreign and Domestic Commerce, acknowledged that Hollywood's position in the foreign markets was slipping. He summarized the new problems plaguing the industry abroad, and stated:

Foreign restrictions on American pictures in 1938 assumed varied but generally vexations and embarrassing forms. In certain countries, quota systems are entrenched, and that troublous system shows a tendency to spread. Taxes on motion picture business abroad are unusually high, and the trend is upward... Foreign exchange controls and censorship were continuing problems... It may well be noted at this point, that certain foreign governments have been resorting somewhat oftener, and with more vigorous insistence, to the method of diplomatic intervention with neutral governments in order to prevent the local showing of American feature pictures which authoritarian states choose

¹⁷¹ Ibid., 3. At a conference held on November 16, 1938 it was reported that the majors were "asked by Arnold to stipulate a temporary injunction with respect to theater holdings until the equity suit was settled." Their attorneys replied that it was "impossible for them to consent to an injunction but that a counter-suggestion might meet the purpose." Ibid.

¹⁷² "U.S. Grip on Foreign Market Off 5%; B's Hurt Abroad, Washington's View," *Film Daily*, March 3, 1939, 1, 3. Specifically, American films held 70% of the world's screens in 1938 and 65% in 1939.

¹⁷³ "U.S. Films Foreign-Exchange Status," *Film Daily*, March 3, 1939, 3. Describing the rest of the foreign marketplace, the report stated: "in 57 of 94 countries, it is 'liberal and easy,' in 9 countries it is 'tight and normal,' [and] in 15 'tight and slow.'" Ibid.

¹⁷⁴ "U.S. Grip on Foreign Market Off 5%; B's Hurt Abroad, Washington's View," 3.

to regard as objectionable. The number of such interventions have not been particularly large—but the activity itself deserves to be noted.¹⁷⁵

In the early 1930s, it was estimated that as much as “30 to 40 percent of American film production costs were paid for by foreign distribution.”¹⁷⁶ As such, it was important for the industry to maintain its hold on the foreign market for as long as possible. However, increasing international tensions made it difficult to conduct business abroad.

In 1938 the State Department sent Hays and the MPPDA a direct warning: “The problems of rising nationalism, of quotas, discrimination, exchange restrictions and tariff barriers must be adjusted in the American motion picture is to operate on as wide a scale as heretofore in the markets of the world.”¹⁷⁷ The recent annexation of the Czechoslovakian territory by Germany, for example, resulted in a \$350,000 loss for American distributors whose films had previously made up 60% of the total number of pictures shown in Czechoslovakia the previous year.¹⁷⁸ With Great Britain opposing the proposed jump in picture quotas for the 1939–1940 season, and other important markets just like it being curtailed throughout the world by restrictions and unfavorable exchange rates,¹⁷⁹ the film industry began looking at South America as a possible place to expand business.¹⁸⁰

¹⁷⁵ Ibid. Golden claimed that despite the restrictions, the European market is “far from being lost...Countries such as England and France (even with their legislative barriers), Belgium, Denmark, the Netherlands, Finland, Norway, Poland, and Sweden, still remain important outlets.” Ibid.

¹⁷⁶ Richard W. Steele, *Propaganda in an Open Society: The Roosevelt Administration and the Media, 1933–1941* (Connecticut: Greenwood Press, 1985), 153.

¹⁷⁷ Will H. Hays, *The Memoirs of Will H. Hays* (New York: Doubleday & Company, 1955), 490.

¹⁷⁸ “Nazis’ Grab Spells \$350,000 U.S. Loss,” *Film Daily*, March 17, 1939, 1, 4.

¹⁷⁹ “Film Council Cold to Increased Quotas,” *Film Daily*, March 6, 1939, 1, 16. Prior to 1938, each film studio exported thirteen to eighteen films a year to Great Britain. 20th Century-Fox, for example, exported just ten films in 1939.

¹⁸⁰ “S.R. Kent to Study South Amer. Market,” *Film Daily*, March 6, 1939, 1, 15.

Upon his return from a trip overseas to organize business in France and Great Britain to meet the contingencies of a European war, Warner Bros.' president, Harry Warner, sent Roosevelt a three-page letter marked "Confidential" on September 5, 1939.¹⁸¹ In the letter, Harry described the present conditions in Europe and told the president the following:

Now that war has begun, all moving picture theatres have been closed as an air raid precaution. This necessary defense measure will result in the complete loss of revenue from England and France. As you may know, the revenue derived from the distribution of motion pictures in the United States is not sufficient to return the cost of production. We depend on a world market to support our production costs... Truly, Mr. President, the problems of our company today are as great or even greater than they were in 1931. You may recall that I told you at the time that I was determined to see our company through without receivership. I am equally determined to see our company through the present crisis.

However, today, unlike 1931, a new and almost fatal element is present in the motion industry. I am referring to the Federal litigation which has been opened up on all fronts against our industry, and the multitude of private suits which have been brought against us, based on Federal litigation. The preparation for and defense of these suits constitutes a drain upon the financial resources of our company and, more importantly, diverts the time attention and energy of the principal executives and managerial personnel of the company.

If our company, as well as the other companies in the industry, are to work their way out of the difficulties imposed upon us by the European War, we must be freed from the overwhelming burden and non-productive effort and expense which this multitude of litigation entails.

Surely, everyone, including the 240,000 employees and the hundreds of thousands of holders of securities of motion picture companies, is desirous of avoiding the bankruptcy of the industry. Such a result will benefit no one.¹⁸²

The following day Roosevelt's Press Secretary Stephen Early sent the letter to Roosevelt's Secretary, General Edwin "Pa" Watson. Early wrote that he had been in communication with Warner's lawyer, Joseph Hazen, who said that Jack Warner would be in New York for the next

¹⁸¹ Confidential letter from H.M. Warner to Franklin D. Roosevelt, September 5, 1939, OF 73, Box 4, File Motion Pictures July-December 1939, FDRL. Harry notes that when he landed in New York, he had learned that war had broken out in Europe.

¹⁸² Ibid.

ten days and “would very much like to come down and talk to the President about the problems of the motion picture industry growing out of the crisis and legal actions by the Federal Government against motion picture producers.”¹⁸³ Concerned about Harry’s frank language in the letter, Early relayed the contents of Hazen’s letter to Watson:

Mr. Hazen has asked me to explain that the last paragraph on page two of Mr. Warner’s letter means only that the motion picture producers would like “a breathing spell”—an opportunity to adjust to the war problems of their industry before the six federal court actions are started. Hazen said the language of this paragraph should not be interpreted to mean that *Mr. Warner requests anything more than a temporary suspension of actions by the Department of Justice*. Hazen further stated that Harry Hopkins as the Secretary of Commerce was trying to work out a solution and there was hope that this solution would be reached at an early date and would offer the motion picture industry some relief in connection with their litigation worries.¹⁸⁴

Watson sent Harry Warner’s letter and Early’s memorandum to Attorney General Frank Murphy on September 8th for review.¹⁸⁵ Both Watson and Murphy agreed that, “in view of the pressure on the President’s time, it [did] not seem necessary to bring the letter to his attention.”¹⁸⁶ Murphy curtly ended his response to Watson, and said: “I suggest that you might write to Mr. Warner that you would be glad to arrange an appointment for him with the Attorney General. In which event, I shall be pleased to see him if he should desire to take the matter up with me.”¹⁸⁷ With Europe at

¹⁸³ Memorandum from Stephen Early to General Edwin “Pa” Watson, September 6, 1939, OF 73, Box 4, File Motion Pictures July-December 1939, FDRL. Early mistakenly says that Jack Warner wrote the letter dated September 5, 1939. It is Harry Warner’s signature that is on the letter.

¹⁸⁴ Ibid. The last paragraph on page two is emphasized in Harry Warner’s letter above. Italics my own.

¹⁸⁵ Memorandum from General Edwin “Pa” Watson to Attorney General Frank Murphy, September 8, 1939, OF 73, Box 4, File Motion Pictures July-December 1939, FDRL. Frank Murphy replaced outgoing Attorney General Homer Cummings earlier in the year. Murphy was the Attorney General from 1939–1940 before being replaced by Robert Jackson.

¹⁸⁶ Ibid.

¹⁸⁷ Memorandum from Attorney General Frank Murphy to General Edwin “Pa” Watson, September 14, 1939, OF 73, Box 4, File Motion Pictures July-December 1939, FDRL.

war and non-interventionist sentiment heating up in Congress, the Roosevelt administration had its hands full. Going forward, the White House policy was to turn over all correspondences from motion picture executives regarding the upcoming federal trial to the Attorney General's Office.¹⁸⁸ Come June, the motion picture industry was going to battle it out in the courtroom unless a last minute arrangement could be made with the Department of Justice.

Awaiting the results of the Commerce Department's investigation into the film industry, an anxious Will Hays wrote Roosevelt on November 19, 1939 expressing concern about the potential negotiations for a consent decree. He told the president that the studios have "literally given [the Department of Commerce] everything" and "whatever their report and recommendations may be, they are certainly going to be reached by them with full knowledge of the facts."¹⁸⁹ However, Hays was rightfully worried about the recommendations the Department of Commerce will make and, more importantly, what the next step will be—especially if Assistant Attorney General Arnold "still projects himself into the Commerce Department's own study before they make their own recommendations, which will be based on proper business and practical necessities and not solely on legalistic theories."¹⁹⁰ He relayed to Roosevelt:

You will remember that the whole plan, as discussed with you and [Department of Commerce] Secretary Hopkins, depended upon their conclusions being the reasoned judgment of the Commerce Department and the Secretary so that you would personally have the best judgment of unprejudiced agencies; then the industry would join in effectuating those recommendations and a big, constructive job would be done...It has been the plan, always, of course, that the Department of Justice would be related into it, and the final result must be satisfactory to them...Certainly, the Commerce Department's report should go to you before Mr.

¹⁸⁸ Ibid.

¹⁸⁹ Letter from Will Hays to Franklin D. Roosevelt, President's Personal File 1945, Will Hays Folder, 1934–1941, FDRL. There is no date on the letter; only the day of the week at the top—Sunday. President Roosevelt wrote Hays back on November 21, 1939.

¹⁹⁰ Ibid.

Arnold confuses it by threats or by forcing his own theories, whatever they may be, on Harry's[Hopkins] people before their recommendations are made. Harry so much wanted the Department of Commerce to make these recommendations free from combative force from within the industry or from without the industry. I want to help make that certain. It has been made certain within the industry. I think it should be made certain that the recommendations go to you before they submit them to the Department of Justice.

The recommendations will no doubt be very severe. They will certainly be very far-reaching and propose that which will seriously affect distribution, production and theatre management. There may have to be some adjustments with the ideas of the Department of Justice, for now, as always, there is no idea whatever of developing the final solution without the Department of Justice. That could not possibly be done. But if we do not get the recommendation of the Department of Commerce really without "combative and prejudicial pressure," it defeats the purpose of giving the effort the benefit of the Department of Commerce's thorough and impartial study.¹⁹¹

If Hays thought Roosevelt was going to get any further involved in the investigation into the motion picture business he was mistaken. With the country's European Allies at war with Germany and Italy, Roosevelt had just days before successfully persuaded enough isolationist members of Congress to pass the Neutrality Act of 1939.¹⁹² While he was certainly interested in how events would unfold with the Departments of Commerce and Justice, he was consumed with foreign policy now that Europe was at war.

Two days later Roosevelt wrote Hays a return letter making it clear that he was going to leave all matters regarding the investigation to Assistant Attorney General Arnold. Roosevelt matter-of-factly told Hays: "I am, of course, greatly interested in reaching a constructive solution and I have high hopes that the study now being made in the Department of Commerce will be

¹⁹¹ Ibid. Harry Hopkins was diagnosed with stomach cancer and was in and out of the office after his operation. Hays's reference to what "Harry so much wanted..." alludes to his illness.

¹⁹² Roosevelt went to Congress on September 21, 1939 to ask for a repeal of certain provisions in the Neutrality Act so that America could supply much needed arms to Great Britain and France. One important change Roosevelt proposed was lifted the ban that restricted the sale of arms to other countries. On November 4, 1939, Congress passed the legislation with the proposed changes. Countries could now purchase arms and military goods from the U.S. but American ships would not carry them to combat zones. Despite the "cash and carry" policy, the lifting of the arms embargo was an important step in U.S. foreign policy.

productive of good results. At the same time, I do not feel that the activities of the Department of Commerce would, or should, restrict the Department of Justice in fulfilling its duties to enforce the anti-trust laws. I see no necessary inconsistency between the activities of the Department of Commerce on the one hand, and the prosecution by the Department of Justice of the pending suit against the motion picture industry on the other.”¹⁹³ He reminded Hays that the findings in the Department of Commerce’s investigation could potentially lead to an “economically desirable” solution for the studios and might be one that would satisfy all parties in a potential settlement of the upcoming equity suit. Roosevelt informed Hays that “the Attorney General tells [him] that unless or until a settlement is proposed which the Department of Justice believes is in the public interest, he would not be warranted in delaying or otherwise altering the normal course of litigation involving the film industry. I concur with the Attorney General on this point.”¹⁹⁴ Roosevelt closed the letter with some sage advice for Hays: “The only suggestion that I might offer would be that you do not regard the pendency of litigation as a bar to the economic solution of the problems of your industry. The Department of Justice could not, of course, approve any plan which in its judgment violates the antitrust laws. If a plan should be worked out, however, with or without the help of the Department of Commerce, which meets the legal objections to the present formation and operation of the film industry, I am quite certain that it will be accorded a reasonable reception both in the Department of Justice and in the courts.”¹⁹⁵ Roosevelt’s frank

¹⁹³ Letter from Franklin D. Roosevelt to Will Hays, November 21, 1939, President’s Personal File 1945, Will Hays Folder, 1934–1941, FDRL. There are two versions of this letter—the original copy dated November 20, 1939 and letter sent on November 21, 1939. The only changes to the letters are the greetings (“Dear Mr. Hays” on November 20, 1939 and “My dear Mr. Hays” on the 21st) and the closing (“Sincerely” on November 20, 1939 and “Very sincerely yours” on the 21st).

¹⁹⁴ Ibid.

¹⁹⁵ Ibid.

words made his position plain: Hays and the motion picture industry were going to have to weather this storm alone.

In January 1940 Assistant Attorney General Thurman Arnold made it clear that if there was to be any compromise in the *Paramount* suit the overtures must come from the defendants and it must appear “that the consent decree will yield more constructive results for the consuming public, for employes [sic] and for competitors than in the eventual criminal punishment of the offenders...[The Department of Justice has] declined to dismiss indictments upon the mere promise to obey the law in the future.”¹⁹⁶ Furthermore, Arnold stated that any proposal for a consent decree must be voluntary and must be written in consultation with representative of the Department of Justice or the Department of Commerce. With the majority of top executives “on the fence” about taking the case to trial, *Film Daily* reported that the majority are of the opinion that the courts should decide once and for all the legality of industry operations.¹⁹⁷ Because the Department of Justice insisted that the vertically integrated studios divest themselves of their theater chains, an attorney for one of the majors declared that the industry as a whole has “no intention of paving a way for a consent decree...the companies are going ahead and preparing for trial with no thought of seeking a compromise.”¹⁹⁸

On January 16, 1940, the federal trial was one step closer to reality when the government announced that Judge Henry W. Goddard would preside over the proceedings beginning on May 1st.¹⁹⁹ In an attempt to stall the proceedings, the majors filed a motion on March 23rd asking the

¹⁹⁶“Defense Must Ask for a Consent Decree—Arnold,” *Film Daily*, January 4, 1940, 1, 6.

¹⁹⁷ “U.S. Consent Decree Stand Finds Majors Cool,” *Film Daily*, January 11, 1940, 1, 4.

¹⁹⁸ Ibid.

¹⁹⁹ “Goddard Trial Judge in U.S. Trust Suit,” *Daily Variety*, January 17, 1940, 1. See also, “Judge H.W. Goddard to Try Gov’t Equity Suit,” *Film Daily*, January 17, 1940, 1, 6.

Department of Justice to supply more complete answers to their inquiries and to “certify their accuracy,” and stated that the government “failed to live up to its stipulation, and that many queries were unanswered or answered incompletely.”²⁰⁰ A spirited Hays told the MPPDA Board of Directors at its annual meeting the industry was “too complex to be increased, like the amoeba, by the process of division” and decried those “who would use the hatchet and saw of litigation or legislation to sever the necessary economic relations of production, distribution, and exhibition, instead of letting them be bettered through self-regulation” warning that success of their efforts would be “a sorry service to the American entertainment public.”²⁰¹ Despite the crumbling foreign markets and the growing domestic problems with looming trial date, Hays told the board, “[w]hatever obstacles may still arise... There is no saturation point in the demand for good entertainment.”²⁰²

Two days later, on March 28, 1940, the Department of Commerce presented the moguls with a consent plan that included a comprehensive system of arbitration and provisions that would eliminate blind selling and limit block booking.²⁰³ In a memorandum to Department of Commerce Secretary Harry Hopkins, Ernest A. Tupper, Chief Economic Advisor to Hopkins, reports on a meeting that he had with Austin Keough, General Counsel of Paramount regarding

²⁰⁰ “Majors Move in Gov’t Trust Suit,” *Hollywood Reporter*, March 25, 1940, 4. Columbia was the only major not listed in the motion.

²⁰¹ “Industry Too Complex for Split—Hays,” *Film Daily*, March 26, 1940, 1, 8.

²⁰² *Ibid.*

²⁰³ Prescott Dennett, “Arbitr’n ‘With Teeth,’ Consent Plan,” *Film Daily*, March 29, 1940, 1, 6. The arbitration committee would be composed of three individuals who would act as commissioners: one representing the distributors, one representing the exhibitors, and a Commerce Department employee representing the government. This proposal also sought to limit block booking to five pictures and the implementation of mandatory trade showings. It must be noted that these provisions would eventually be included in the consent decree signed by the majors on November 20, 1940. See also, “No Blind Selling, Limit of Blocks to Five Pictures and Arbitration System is Basis of Trusts Suits Settlement,” *Hollywood Reporter*, March 29, 1940, 1, 8.

the consent decree plan. According to Keough, there were two objections to the proposal: (1) the proposed set up of arbitration boards, and (2) the provision that provides for trade showing in the advance of sale of films and limiting the number of films sold in blocks.²⁰⁴ Keough informed Tupper that he “believes that the three smaller companies,—Columbia, United Artists, and Universal—if they do not come under the Decree, will have a distinct competitive advantage since they will be able to market a full year’s product at one time.”²⁰⁵ Tupper also relays to Hopkins that he had been in touch with Joseph Schenck from United Artists who told him that while the General Counsel of the company liked the plan very much he “sees no point in United Artists taking the Decree since the Department of Justice hasn’t much of a case against them.”²⁰⁶ Allied States, on the other hand, vigorously opposed the proposed consent decree plan out right and organized exhibitor protests across the country. In a separate memorandum Hopkins dated the same day, Tupper wearily says: “The tide seems to be running very strongly against us at the Department of Justice. I believe it will be necessary for you to take positive and immediate action if our work over the past year is not to be completely washed away... [Allied States has] another conference scheduled tomorrow with Thurman Arnold. I am very much afraid that Mr. Arnold or Mr. Jackson [Attorney General] may make some commitment to them before we have an opportunity to argue for our point of view. I therefore wish you would consider requesting Justice to make no commitments until after discussion with you.”²⁰⁷ However, with no mention

²⁰⁴ Letter from Ernest A. Tupper to Harry Hopkins, April 5, 1940, Harry Hopkins Papers, Box 117, Motion Pictures Folder, 1938–1940, FDRL. Hopkins’s Chief Economic Advisor, Ernest Tupper, was responsible for overseeing the drafting of the proposed consent decree plan.

²⁰⁵ Ibid.

²⁰⁶ Ibid. United Artists did not own theaters and its lawyers did not see how the Department of Justice could successfully prosecute the studio based on that fact.

²⁰⁷ Letter from Ernest A. Tupper to Harry Hopkins, April 5, 1940, Harry Hopkins Papers, Box 117, Motion Pictures Folder, 1938–1940, FDRL.

of divorcement in the decree, a critical objective of the suit, Assistant Attorney General Arnold rejected the proposal out of hand.

As the trial date drew nearer, the government served notice to an additional 103 independent exhibitors who would be called to testify against the majors in order to show coercion in purchasing of unaffiliated theaters in the equity trial.²⁰⁸ In the mean time, the government continued its pre-trial examination of industry executives. One executive the Department of Justice was particularly interested in talking with was Paramount's Adolph Zukor. In an opinion editorial for *Variety* on October 25, 1918, Zukor wrote that he was opposed to producing companies owning theaters. He emphatically stated: "The moment exhibitors limit the market of producers, or the producers limit the buying opportunities of the exhibitor, the business is retarded and its growth is stunted."²⁰⁹ When questioned about this position by government lawyers, Zukor declared that circumstances and conditions had dramatically changed over the past twenty-two years. He testified:

Today conditions have changed. My convictions have not changed but conditions and circumstances have altered. I felt that when I made that statement (to *Variety*) that exhibitors should remain as the retailers, and producers as the wholesalers. Under conditions existing today, I do not believe it possible. The producer-exhibitor combinations and negative cost today makes it imperative for a producer to have a permanent outlet for his product, and I see no other manner in which this may be done.²¹⁰

Zukor pointed out that in 1918 First National was an exhibition-only company. Its decision to acquire top talent by handing out lucrative contracts and enter into production and distribution

²⁰⁸ "Gov't Files List of New Charges," *Hollywood Reporter*, April 2, 1940, 1. See also, "Gov't Expects Its New Witness to Show Coercion in Theater Buying," *Film Daily*, April 2, 1940, 1, 8.

²⁰⁹ Adolph Zukor, "Which of These Two Are You, an Exhibitor or a Producer?," *Variety*, October 25, 1918, 40.

²¹⁰ "Zukor Variety Interview Used by U.S. in Quiz," *Daily Variety*, April 6, 1940, 1, 2. See also, "Only Way in Which They Can Be Assured of Outlets for Their Product, Says Zukor," *Hollywood Reporter*, April 6, 1940, 1, 2.

“seriously threatened Paramount, necessitating his company’s entry into exhibition.”²¹¹ When asked to describe the make-up of the industry in Paramount’s early years, he detailed his negotiations which “resulted in the acquisition of a number of theater circuits...insisting that there had been no national policy established, but that each purchase was the result of an individual situation which made it necessary.”²¹² Zukor defended the implementation of controversial practices like block booking and blind selling in the nascent days of the industry, claiming that both practices continued to be necessary for the producer-distributors who have more at stake in the success of a film.

In mid-April the Department of Justice began setting up its permanent headquarters in New York City in preparation for the May 1st trial. Much to the dismay of the government’s lawyers who claimed that the industry was trying to buy time, counsel for the MPPDA applied for a sixty-day extension to continue its preparations for trial.²¹³ During the month of April, the Department of Justice continued to subpoena witnesses including prominent Hollywood producers Charlie Chaplin, Samuel Goldwyn, Joseph M. Schenck, Darryl F. Zanuck, and Louis B. Mayer who “allegedly [had] knowledge that block booking is forced upon independents.”²¹⁴ On April 22, 1940, Federal Judge John C. Knox set the trial date for June 3, and told the defendants that, “no further postponement of the trial will be permitted under any circumstances.”²¹⁵ Assistant Attorney General Arnold wanted it on the record that he personally

²¹¹ “1940 Is Not 1918, Zukor Tells Gov’t” *Film Daily*, April 6, 1940, 1, 8.

²¹² *Ibid.*

²¹³ “D of J to Fight Majors’ Application for Delay of Month in Start of Trial,” *Film Daily*, April 15, 1940, 1, 7.

²¹⁴ “Major Producers As Gov’t Witnesses,” *Film Daily*, April 17, 1940, 1, 5. See also “U.S. To Subpoena Industry Tops in Anti-Trust Lawsuit,” *Hollywood Reporter*, April 17, 1940, 1, 4.

²¹⁵ “Equity Trial June 3; No More Delays,” *Film Daily*, April 22, 1940, 1, 8.

opposed the delay, telling the court “that the trial of the case is overwhelmingly in the public interest” and that the question of divorcement had to be settled.²¹⁶

With the trial date approaching, Arnold and his team of lawyers continued to examine independent exhibitor complaints and the testimony of industry executives. When a Senate Judiciary sub-committee called upon Arnold to answer questions about Senator Neely’s federal divorcement bill, he testified that the divorce measure “would act as a factor in the New York equity suit” but would not act as a substitute.²¹⁷ Arnold had choice words for the moguls during the hearing; he referred to the industry as “a type of dictatorship that is distinctly un-American” and compared the film business to “the vertical cartels set up by Hitler in Germany.”²¹⁸

Addressing the rumors that a consent decree resembling the Department of Commerce’s plan could be reached, Arnold said that if the plan were to be adopted, it would only temporarily create relief for independents and private and federal antitrust lawsuits would undoubtedly continue. Arnold told the sub-committee that his chief objection to the Commerce consent decree plan was that divorcement was not a requirement, and at the end of the day vertical monopoly is allowed to continue at the expense of the independent exhibitor.²¹⁹ In a surprising statement to the Committee Arnold said, “The development in the industry is not the fault of Mr. Zukor...If there is no referee in this game, we are encouraging these men to indulge in these practices for self-protection.”²²⁰ Although the Neely divorcement bill was shredded to pieces by the House

²¹⁶ Ibid., 8.

²¹⁷ Milton F. Lunch, “Arnold Asks Federal ‘Divorce’ Law,” *Film Daily*, April 23, 1940, 1, 6.

²¹⁸ Ibid., 6.

²¹⁹ “Arnold Urges Neely Bill Action,” *Hollywood Reporter*, April 23, 1940, 1,3.

²²⁰ Lunch, “Arnold Asks Federal ‘Divorce’ Law,” 6.

Interstate Commerce Committee who argued that the “loose language” in the measure would lead to a number of lawsuits,²²¹ the rejection of the Department of Commerce’s proposed consent plan by the two largest independent exhibitor groups, Allied States and Independent Exhibitors Association, worried the majors as they headed into trial.²²²

The Five-Day *Paramount* Trial

On June 3, 1940, *Daily Variety* announced: “Pic Biz Opens Battle For Life.”²²³ After nearly two years of preparation, the Department of Justice began its opening arguments before Judge Henry Warren Goddard in the equity action against the eight major motion picture studios in New York Federal Court. Assistant Attorney General Thurman Arnold and Special Assistant Attorney General Paul Williams began trial by outlining the charges that have been brought against the motion picture industry. Thurman told the court that the “domination of any industry meant the deprivation of individual freedom, and that only in a free competitive market could there be equal opportunity and freedom for all,” charging the defendants with “laying a heavy hand upon independents” who were unable to bring new ideas into the market.²²⁴ He declared

²²¹ Milton F. Lunch, “House Com. Rips Neely Bill to Pieces,” *Film Daily*, May 15, 1940, 1, 6.

²²² “Myers Explains Allied’s Rejection of D of C Plan,” *Film Daily*, April 23, 1940, 6. See also “Allied Wants Justice, Not Commerce Dept., in Any Film Arbitration Plan,” *Film Daily*, April 24, 1940, 1, 3. In a letter to the Attorney General Abram Myers, Allied States’s General Counsel, said:

The plan not only would leave the producer-distributors in possession of their theaters during the test period. This would mark a complete abandonment of the principle objective of the main suit. The chances are extremely remote that after a lapse of several years the department would or could pick up the loose ends and carry the case through to a conclusion. So long as the producer-distributors retain their theater holdings, the independent exhibitors will continue to be regarded as actual or potential competitors rather than as customers. The temptation to discriminate in favor of the affiliated theaters and against the independents will remain. “Allied Wants Justice, Not Commerce Dept., in Any Film Arbitration Plan,” *Film Daily*, April 24, 1940, 3.

²²³ “Pic Biz Open Battle for Life,” *Daily Variety*, June 3, 1940, 1, 5.

²²⁴ “Monopolistic Waste Charged by Arnold,” *Film Daily*, June 4, 1940, 1, 16.

that the motion picture monopoly caused “notorious waste” and “any combination was the private seizure of industrial power and could not be allowed in this country.”²²⁵

As was to be expected, the Department of Justice’s lawyers went through the history and development of the motion picture industry beginning with Edison and his quest to dominate every aspect of production and distribution with the introduction of business practices such as the use of film exchanges and the issuing of licenses for film rentals.²²⁶ The motion picture industry’s interactions with antitrust law did not begin and end with Edison and his Motion Picture Patents Company (MPPC) as the Supreme Court had hoped, Special Assistant Attorney General Williams argued, they became more complex when producers entered into the exhibition field and started the pattern of vertical integration. He then turned his attention to Famous Players-Lasky and Adolph Zukor, who was not only the first motion picture executive to purchase theaters, but was also responsible for the development and implementation of the controversial practices of compulsory block booking and blind selling.²²⁷ Williams told the court that Famous Players-Lasky bought theaters because Zukor was afraid of competition from exhibitor associations, leaving other producer-distributors with no other recourse but to purchase their own theaters in an effort to protect their share of the market.²²⁸ Exhibitor groups were put in a similar position, and were forced to enter into production in order to make sure that they had product to show in their theaters. What the industry in now left with, Williams argued, are large

²²⁵ Ibid. Arnold tried to use the example of Germany as an illustration that the existence of monopoly meant a loss of democracy, but Judge Goddard sustained an objection made by Paramount’s lawyer Judge Thomas D. Thatcher, a former solicitor general, who told the court that “the case [will] take 10 years and not one to try if the question of Germany was taken up.” Ibid.

²²⁶ “Suit Welcome, Says Para.,” *Hollywood Reporter*, June 4, 1940, 1, 3. See also “Monopolistic Waste Charged by Arnold,” 16; and “Anti-Trust Trial Lid Pops Off,” *Daily Variety*, June 4, 1940, 1, 6.

²²⁷ “Monopolistic Waste Charged by Arnold,” 16. See also “Anti-Trust Trial Lid Pops Off,” 6.

²²⁸ “Anti-Trust Trial Lid Pops Off,” 6.

theater circuits—all of which are affiliated with the five vertically integrated companies—divided into territories across the country. Whether or not territorial division was part of a “conscious design or not” the result was always the same: “independent exhibitors were frozen out or had to be subordinate to the affiliated houses...that obtained first-run of all major product for their particular house since there was no competition between the majors. It therefore makes no difference to an affiliated house which company makes a good picture because the house is always secure in its clearance.”²²⁹ Williams made it clear in the government’s opening statement that the three non-theater owning minors—Universal, Columbia, and United Artists—are defendants in this case because they “joined the others by making product available to the others before distributing it to independents. We say that they may be reluctant participants, but they indulged in the practices and that it why they are defendants.”²³⁰ He concluded by telling the court that the foundation of the vertically integrated studio system deprives the independent exhibitor from engaging in fair competition when he is subjected to monopolistic practices that restrain trade including block booking, blind selling, fixed admissions prices, clearance and zoning policies, and forced tying arrangements with regards to short subjects and newsreels.²³¹

Paramount’s lawyer, Judge Thomas D. Thatcher, began his opening statement for the defendants by telling the court that the lawsuit was “a welcome one” as far as the majors were concerned.²³² Thatcher maintained that protection practices such as clearance and block booking “resulted directly from competition and not from monopoly” and charged the government with

²²⁹ “Monopolistic Waste Charged by Arnold,” 16.

²³⁰ Ibid.

²³¹ Ibid.

²³² “Suit Welcome, Says Para.,” 1.

bringing the equity action against the majors “in the interests of the competing theaters and without regard to ‘public interest.’”²³³ He accused the government of troubling the court with a class action lawsuit rather than an antitrust case, emphasizing the fact that the antitrust laws were created to “protect the public” and that the defendants themselves entertain 80 million Americans each week who, for a nominal fee, “receive millions of dollars worth of entertainment.”²³⁴ Judge Thatcher said that it was an “oversimplification of the situation” to call the defendants the “Big Eight” because there are “many producers independent of the majors who produce good pictures and there are many independent stars, studios, and equipment available to independents with sufficient capital to finance better pictures... [‘Gone with the Wind’] and ‘Rebecca’ are two of the most successful pictures ever produced. The Government will claim that these are not independently made because they were distributed through two of the defendants, but we will show that they were independently produced.”²³⁵ He told the court that the suit was simply a

²³³ “Attacks Equity Suit as ‘Class Action,’” *Film Daily*, June 5, 1940, 1, 8. See also, “U.S. Victory Means Monopoly,” *Hollywood Reporter*, June 5, 1940, 1, 4.

²³⁴ “Attacks Equity Suit As ‘Class Action,’” 8. Judge Thatcher also spent the afternoon tracing the history of Paramount; giving reasons why Zukor entered into exhibition. He claimed that Zukor “twice prevented the growth of monopolies in the industry through his individual efforts. The first time...Zukor broke up the control of the Motion Picture Patents Co. by developing feature-length films and by forcing the company to license them because of their great superiority over the one-reelers of that day. The second occasion...was in 1918 when Zukor stopped the efforts of First National to control the market by purchasing theaters for his company.” As Paramount’s lawyer, Judge Thatcher certainly painted a much rosier picture of Zukor’s rise to prominence. His efforts to dominate the industry were no less callous than what Edison did by creating the Trust. See Chapter Two for more details on Zukor and Paramount.

²³⁵ *Ibid.* It is interesting that Judge Thatcher mentions two films produced by David O. Selznick in his opening statement. Both Selznick and fellow independent producer Samuel Goldwyn publically stated one month earlier that they were opposed to block booking. Selznick said: “I am opposed to any inclusion of any of our productions in block-booking. I prefer to have our pictures sold individually on their own merits.” See C.R. Abbey, “David Selznick Voices Opposition to Block-Booking,” *Film Daily*, May 9, 1940, 1, 3. Samuel Goldwyn echoed this sentiment and announced that he was not only in favor of eliminating block booking, but that he would trade show his next picture, *The Westerner*. See Al Steen, “Goldwyn Hits Block-Booking; Will Trade Show,” *Film Daily*, May 8, 1940, 1, 3.

short cut for Arnold to “impose his economic views on the industry” and concluded his remarks by reiterating that divorcement is not in the public’s interest.

The Patriotic Play: The Formation of the Motion Picture Committee Cooperating for National Defense and the *Paramount* Consent Decree

Two days into the trial, on June 5, 1940, Hays sent out a press release to industry trades announcing the formation of the Motion Picture Committee Cooperating for National Defense (MPCCND), a group committed to distributing and exhibiting short films made by the government to aid in the war effort abroad. *Variety* reported:

Entire resources of the film industry have been placed at the disposal of the U.S. Government in national defense plans. Organization to this purpose is moving rapidly. Names of personnel who have volunteered their time and services are being withheld. Following a conference in Hollywood more than a week ago which was attended by 30 studio executives, a second meeting was held in New York last Wednesday ([June] 5), in order to coordinate all efforts. At the conclusion of the second meeting, the following statement was issued: ‘Officials of the film industry met at the Union League Club yesterday ([June] 5) with representative of the War Department, and pledged cooperation of the industry with Government plans for national defense.’ The important nature of the aid which the industry volunteers, and the seriousness of the situation brought about by the European War, preclude disclosure at this time of industry undertakings for defense.²³⁶

The timing of the industry’s pledge to aid the government raised some eyebrows. It was no secret that Roosevelt needed all of the help he could get when it came to war preparation. By May, isolationists in both the Senate and House of Representatives publically rebuffed his every move when it came to foreign affairs. With both Britain and France looking to the U.S. for additional aid, Roosevelt found himself in a tough position when it came to foreign policy.

The world events that unfolded three weeks before the announcement have much to do with the motion picture industry’s sudden interest in helping the government produce films for

²³⁶ “Film Industry Meeting,” *Variety*, June 12, 1940, 3.

national defense. On May 15, 1940, British Prime Minister Winston Churchill wrote a letter to Roosevelt updating him on crisis abroad and the need for immediate relief. Churchill delicately said, “I trust you realize, Mr. President, that the voice and force of the United States may count for nothing if they are held for too long.”²³⁷ After eight years of New Deal programs, the American public had grown weary of reform and Congress was in “full rebellion against the administration’s domestic agenda.”²³⁸ As much as Roosevelt wanted to help America’s European Allies, it was going to be a hard sell to a nation that was unprepared both mentally and physically to go to war. The day after he received Churchill’s letter, Roosevelt went to Congress and “asked for appropriations to recruit an additional half-million men for the army, to purchase guns and equipment, to build modern tanks, and to construct naval ships.”²³⁹ Roosevelt concluded his speech with spirited words stating, “There are some who say that democracy cannot cope with the new technique of government developed in recent years by a few countries which deny the freedoms which we maintain are essential to our democratic way of life. This I reject.” In order to deal with present dangers, America requires “a toughness of moral and physical fiber,” which are undoubtedly “the characteristics of a free people, a people devoted to the institutions they themselves have built.”²⁴⁰ However, Congressional conservatives found a spokesman in legendary aviator, Colonel Charles Lindbergh, who publically accused the Roosevelt

²³⁷ Doris Kearns Goodwin, *No Ordinary Time* (New York: Simon & Schuster, 1994), 42, quoting Warren F. Kimball, ed., *Roosevelt & Churchill: The Complete Correspondence* (Princeton: Princeton University Press, 1984), 1:37.

²³⁸ Goodwin, *No Ordinary Time*, 43. Goodwin notes that the New Deal “profoundly altered the relationship between the government and the people.” To make matters more challenging for Roosevelt in 1940, his enemies on domestic issues were his friends on foreign policy and vice versa.

²³⁹ *Ibid.*, 44. Roosevelt famously asked Congress for the money to build 50,000 planes a year—more than ten times the current capacity—a pace that would put America’s defense ahead of Nazi Germany within twelve months.

²⁴⁰ *Ibid.*, 45.

administration in a nationwide radio address of creating “a defense hysteria” with his speech to Congress.²⁴¹ Lindbergh emphatically stated to Americans listening that evening that the U.S. was not at risk of a Nazi invasion unless “American peoples bring it on through their own quarreling and meddling with affairs abroad.”²⁴² Lindbergh’s suggestion that Roosevelt was concocting a secret plan with Great Britain to get America involved in the European war was preposterous and most unwelcome at this critical moment.

To be sure, Roosevelt’s attention was likely very far away from the motion picture industry’s impending equity suit despite speculation in the trade press. *Film Daily* reported that if Roosevelt were to directly involve himself in the case days before trial it would be “an open breach between [himself] and Arnold” even though Arnold would “probably yield to the demands of his ‘boss.’”²⁴³ In fact, any interference in a federal antitrust case concerning a single industry would have been highly unusual even if Roosevelt had not been preoccupied with foreign affairs. Again, after the initial filing of *Paramount* in 1938 and the public lashing Roosevelt took after it was filed as a civil suit rather than a criminal suit, the White House did not publically comment on the case or the proceedings. Even when Roosevelt’s own son, James, who was at the time employed by Samuel Goldwyn, had his name added as a defendant in the suit months earlier, no statement was made by the White House on the matter.²⁴⁴ Speculation in the press about Roosevelt’s possible interference was just that—speculation. As discussed earlier,

²⁴¹ Ibid.

²⁴² Ibid., 47. Lindbergh delivered his speech on Saturday, May 18th. After the broadcast Roosevelt furiously told Henry Mongenthau, “If I should die tomorrow I want you to know this. I am convinced Lindbergh is a Nazi.” Ibid., 48.

²⁴³ Prescott Dennett, “FDR’s Hands Off in Equity Suit,” *Film Daily*, May 31, 1940, 1, 8.

²⁴⁴ “Roosevelt Son Defendant,” *Los Angeles Times*, March 25, 1939, 2.

Roosevelt was privately very candid with Hays about not getting involved in the antitrust suit, and was leaving the proceedings in the hands of Assistant Attorney General Arnold and the Department of Justice.

However, as the Germans continued their march through France and Nazi panzer units position themselves just miles away from Dunkirk, Roosevelt found himself in a personal and political quandary. Any help that could be given to the Allies would be useful to the president. Although Lindbergh's venomous critique struck the wrong chord with the administration, Roosevelt's speech achieved what the president wanted. Not only did Congress raise the debt ceiling; it "authorized even more monies than the administration had requested."²⁴⁵ When the appropriated funds were divvied up, it was suggested that each branch of the military received substantial sums for defense preparation: "To the army would go a half-billion to train new troops, expedite munitions, and build new tanks and new plans. The navy would receive a quarter-billion to step up its shipbuilding program and to provide all vessels with the latest equipment. Also included was...the establishment of additional aviation schools and an increase in the number of pilots from twelve hundred to seven thousand a year."²⁴⁶ It was the first point—"a half-billion to train new troops"—that got the attention of Hays and the MPPDA executives.

When Congress took away Pare Lorentz's budget for the U.S.F.S., Hays and rest of the MPPDA board of directors decided to make their move by pooling their resources to help aid in the crisis abroad. Each of the five vertically integrated studios agreed to help produce films for the government—training or otherwise—and pledged the use of their theaters if the administration felt the public needed to see any of the films produced through their coordinated

²⁴⁵ Goodwin, *No Ordinary Time*, 48.

²⁴⁶ *Ibid.*

efforts. With the assistance of Roosevelt's son-in-law John Boettiger, Hays and the other "undisclosed" members of the MPPDA mapped out a publicity campaign to win over the Roosevelt administration.²⁴⁷ Boettiger's public support of Hays and the industry never wavered after he left his post at the MPPDA. He continued to write glowing opinion editorials in his own newspaper, the *Seattle Post-Intelligencer*, about industry matters and privately remained a close friend of Hays.²⁴⁸ For example, on February 26, 1938 Boettiger wrote Hays about the Neely Bill asking to be "read in" on the matter. He tells him, "I'd like to be advised of any major developments in the handling of the Neely Bill, so that I may be of help to you."²⁴⁹ Hays often wrote Boettiger letters thanking him for his continued support of the industry and during the consent decree plan constantly assured him of his "sincere appreciation for your continued help in these matters."²⁵⁰ He ends the letter by saying, "The only regret I have is that your desk is not here instead of there. You are still in the organization."²⁵¹ Because of his familial ties with Roosevelt, and his own position as an editor of a respected newspaper, Boettiger was privy to information that he was able to pass on to his old boss without violating confidences.

²⁴⁷ "Film Industry Meeting," 3. Boettiger continued to be an extraordinary friend to Hays. There are a number of personal letters between the two men that suggest that their relationship continued to grow strong after Boettiger's brief tenure at the MPPDA. In his newspaper columns at the *Seattle Post-Intelligencer*, he continued to publically support the industry even when it was not popular and would continue to play an integral part in maintaining amicable relations between industry officials and the government during the second part of the decade.

²⁴⁸ There are some fifty plus letters between the two men that are very affectionate in both the Boettiger Papers at the FDRL and the Hays Papers on microfilm at UCLA. An example of one letter dated January 7, 1938 reads: "Dear John, I have seen the editorial of the twenty-seventh ult., and appreciate it. And do I miss you!!!!!!!!!!!!!!!!!" [15 exclamation points!]. Letter from Will Hays to John Boettiger, January 7, 1938, John Boettiger Papers, Box 20, Will Hays Folder, 1938–1946, FDRL.

²⁴⁹ Letter from John Boettiger to Will Hays, February 26, 1938, John Boettiger Papers, Box 20, Will Hays Folder, 1938–1946, FDRL.

²⁵⁰ Letter from Will Hays to John Boettiger, April 13, 1940, John Boettiger Papers, Box 20, Will Hays Folder, 1938–1946, FDRL.

²⁵¹ *Ibid.*

Furthermore, it was at Boettiger's suggestion that Hays start lobbying governmental agencies that wanted films included in their programs including the Works Progress Administration (WPA) and the United States Public Health Services both of which insinuated to Boettiger that they wanted introductions to be made.²⁵² With the doling out of defense funds for the training of military forces, the major motion picture studios made their move. The formation of the Motion Picture Committee Cooperating for the National Defense (MPCCND) set in motion a yet another strategy for self-preservation. It was now or never. There is no mistaking the coincidence of timing in this matter nor the motives of Hays and moguls. When studios pledged their full support to the Roosevelt administration on June 5, 1940, it was with the hope that the president himself would instruct the Department of Justice to cease its antitrust inquiries into the industry.

Forty-eight hours after Hays's pledge to the government, the equity suit trial came to a screeching halt Friday, June 7th. Over the weekend it was suddenly announced that the Department of Justice and the film industry had come to an agreement on a consent decree. *Daily Variety* reported: "the angel of peace in this warfare is the Department of Commerce, in spite of the rebuff its mediation efforts met at the hands of the Justice Department a while back. *Understanding is that the Roosevelt administration, now bending every effort toward its national defense program in which the full resources of all American industries, including films is necessary, insisted on satisfactory wind up of the suit before the trial got too far under way to permit a settlement.*"²⁵³ Printed just two days after the formation of the MPCCND, these few lines towards the end of the copy in this breaking story is particularly telling. This is the first frank piece of reporting by the industry trades that actually hints at what really went on during

²⁵² Letter from John Boettiger to Will Hays, May 20, 1940, John Boettiger Papers, Box 20, Will Hays Folder, 1938–1946, FDRL.

²⁵³ "Agreement on Consent Decree," *Daily Variety*, June 8, 1940, 1, 3. Italics my own.

the closed door meeting with representatives from the White House, the Departments of Justice and Commerce, and the motion picture industry that weekend. After nearly seven years of tiptoeing around the possibility of entering into a formal agreement with the U.S. government to make films at the behest of the War Department and other government agencies, the motion picture industry suddenly, and very publically declared that it would do its part to aid the Roosevelt administration in its national defense program. All five newsreel companies—Paramount News, Universal News, 20th Century-Fox Movietone News, News of the Day, and Pathé—also formally pledged “to help in the Nation’s preparedness and defense program” the day after the equity suit came to a close.²⁵⁴

What surprised many industry outsiders was that the provisions set forth in the consent decree almost mirrored the outline the Department of Commerce presented weeks earlier to the Department of Justice and the motion picture industry. Much to the dismay of Allied States and representatives of other independent exhibitors and producers, there was no mention of divorcement in the decree talks. After months of emphatically stating that divestiture was the only acceptable outcome in the equity suit, Assistant Attorney General Thurman Arnold now found himself at the negotiating table with studio executives hashing out a possible settlement in the form of a consent decree. Uncharacteristically quiet about the decree talks, Arnold made very few public statements to the press. It was reported in July that the five vertically integrated studios and the government had made substantial progress.²⁵⁵ Special Assistant Attorney General J. Stephen Doyle requested, with the consent of the defendants, that the trial be adjourned until October 7, 1940. Doyle told the court that while “substantial agreement has been reached on the

²⁵⁴ “Five Newsreels Join in Defense Plans,” *Daily Variety*, June 8, 1940, 1.

²⁵⁵ “Consent Decree Set For ‘Big 5,’” *Daily Variety*, July 23, 1940, 1, 5.

major portion of the important provisions to be incorporated in the decree... There are still one or two matters of importance which are continuing in an effort to conclude an agreement if possible in the near future. However, it will be impossible to present a proposed decree prior to the time it is understood that Your Honor will leave on your vacation.”²⁵⁶ *Film Daily* reported that government sources confirmed that the “major hurdles remaining were an agreement on an escape clause and whether the Government would take any steps against the ‘Little Three’ who have suspended their negotiations.”²⁵⁷ Judge Goddard agreed to give the majors and the government the summer to negotiate a settlement.

After months of arduous meetings at the negotiating table, the five vertically integrated studios and the U.S. government presented “a single defense of the proposed equity suit consent decree against the expected on-slaught of exhibitor groups.”²⁵⁸ Five months after the trial was put on hold, a settlement was agreed upon. On November 20, 1940 the U.S. government and the five majors entered into a consent decree wherein the government agreed not to press for divorcement of their theater circuits for a period of three years after the entry of the decree.²⁵⁹ By all reports, the Department of Justice had caved on several issues by letting the studios keep their theater chains in exchange for a limitation on block booking.²⁶⁰ Compulsory block booking was

²⁵⁶ “‘Reach Substantial Agreement’—Gov’t,” *Film Daily*, July 23, 1940, 1, 7.

²⁵⁷ *Ibid.*

²⁵⁸ “Big Five, U.S. Unite in Decree Defense,” *Film Daily*, November 14, 1940, 1, 4.

²⁵⁹ “Consent Decree Signed,” *Daily Variety*, November 22, 1940, 1, 7. Of the original eight defendants named in the lawsuit, only the five vertically integrated companies—Paramount, Loew’s/MGM, Twentieth Century-Fox, Warner Bros., and RKO—participated in the consent decree. The three minor defendants—Columbia, Universal and United Artists—all of which were charged with colluding with the five majors to restrain trade and monopolize commerce in motion pictures refused to sign the agreement on the grounds that they did not own theaters and therefore did not have a guaranteed outlet for their films. While Columbia and Universal relied on block booking and blind selling, United Artists sold each film individually and refused to sign the consent decree.

²⁶⁰ *Ibid.*

deemed illegal and blocks were now reduced to five. Block booking for live action shorts, cartoons, and newsreels was outlawed; blind selling was prohibited and replaced with trade showing.²⁶¹ The industry was allowed to continue their organized control of trade in the 31 district exchanges. In addition, the five vertically integrated companies agreed not to expand their theater holdings during the three-year period of the decree.²⁶² Additionally, all five agreed to allow arbitration for disputes over runs and clearances and suspended future theater purchases. Of all the provisions set forth in the consent decree, the system of enforcement “through independent arbitration tribunals administered by the American Arbitration Association” was the only significant new feature.²⁶³

Legal scholars noted the uniqueness of the decree at the time of entry. The decree “not only [enjoined] the doing of certain acts but also [directed] the consenting defendants to do certain affirmative acts...In some respects it set up a code of conduct for the motion picture industry.”²⁶⁴ The “broad system of rules for bargaining and for settling disputes...was remarkably similar to the plan of industry self-government that had operated in motion pictures under the National Recovery Administration,” a plan that was vehemently objected to by the independents at the time.²⁶⁵ Not surprisingly Allied States’ general counsel Abram F. Myers was the most vocal critic of the consent decree, and told Judge Goddard that his organization “bases its objections to the decree on two fundamental points: (1) ‘The proposed decree is beyond the

²⁶¹ Ibid.

²⁶² Conant, *Antitrust in the Motion Picture Industry*, 95.

²⁶³ Ibid., 96.

²⁶⁴ William F. Whitman, “The Consent Decree in the Moving Picture Industry,” *Fordham Law Review* 10 (1941): 66.

²⁶⁵ Conant, *Antitrust in the Motion Picture Industry*, 95. See Chapter 2 for a discussion of the NRA and the Motion Picture Code of Fair Practices.

power of the court to enter' and (2) 'the proposed decree is inherently unjust and inequitable.'"²⁶⁶

Abrams argued that the decree "does not put an end to the monopoly and the monopolistic practices of the defendants; it legally protects and perpetuates them," reminding the court that the main object of the suit in the first place was to force divestiture of theaters.²⁶⁷

Legal scholar William F. Whitman, writing at the time of the decree, argued that the motion picture consent decree "[differed] from any which has been entered into under the antitrust laws in the method of enforcement of its provisions. Instead of merely prohibiting certain acts and leaving enforcement to the to the ordinary process of contempt proceedings instituted by the Government, the decree [provided] for a forum in which independent exhibitors, who are not parties of the decree, may have certain complaints promptly heard and disposed of without any action by the Government or any court proceedings."²⁶⁸ Indeed, independent exhibitors had every right to feel unsatisfied with the consent decree. Even with the establishment of the arbitration tribunals, only minor changes "in the established pattern of runs and clearances resulted from the system of compulsory contract" enforced by arbitrators not affiliated with the motion picture studios.²⁶⁹ The five affiliated circuits continued to dominate exhibition during the war years. Although there appeared to be some recourse with the establishment of the arbitration boards, Michael Conant noted that "arbitration costs averaged

²⁶⁶ "Myers Calls Decree 'Unjust,'" *Film Daily*, November 15, 1940, 1, 7.

²⁶⁷ *Ibid.*, 7.

²⁶⁸ Whitman, "The Consent Decree in the Moving Picture Industry," 66.

²⁶⁹ Conant, *Antitrust in the Motion Picture Industry*, 96. In the data compiled by Conant, "approximately 450 arbitration cases were filed between early 1941 and 1946. There were also 122 appeals from decisions to the appeal tribunal. Of the 450 cases initiated, more than 300 related to clearance and about 100 to both run and clearance of the complaining exhibitor. Sitting on the 31 tribunals were 1,065 business and professional men. They were asked to substitute their judgment as industry governors for that of the distributor or dominating circuit in deciding how income should be allocated among theaters." *Ibid.*

\$48 a case and attorneys' fees paid by the exhibitor [and] since there were no definite standards for awards, the outcome of an action was filled with uncertainty, and the action could involve a prolonged appeal proceeding...Exhibitors had filed 148 cases in 1941, the first year of arbitration, but only 32 cases in 1945."²⁷⁰ While the arbitration tribunals were initially viewed as the only potentially productive feature in the decree by the independents, the numbers indicate that arbitration proceedings were more or less ineffectual.

The "Little Three" defendants—Universal, Columbia, and United Artists—were unhappy about the consent decree plan from the start and sided with the independents.²⁷¹ None of them owned theaters and Universal and Columbia, in particular, relied heavily on block booking. United Artists, a company founded in the spirit of independent filmmaking, resented the consent decree altogether. All three companies refused to sign the final agreement on November 20, 1940 and were told by Judge Goddard that the government would continue the suit against them.²⁷² With the signatures not yet dried on the consent decree, Louis Frohlich, counsel for Columbia, argued one last time for the minors. He told the court that, "with the dropping of the 'Big Five' as defendants there could not possibly be a restraint of trade by the 'Little Three' in violation of the anti-trust laws. The 'Big Five' have assets totaling \$520,000,000 and grossed \$390,000,000 last year in comparison with a total gross by the 'Little Three' of \$50,000,000 and assets not exceeding a total of \$40,000,000."²⁷³ Frohlich claimed that the suit against the minors was a "sham and a fraud" because the government knew that "the 'Little Three' could not monopolize

²⁷⁰ Ibid., 97.

²⁷¹ "Exhibitor Groups 'Little 3' Band in Pact Attack as Court Hold Decision Amid Uproar," *Hollywood Reporter*, November 15, 1940, 1, 4.

²⁷² "Little Three Try to Duck Trust Suit," *Hollywood Reporter*, December 4, 1940, 1, 6.

²⁷³ "D of J Wins Right to Serve New Bill," *Film Daily*, December 6, 1940, 1, 12.

the industry” and was trying to force them into signing the consent decree.²⁷⁴ Although they were given until June 1941 before trial commenced, not a single member of the ‘Little Three’ ever signed the consent decree on the grounds that (1) they did not own motion picture theaters which was what the case was originally about; and (2) if they acquiesced and signed the decree it would appear as an admission of guilt which was unacceptable to all three parties.

Once again, the strategy of protection through self-regulation worked in the industry’s favor. On November 25, 1940 Jack Warner sent a letter to President Roosevelt *thanking* him for aiding government and industry as both parties looked to reach an amiable settlement in the consent decree.

A year ago last March my wife and I had the extreme pleasure of visiting with you in the White House, During our talk we discussed the trials and tribulations of the motion picture industry and I mentioned to you that if some amicable arrangement affecting the entire industry could be brought about it would do so much to create a harmonious feeling throughout the motion picture business.

On Friday last, Judge Goddard signed the Consent Decree in the anti-trust proceedings against the motion picture industry, thus ending the litigation.

I want to take this opportunity to express my thanks and appreciation for your good offices in having made possible the original study of the motion picture industry by Mr. Hopkins, the then Secretary of Commerce.

It was the study and recommendations of the Commerce Department that furnished the basis and plan of settlement which is embodied in the Consent Decree.

I believe that with the functioning of the arbitration machinery provided for under the Consent Decree, the motion picture industry will enter a new era of good relationship with the exhibitors and the public.

Certainly, in so far as our company is concerned, it will be our constant endeavor to make the Decree an effective and living instrument of industry peace.²⁷⁵

²⁷⁴ Ibid., 12.

²⁷⁵ Letter from Jack Warner to Franklin D. Roosevelt, November 25, 1940, OF 73, Box 4, Motion Pictures Folder, 1940, FDRL. Harry Hopkins, after recovering from stomach cancer, began working as Roosevelt’s official

Jack Warner's letter to the president is a glimpse into the collective collaboration that was about to take place. As promised, the Hollywood studios continued to work on government projects and lent their resources and technical workers for the production of training films. Upon America's entry into the war, the Motion Picture Committee Cooperating for the National Defense (MPCCND) renamed itself the War Activities Committee of the Motion Picture Industry (WAC). The coordinated efforts of the WAC's seven working divisions, exemplified Hollywood's strategic "voluntary" cooperation with the U.S. government during World War II. During the lucrative war years, the studios continued to violate the provisions spelled out in the consent decree. Yet their patriotic efforts and indispensable resources were enough to push back further antitrust litigation until 1946 when the Department of Justice reopened the case.

unofficial emissary to Great Britain. Churchill was fond of Hopkins and was comfortable confiding in him. Hopkins played an integral role in the passage of the Lend-Lease Bill in 1941.

Chapter 4: The Collaboration: The Domestic Motion Picture Work of the War Activities Committee—Motion Picture Industry, 1941–1945

The relationship between Hollywood and American politics has long affected public life in the United States and around the world. During World War II the U.S. government and the motion picture industry entered into what can only be described as a collective collaboration. Convinced that films had an extraordinary power to mobilize the nation for war, the government began actively using the medium to disseminate wartime propaganda. Various critics attacked the Hollywood community for its eagerness to please the Roosevelt Administration at a time when antitrust legislation posed a legitimate threat to business as usual.¹ No stranger to self-aggrandizement, the industry was quick to promote itself as a tireless resource in the war effort. As discussed in Chapter Three, the formation in June 1940 of the Motion Picture Committee Cooperating for the National Defense (MPCCND), an organization through which the studios produced twenty-five defense-related short subjects and twelve trailers for Army recruitment, marked the beginning of their collaborative efforts.

To be sure, the pressure stemming from the *Paramount* trial resulted in the industry's early cooperation with the government prior to the signing of the consent decree.² By September 1940, the major producer-distributors, leading exhibitors, and top newsreel executives pledged the motion picture industry's complete cooperation in its efforts to aid the government in its defense plans.³ After America's entry into war, the MPCCND renamed itself the War Activities Committee—Motion Picture Industry (WAC) to better reflect the immediate concerns of the

¹ "Gov't Films Being Used in Campaign, GOP Claims," *Film Daily*, September 27, 1940, 2.

² See Chapter 3 for a detailed discussion of the *Paramount* case, the formation of the MPCCND, and the consent decree.

³ "Industry Pledges Defense Co-operation," *Film Daily*, September 5, 1940, 1, 4. See also "Exhibs Out Plan to Aid U.S. Defense," *Hollywood Reporter*, September 5, 1940, 6.

organization.⁴ Its coordinating committee, headed by RKO president George Schaefer, represented various divisions of the industry including producers, distributors, newsreels, the trade press, publicity, and most importantly the exhibitors. Generally speaking, the films distributed (and later made) by the WAC were information subjects produced by the major motion picture studios and the Office of War Information (OWI) in cooperation with the armed forces and government agencies.

The first aim of this chapter will be to examine the evolution and complex structure of the WAC and the various ways in which the studios contributed to the war effort. Such contributions included the production, distribution, and exhibition of films and newsreels as well as film stars' participation in wartime activities such as war bond drives, charity campaigns (Red Cross, Community Chest, etc.), United Service Organization (USO) tours, Hollywood Victory Caravan rallies, and the Hollywood Canteen. Film scholar Michael Renov notes that perhaps the most candid observation into the level of complete cooperation was offered in the pages of *Film News* in February 1942, when it announced, "Hollywood, through voluntary organization of the War Activities Committee, has escaped government regulations."⁵ This strategy of protection through self-regulation is reminiscent of the formation of the Hays Office in 1922 and the Production Code Administration (PCA) under Joseph Breen in 1934. In both cases, "the formula used for avoiding the threat of intervention from the government or pressure groups was to anticipate these efforts and replicate them internally."⁶ It is clear that in conjunction with the patriotic

⁴ "Harmon Quits MPPDA for WAC," *Film Daily*, December 17, 1941, 1, 4. See also "Pic Defense Committee Given New Tag By Freeman," *Film Daily*, December 31, 1941, 8.

⁵ Michael Renov, *Hollywood's Wartime Women* (Ann Arbor: University of Michigan Press, 1988), 62.

⁶ *Ibid.*

enthusiasm of the moment, the impetus for the creation of the WAC was predicated on similar outside threats.

The chapter's final area of inquiry will concentrate on the formation of the OWI and its Bureau of Motion Pictures (BMP). More specifically, this section will detail the U.S. government's film production and censorship practices as well as its dealings with the Hollywood studios. The BMP was created as a central point of contact between the administration, the different branches of the military, and the film industry. Lowell Mellett, director of the BMP division of the OWI, was charged with the responsibility of advising and consulting the industry as to its proper role in the war effort as well as managing the production and distribution of government informational films for civilian audiences.⁷ Acting as a liaison between Hollywood and Washington, Mellett's office issued a constantly updated manual—the "Government Information Manual for the Motion Picture Industry"—instructing studios in how to assist the war effort. Office personnel also sat in on story conferences with studio executives, reviewed the screenplays submitted by the majority of the studios, pressured filmmakers to change scripts and shelve pictures when they found material to be objectionable, and convinced the studios to commit top filmmakers to produce additional documentary propaganda features directed by influential filmmakers to help mobilize the war effort.⁸ This examination will lead to an analysis of how Hollywood approached the challenge of meeting the needs of the government while simultaneously negotiating its position within an economically determined industry. Viewing the BMP's involvement in film production and censorship as a discursive shift in the mode of Hollywood production, one can see the difficulties that the studios faced in their attempt

⁷ Ralph Wilk, "Making Pix H'Wood's War Job," *Film Daily*, January 15, 1942, 1, 8.

⁸ Clayton Koppes and Gregory Black, *Hollywood Goes to War* (Berkeley: University of California Press, 1987), vii.

to satisfy the government's quota for information films while at the same time trying to turn out its own product.

Industry and War Activities: "...For the Duration...yes, and Beyond"

The surprise attack on Pearl Harbor on December 7, 1941 came as a shock to Americans. Just after 7:30 a.m., local time, while sailors were going about their Sunday morning routine, the "first round of 189 Japanese planes descended upon Pearl Harbor, dropping torpedo bombs on the unsuspecting fleet...hitting all eight of the American battleships...including the *West Virginia*, the *Arizona*, and the *California*."⁹ As the news came across the president's desk, it was evident that the U.S. Navy had been severely crippled. In a matter of minutes over 3,500 Americans were killed or severely wounded. News of the events in the Pacific emerged over the course of the day, and the effect on the American people was tremendous. Remembering the traumatic day after some of the initial shock had worn off, acclaimed journalist Marquis Childs, wrote, "No American who lived through that Sunday will ever forget it. It seared deeply into the national consciousness...Monday was almost worse than Sunday. A merciful kind of shock prevailed under the first impact and now as that wore off, the truth was inescapable."¹⁰ The

⁹ Doris Kearns Goodwin, *No Ordinary Time* (New York: Simon & Schuster, 1994), 288. Before the events at Pearl Harbor, Secretary of State Cordell Hull was convinced that a Japanese attack was imminent, despite an attempt to negotiate with Japanese Ambassador Kichisaburo. Goodwin writes that on Saturday afternoon, December 6, "intelligence experts at the War and Navy departments, who had broken the secret Japanese code in July, intercepted a message from Tokyo informing the Japanese Ambassador that a fourteen response to Hull's ten-point document was on its way. By early evening, the first thirteen parts had been transmitted; the fourteenth part, Tokyo said, would be sent the following morning. When the first thirteen points were deciphered, a feeling of dread filled the air. It was obvious from the point-by-point rejection of each and every one of Hull's proposals that Japan was refusing all reconciliation." *Ibid.*, 288. The fourteenth part of the Japanese message came through on Sunday morning ending diplomatic negotiations. Ambassador Kichisaburo was instructed to deliver the reply to Hull at exactly 1 p.m. EST. The specificity of the time worried General George Marshall who feared that it "might coincide with an early-morning attack somewhere in the Pacific...In order of priority, the warning was to go first to Manila, then to Panama, and finally to Hawaii. By the time the message reached the telegraph station in Honolulu, the attack on Pearl Harbor had already begun." *Ibid.*, 288.

¹⁰ Marquis Childs, *I Write From Washington* (New York: Harper, 1942), 241. Also partially quoted in Goodwin, *No Ordinary Time*, 290.

attack on Pearl Harbor “created in all a permanent memory of where they were when they first heard the news.”¹¹ The next day Roosevelt delivered his now famous “Day of Infamy” speech before a joint session of Congress at 12:30 p.m. EST, and asked that “the Congress declare that since the unprovoked and dastardly attack by Japan on Sunday, December 7, 1941, a state of war has existed between the United States and the Japanese Empire.”¹² Both houses swiftly approved the declaration of war with Japan. Three days later, Germany’s Chancellor, Adolf Hitler, in a vitriolic speech, accused Roosevelt of “provoking war in order to cover up the failure of his New Deal” and told his fellow countrymen that under the current circumstances, Germany “considers herself to be at war with the United States, as from today.”¹³ The following day, December 11, 1941, in response to a written request from the president, the U.S. Congress unanimously recognized that “a state of war exists between the United States, Germany, and Italy.”¹⁴

Over the next twenty-four hours, several leading industry moguls from various business sectors across the country pledged their support to the White House and offered to do whatever they could to aid in the war effort. The motion picture industry was no exception. On December 8, 1941, Motion Picture Producers and Distributors of America (MPPDA) president, Will Hays, wired President Roosevelt to promise the industry’s continued service to the country: “The Motion Picture Producers and Distributors of America hereby pledge our service and support to the President and the Nation, and reiterate our resolve to maintain the continued flow of wholesome entertainment as an essential contribution to military and civilian morale and to the

¹¹ Goodwin, *No Ordinary Time*, 290.

¹² “The President’s Message,” *New York Times*, December 9, 1941, 1, 6. Only one member of Congress dissented—Representative Jeanette Rankin (R-Montana). Rankin was the first female member elected to Congress.

¹³ Goodwin, *No Ordinary Time*, 298.

¹⁴ “U.S. at War with All of Axis Now,” *Los Angeles Times*, December 12, 1941, 1, 5.

national spirit.”¹⁵ George J. Schaefer, Chairman of the MPCCND, sent a separate wire to the president that stated: “The motion picture industry cooperating for national defense, representing more than 12,000 theater operators and the artists, producers, distributors, newsreels and trade press reaffirms pledge of all possible service to you, the National Government and the people of the United States in this emergency.”¹⁶

While there were no immediate plans for the government to “exercise war-time control over the film industry,” it was anticipated that there would be a need for a more extensive film program and that “the program of Government-industry co-operation established for national defense will be continued, with such expansion as circumstances dictate.”¹⁷ Towards this end, Department of Commerce film expert Nathan D. Golden told the press: “Washington fully realizes the importance of motion pictures in maintaining morale, and I am satisfied that every shipload of war supplies to our allies in the Far East will contain motion pictures.”¹⁸ The Hollywood Branch of the MPCCND authorized 20th Century-Fox head, Darryl F. Zanuck, to immediately start the expansion of the war training film program.¹⁹ Army and Navy officers

¹⁵ “Pix’s Pledge of Service, Support Wired President,” *Film Daily*, December 9, 1941, 12.

¹⁶ *Ibid.*

¹⁷ Oscar Hume, “Gov’t Without Plans for War-time Film Control,” *Film Daily*, December 9, 1941, 1, 4. See also “War’s Effect on Hollywood,” *Hollywood Reporter*, December 9, 1941, 1, 3–5; and John C. Flinn, “Unity Conference of Industry Opening,” *Daily Variety*, December 9, 1941, 1, 8.

¹⁸ “Gov’t Without Plans for War-time Film Control,” 4.

¹⁹ “War Training Program to Be Expanded,” *Film Daily*, December 12, 1941, 2. At the end of 1940, representatives of the motion picture industry offered to the War Department facilities of the industry for the production of motion picture training films. The offer was the result of a desire on the part of the industry to co-operate in producing films to expedite training of the rapidly expanding Army, and was based on the knowledge of Army reserve officers in the industry. The Signal Corps did not have sufficient facilities to produce the number of training films to be required. The matter was submitted to the MPCCND (later re-formed as the War Activities Committee—Motion Picture Industry), formed to furnish a coordinating body within Hollywood on the problems of national defense. The committee’s membership represented all of the production and technical departments in the industry, as well as the guilds and public relations departments. Zanuck was chairman of the Motion Picture Research Council which acted

approached E.B. Hatrick, head of the MPCCND Newsreel Division, about employing newsreel men on a semi-military basis so that newsreel companies could “operate independently in the war zone” if they so desired.²⁰ For their part, newsreel companies were eager for “full collaboration of Army and Navy films so that films [could] be transported from the war areas back to [the U.S.].”²¹ One week after the U.S. declared war on the Axis powers, U.S. Signal Corps announced that applications for commissions for Hollywood talent were being considered in an effort to “increase its ranks with men from the film industry whose knowledge and skill [would] be particularly useful to the government forces.”²² Director Frank Capra applied for commission in the Signal Corps and informed studios that he would “not accept any further film assignments, and [would] defer all film commitments for the [war’s] duration.”²³ Capra’s entry into the Signal Corps marked the beginning of top directors leaving studio work behind to lend their talents to the U.S. government film services.²⁴

In addition to the need for newsreels and military films, there was an immediate rush to produce films about the events taking place in the Pacific theater. Ten days after the declaration

as a clearing house for Signal Corps training film requests and problems. John Ford’s *Sex Hygiene* was the first training film completed for the War Department. It was submitted for approval on March 5, 1941.

²⁰ “Newsreel Cameramen May Be on Semi-Military Basis,” *Film Daily*, December 16, 1941, 1, 7.

²¹ *Ibid.*, 7.

²² “Signal Corps May Recruit from Hollywood Talent,” *Film Daily*, December 10, 1941, 6, 7.

²³ “Capra to Report to the Signal Corps,” *Film Daily*, December 15, 1941, 1. It was anticipated that Capra would receive a Major’s commission in the war. See also, W.R. Wilkerson, Tradeviews, *Hollywood Reporter*, December 15, 1941, 1, 2.

²⁴ “H’wood on the March with 350 from Studios in Armed Branches; Capra, Wyler, Huston Soon in Signal Corps,” *Variety*, December 17, 1941, 2. John Ford was already making government films prior to the attack on Pearl Harbor. For more on Hollywood directors and their World War II experiences see Mark Harris’s *Five Came Back: A Story of Hollywood and the Second World War* (New York: Penguin Press, 2014). The book focuses on the wartime experiences of five of Hollywood’s top directors— John Ford, Frank Capra, William Wyler, John Huston, and George Stevens.

of war, Paramount initiated the industry's first large-scale production: *Wake Island* (Farrow, 1942), an epic saga centering on the defense of a Pacific outpost by 600 Marines. Several studio executives attempted to contact government agencies directly to see how they could be of service. Because of the sheer number of requests and confusion as to the extent to which the government would like Hollywood's involvement, studios wanting to directly help the government in its efforts to produce films to bolster morale and aid in civilian defense were urged to contact Lowell Mellett, Director of the Office of Government Reports (OGR), and Roosevelt's aide on public relations.²⁵

While an emphasis on war films was deemed necessary and of interest to the public, government officials also predicted "the population generally likely will need more in the way of entertainment now than it ever has before, to take its mind off things."²⁶ During a speech on current war conditions, Eleanor Roosevelt, when asked what motion picture producers could do to help the war effort, told the crowd: "For heaven's sake, keep them laughing."²⁷ Reminding film executives that the industry must continue making films that will provide temporary relief for Americans during a time of war, Columbia's general sales manager, Abe Montague, stated: "There is no question but that the need of the Government comes first. If, on the other hand, your direct service is not needed by our Government at this time, or at any time during the emergency, then we have another job to do...industry in this country is the second line in defense, and for the benefit for all of us it is essential that the wheels of industry keep turning with increasing rapidity

²⁵ "For Your Information," *Hollywood Reporter*, December 18, 1941, 1. In the first days of the war, there was a great deal of confusion as to what the industry could do to best help the war effort. Although there was some coordination, it would take until the end of the month when the MPCND was reorganized into the WAC and Mellett became the industry's point man inside the government.

²⁶ "Gov't Without Plans for War-time Film Control," 4.

²⁷ "Films Must 'Keep Them Laughing,'" *Film Daily*, December 19, 1941, 1.

and thoroughness. We charge you to carry on with everything as you have right up to this emergency...Mrs. Roosevelt is right. Keep them laughing and they will work harder—fight harder—and win.”²⁸

After the news of the events at Pearl Harbor broke, workers across the industry immediately became involved in the war effort, albeit in different ways. Several important directors, stars, writers, and producers who were in the Army and Navy Reserves were told that they could expect a call to report for duty any day. The number of men eager to volunteer for service led *Variety* to speculate about a potential labor shortage as studio executives “figured a goodly portion of youthful manpower in films will find its way into branches of the armed service...while many would wait their turn in the draft.”²⁹ On the civilian front, several workers into action by volunteering as air raid observers or wardens along the coastline, while others volunteered to work for bond drives through local theaters and for organizations such as the Red Cross and March of Dimes.³⁰

Studio executives responded immediately to the crisis by taking precautions to ensure the safety of its employees from both internal and external threats. On the day after the attack, *Daily Variety* reported that studios started tightening up on operations and regulations by going so far as to check and double check payroll records, personnel files, “to ascertain, if possible, if any of the studio employes’ [sic] records might in any way show foreign nationality connections that

²⁸ Ibid.

²⁹ “Pic Manpower Faces War Call,” *Daily Variety*, December 9, 1941, 1, 6.

³⁰ “Show Biz Pledges War Aid,” *Daily Variety*, December 17, 1941, 1, 4.

might be detrimental.”³¹ Several studios including Paramount and Warner Bros. required that each employee carry an identification card on his person at all times. The MPPDA enforced an industry-wide ban on all visitors to the West Coast lots as a “sabotage precaution.”³² Studios additionally limited the hours of production from 8 a.m. to 5 p.m. so that actors and film crews could get home before sundown in case an emergency blackout situation occurred.³³ Because of the shortage of police and fire presence on the lots, several employees temporarily served in service-oriented capacities when productions were filming. The government immediately gathered machine guns, rifles, and other armament from studios for defense forces to use in actual battle situations and a Studio Safety Committee was later established, to provide rules and regulations for safety in the event that the studio faces an emergency (e.g. a bomb threat).³⁴

Theater circuits were similarly faced with the challenge of ensuring the safety of its patrons. With news of motion picture theater bombings across Europe, Paramount’s theater director, Robert Weitman, immediately began crafting preliminary air raid precautions and arranged for a simulated air raid rehearsal to take place in Times Square.³⁵ The success of his drills led to the implementation of instructional courses in all circuit houses across the country that systematically listed the role every theater employee must play in the event of a disaster. In California, the Los Angeles City Council ratified plans for the establishment of a Theater

³¹ “Pic Manpower Faces War Call,” 6. *Daily Variety* further reported that Japanese employees were not permitted to work until the FBI ruled whether or not they were allowed to return. 20th Century-Fox began fingerprinting its employees one week after the attack; by the end of the year every studio had its employees’ fingerprints on file.

³² *Ibid.*

³³ Ralph Wilk, “Studios to Work from 8 to 5,” *Film Daily*, December 12, 1941, 1, 7. See also “Work in Daylight!” *Daily Variety*, December 10, 1941, 1, 6.

³⁴ “Pic Manpower Faces War Call,” 6.

³⁵ “Para.’s Air Raid Precautions,” *Film Daily*, December 16, 1941, 1, 6.

Defense Bureau that worked in conjunction with the Defense Council. Among the many duties of the Theater Defense Bureau included:

[Serving] as a clearing house for orders, bulletins and other information which the Office of Civilian Defense and the armed forces wish dispatched; [issuing] instructions for blackouts, make certain proper decorative schemes of patriotic colors are followed; [having] all programs open and close with the national anthem; [providing] special trailers for theaters and schools; [seeing] that all amusement places have proper receiving sets for unusually important broadcasts during which regular programs would be interrupted; [installing] battery emergency lighting system; [offering] a plan for temporary box offices to be fused inside the foyer during blackouts; [co-ordinating] with traffic officials for facilitating delivery of films under all emergencies.³⁶

It was made clear from the start that the theaters would play a central part in the war effort.

Within a month, motion picture theaters around the country became key places wherein theater patrons could purchase war bonds, defense stamps, as well as participate in charity drives.

Four days into the war effort, the Screen Publicists Guild called for the formation of a Motion Picture Emergency Defense Conference to organize and develop a plan of action for the united participation of every motion picture organization in the nation's committed war effort.³⁷

Before the Conference took place, a group of MPPDA executives representing producers, distributors, exhibitors, artists, and the trade press announced on December 16, 1941, that the MPCCND would now be called the War Activities Committee—Motion Picture Industry (WAC). In addition to the new moniker, the organization's staffing and structure changed as well. George Schaefer was re-appointed as Chairman of the committee, but as he explained to the press, the MPPDA, "decided to appoint a full-time executive to the work of co-ordinating the

³⁶ "Theater Defense Bureau for L.A.," *Film Daily*, December 16, 1941, 1, 3.

³⁷ "Emergency Defense Parley Called on Dec. 19 by SPG," *Film Daily*, December 12, 1941, 1, 6. See also "NY Film Industry Uniting for Action," *Hollywood Reporter*, December 12, 1941, 2.

industry's war activities under the direction of the executive group."³⁸ Schaefer and the MPPDA titled the position "Executive Vice Chairman" and offered it to MPPDA executive Francis S. Harmon. With the full support of Will Hays, Harmon moved from the MPPDA to the WAC.³⁹ The group rounded out the new additions by appointing a budget committee consisting of Si Fabian, R.B. Wilby, and Joseph Hazen to arrange for financing the cost of the industry's war activities.⁴⁰

The first item at hand was drawing up a resolution for the War Activities Committee. Composed by Schaefer and Harmon and approved by Hays, the resolution was formulated in two days and was immediately sent to the president's press secretary, Stephen Early. In a letter attached to the resolution, Schaefer asked Early to call the resolution to Roosevelt's attention, and to specifically tell him that the motion picture industry believed that there needed to be a liaison in government-industry relations. As Schaefer explained to Early, "it is the opinion, as evidenced in the Resolution that the appointment of such a [government] agency or individual would make for greater efficiency and eliminate considerable confusion."⁴¹ The War Activities Committee—Motion Picture Industry resolution stated:

WHEREAS early in the National Emergency the American Motion Picture Industry organized THE MOTION PICTURE COMMITTEE CO-OPERATING FOR NATIONAL DEFENSE representing 12,000 theatres and the artists, producers, distributors, newsreels and trade press, which committee for 15 months has been aiding our government in presenting to the nation through the medium of the screen fastest information relating to National Defense; and

³⁸ Ibid.

³⁹ "Harmon Quits MPPDA for WAC," *Film Daily*, December 17, 1941, 1, 4.

⁴⁰ Ibid., 4.

⁴¹ Letter from George Schaefer to Stephen Early, December 17, 1941, OF 73, Box 5, File Motion Pictures September-December 1941, Franklin Delano Roosevelt Library, Hyde Park, New York (hereafter FDRL). Schaefer attached a personal memo to Early that read: Dear Steve, Please excuse the formality. Just want you to know that we are all here to do a job for the Boss."

WHEREAS the Chairman our Committee in a telegram to the President, immediately upon the Declaration of War, re-affirmed the industry's pledge of full cooperation in the achievement of victory; and

WHEREAS during the past year numerous approaches have been made to industry by various governmental departments and agencies resulting in confusion and diminished effectiveness;

NOW, THEREFORE BE RESOLVED that the WAR ACTIVITIES COMMITTEE—MOTION PICTURE INDUSTRY, heretofore known as "The Motion Picture Committee Co-Operating For National Defense" recommends to the President that a single agency or individual be designated to deal with requests from all governmental departments and bureaus (with the possible exception of the Army and Navy Departments), which are made upon the industry in connection with the production, distribution, or exhibition of motion pictures; and that all requests which may be approved for presentation to the industry by the Government representative so designated, be transmitted to a similarly designated representative of this committee which represents all branches of the American Motion Picture Industry.⁴²

Early's reply to Schaefer evidenced a mutual desire to deepen the relationship: "I shall be very glad to call this resolution to the attention to the of the President and need hardly to assure you of his deep appreciation of the determination of your very important industry to be of helpful service to the government during the war."⁴³ In the same letter, Early went on to tell Schaefer that he will forward the text of the resolution to Lowell Mellett, Director of the Office of Government Reports (OGR), for appropriate consideration.⁴⁴

The need for a government-industry liaison became readily apparent during the exchange of letters between Schaefer and Early. On December 19, 1941, Leo C. Rosten, Special Consultant for the Office of Emergency Management's (OEM) Division of Information, sent a

⁴² War Activities Committee—Motion Picture Industry Resolution to Stephen Early from WAC Chairman George Schaefer, December 17, 1941, OF 73, Box 5, File Motion Pictures September-December 1941, FDRL.

⁴³ Letter from Stephen Early to George Schaefer, December 20, 1941, OF 73, Box 5, File Motion Pictures September-December 1941, FDRL.

⁴⁴ Ibid.

letter to Early regarding a short film made by MGM in close consultation with the government titled *Main Street on the March* (1941). The film is considered to be the first to explicitly present the defense program of the United States. Rosten explained that the film was “temporarily finished several weeks ago, and at the time bore the title ‘A Message from Main Street.’ The attack on Pearl Harbor and the declaration of war made MGM rescore and re-narrate the film.”⁴⁵ MGM was concerned about the re-edit of the film because it contained archival footage of Roosevelt giving a speech before Congress in May.⁴⁶ Although permission was granted by the White House to use the footage, Rosten asked that Early be present when the film is shown to representatives from the Army, Navy, and the OEM. He wrote: “May I simply urge that the film be given as much official help as possible, since it would be most effective if the picture could go into the motion picture theaters just as soon as possible. I believe that it is a singularly valuable document which combines enormous entertainment value with a straightforward recounting of the problem of defense and how the United States has gone about solving it. MGM will undoubtedly want a final verbal okay from you and others. I am sure there will be no difficulties.”⁴⁷ While Early gave no indication that he minded watching the film, he did, however, recognize right away that Schaefer’s suggestion of creating a dedicated agency or a

⁴⁵ Letter from Leo Rosten to Stephen Early, December 19, 1941, OF 73, Box 5, File Motion Pictures September-December 1941, FDRL. Leo Rosten was an academic and journalist. He wrote the sociological study *Hollywood: The Movie Colony, The Movie Makers* in 1941. He became a special consultant for the Office of Emergency Management in 1941.

⁴⁶ It was extremely rare that the president would agree to appear in the film. By 1941, it was a well-known policy that the White House would not endorse any one film nor would the president appear in any studio product with the exception of newsreels that were produced in close cooperation with Early and his team. Archival footage and sound clips of British leaders including Winston Churchill and Neville Chamberlain and American General George C. Marshall also appear in the film. *Main Street on the March* won the Academy Award for Best Short Subject.

⁴⁷ Letter from Leo Rosten to Stephen Early, December 19, 1941, OF 73, Box 5, File Motion Pictures September-December 1941, FDRL. Louis Howe, Roosevelt’s long-time political advisor and confidant, passed away in 1936. Harry Hopkins, Roosevelt’s Secretary of Commerce, and Mellett were considered by many Washington insiders to be replacements for the much beloved Howe.

specific point person within the government to handle such matters was necessary. Early had his hands full with official government business and did not have the time to watch films and give White House approval. With Rosten's request under his arms, Early brought the issue directly to Roosevelt.

Roosevelt wholeheartedly agreed with Schaefer's suggestion that a central office dealing with government-industry relations be established for the duration of the war, and the president had just the man for the job: Lowell Mellett. Over the past four years, Mellett had proved himself a reliable and loyal advisor to Roosevelt. Like Roosevelt's long-time secretarial "triumvirate" (Early, Marvin McIntyre, and Louis Howe), Mellett was a former newspaperman and worked as an editor for Scripps-Howard's *Washington Daily News* before working as administrative assistant to the president.⁴⁸ In 1939, he was made Director of the Office of Government Reports (OGR), a governmental agency dedicated to managing "informational" propaganda. As Director of the OGR, Mellett worked carefully to disseminate accurate, neutral information coming from the White House while simultaneously trying to contextualize it in an attempt "to create an atmosphere of assurance that would bolster the president's unfolding international policy."⁴⁹ Nicknamed "Mellett's Madhouse" or "OGRE" by its critics, OGR was a source of contention among Congressional conservatives who viewed the agency as a sounding board for more New Deal propaganda and censorship. In May 1941, the Senate approved a House bill that gave OGR a permanent status, which was requested by Roosevelt "on the ground that the agency has been effectively serving as a clearing house for information concerning Federal activities and reports

⁴⁸ In 1938 Mellett was also the acting head of the National Emergency Council (NEC). His duties here led to his overseeing the much-maligned U.S.F.S. under Pare Lorentz.

⁴⁹ Koppes and Black, *Hollywood Goes to War*, 51.

on the opinions, needs and desires of citizens.”⁵⁰ Many senators were wary that the bill would make the press subservient to the White House and could potentially “pave the way for a super propaganda agency similar to Germany’s [Ministry of Public Enlightenment and Propaganda]”⁵¹ While the majority of them did not believe that Mellett would use the agency for censorship purposes, they were more immediately concerned with the possibility that it would be used for propaganda strategy.

Although Roosevelt’s selection of Mellett to act as Coordinator of Government Films for the duration of the war was met with approval and made perfect sense to Washington insiders given the pair’s close personal relationship, Hays and the moguls were perplexed by the president’s choice.⁵² Although Mellett had briefly overseen the United States Film Service (U.S.F.S.) during its tenure under Pare Lorentz, his film experience stopped there. As one of the president’s closest advisors, Mellett, like Early, spent a great deal of time with Roosevelt and his family at their home in Hyde Park and had the opportunity to meet and get to know many of the film industry’s top executives in an informal capacity during their visits to the White House.⁵³

⁵⁰ “Vote News Agency Despite Curb Fear,” *New York Times*, May 21, 1941, 18. Before the vote passed in the Senate to make OGR a permanent agency, Roosevelt was funding it from his own office funds.

⁵¹ *Ibid.*

⁵² Koppes and Black suggest Mellett thought to be an unusual choice because he was largely an unknown to the vast majority in the industry. It was widely thought that Jock Whitney—who wanted the position and was well connected—would be chosen for the post. Koppes and Black write that director John Ford was also considered. It is unlikely that Ford would have taken a government position. He was gearing to make a film for the U.S. Navy in December and would not have had the time to take on such an enormous undertaking. It is likely that Mellett was selected *precisely* because he had no direct connection with Hollywood. This way the press could not accuse the Roosevelt Administration of choosing a radical propagandist. After the Nye-Wheeler hearing on propaganda in Hollywood films, Roosevelt was keen to stay away from any controversy. See Koppes and Black, *Hollywood Goes to War*, 57.

⁵³ Throughout his presidency, the studios regularly sent movies to the White House for Roosevelt and his family to screen. In the OF 73—Motion Picture Industry at the FDR Library, there are several letters from studio heads asking the president as to whether or not they should send him prints for viewing. Among such film offerings were *Gabriel Over the White House* (1933), *Confessions of A Nazi Spy* (1939), *Gone with the Wind* (1939), *Grapes of Wrath* (1940), *Sergeant York* (1941), *Across the Pacific* (1942), *Mrs. Miniver* (1942), and *Mission to Moscow* (1943).

However, Mellett was not an easy man to read or get acquainted with. Of the half dozen men who had direct access to Roosevelt at almost any time of day, Mellett was “undoubtedly the hardest to catalogue and pigeonhole.”⁵⁴ In a character profile written by Lee Carson of the *Washington Post*, Carson reported that Mellett “[was] regarded as potentially the most dangerous man in the Administration.”⁵⁵ Yet his description of the man paints a decidedly different picture than one might expect.

At first, or even fifth glance he would seem to be a tremendously shy, gentle and idealistic man who shrinks from the spotlight, dislikes making any bold moves or decisions and consistently sits back and listens while other people do the talking and doing. Slight and white-haired, he clings to all things unostentatious. Alumni and present employees of Mellett are devoted to him in a wholehearted manner bordering on worship...His manner is slow, self-effacing and deliberate and his clothes, like his personality, seem to blend into any background...He smokes in mild moderation, drinks seldom, and has never been known to take the floor and hold it before any group of people...While international events might make censorship an actuality in this country, and Mellett would be the obvious choice, he would abhor the job. Most of his life has been dedicated to freedom of the press and the ideals of democracy, and you cannot picture Mr. Mellett in the tough, rough, nasty and flamboyant role of chief propagandist and censor.⁵⁶

Mellett could hardly be described a “Hollywood type,” nor was he particularly interested in its frivolities. However, his personal distaste of any kind of censorship made him a palatable choice for Hays and the other moguls.

On December 18, 1941 President Roosevelt appointed Mellett to the position of Coordinator of Government Films where he would remain for the first half of the war. In his

Warner Bros., in particular, were always very eager to send prints east to the White House. However, from the day he took office, Roosevelt made it clear that the White House would never publically endorse any picture. This policy did not stop producers and directors from trying to “get a statement of support” from the White House.

⁵⁴ Lee Carson, “Personality Profiles of the President’s Key Advisors,” *Washington Post*, August 17, 1941, B2.

⁵⁵ Ibid.

⁵⁶ Ibid.

letter to Mellett, the president explained the importance of his new role and outlined his function as the government's liaison to the film industry. He wrote:

The American motion picture is one of our most effective media in informing and entertaining our citizens. The motion picture must remain free insofar as national security will permit. I want no restrictions placed thereon which will impair the usefulness of the film other than those very necessary restrictions, which the dictates of safety make imperative.

The motion picture, especially as used by the Federal Government, has a very useful contribution to make during the war emergency. In order that the Federal Government's efforts in the field of motion picture production and distribution may serve most effectively and efficiently, it is desirable that all activities of the Federal Government be coordinated under the direction of one central office.

Therefore, as President of the United States and Commander-in-Chief of the Armed Forces, I direct that you, as Director of the Office of Government Reports, act as Coordinator of Government Films for the duration of the war.

The functions you will discharge in this capacity are:

- (1) Act as liaison officer of the Federal Government with theatrical, educational and industrial producers and distributors in connection with the preparation, production and distribution of films;
- (2) Establish a clearance office through which all of the Government's civilian films must clear, whether they are to be distributed through theaters or through non-theatrical organizations;
- (3) Plan, so far as necessary, such Government motion picture production and distribution as is deemed necessary to inform and instruct the public during the wartime crisis;
- (4) Consult with all Government departments in connection with film production and distribution program, and consult with and advise motion picture producers of ways and means in which they can most usefully serve in the national effort.⁵⁷

Mellett's appointment was formally announced on December 24, 1941 in a press handout from the industry's newly formed WAC.⁵⁸ The above letter was printed in the handout to reassure the

⁵⁷ Letter Franklin D. Roosevelt to Lowell Mellett from, December 18, 1941, Motion Pictures and World War II Files, 1937–1948, Collection 1218, WAC 1942 Folder, Margaret Herrick Library.

⁵⁸ "Mellett Won't Censor Films," *Daily Variety*, December 24, 1941, 1, 8. See also, "Co-ordinator of Films Named," *Los Angeles Times*, December 24, 1941, 4.

motion picture community that Mellett would not act as a censor of motion pictures; instead, his role would be to make sure that “civilian morale and war promotional themes” were properly integrated into Hollywood films.⁵⁹

It was reported that Schaefer did not learn of Mellett’s appointment until December 22nd when he received a letter from Mellett stating as much.⁶⁰ In his letter to Schaefer, Mellett praises the film industry and said: “During the past 15 months, as you know, I have fulfilled the function of the Co-ordinator of Government films to a limited extent. During that time I have been greatly impressed by the sincerity of the motion picture industry as a whole in its purpose to aid our national defense in every way. All my experience with you and those you represent has been pleasant and I have every reason to feel sure the same will be true during the months ahead. I am confident that we can make this co-operation very effective indeed.”⁶¹ Schaefer responded to Mellett’s complimentary words with a telegram that read: “Your reference to the sincerity of this industry’s effort during the past 15 months in aiding the national defense program is deeply appreciated. You may count upon our vigorous co-operation in the achievement of complete victory in this war and those who threaten our freedom.”⁶²

The announcement of Mellett’s appointment was made on the same day that several significant WAC developments occurred. Taken together, these events illustrate the speed with which the unprecedented alliance between the industry and the government was coming together. First, it was made public that Harmon would be coming to Hollywood on January 1st to open the

⁵⁹ Ibid., 8. See also, “No Film Censorship: F.D.R. to Mellett,” *Film Daily*, December 24, 1941, 1, 4.

⁶⁰ “Mellett is Named Film Coordinator,” *New York Times*, December 24, 1941, 14.

⁶¹ “No Film Censorship: F.D.R. to Mellett,” 4.

⁶² Ibid.

WAC's offices in the Paramount building.⁶³ Second, the WAC shipped the first Red Cross trailers made under the auspices of the new organization.⁶⁴ Third, the WAC's Theater Division program committee approved its first theatrical release, a ten-minute short titled *Safeguarding Military Information*, which was slated to be produced by Lt. Col. Darryl F. Zanuck for the Motion Picture Research Council and distributed under the auspices of the WAC.⁶⁵

As 1941 came to a close, the relationship between the U.S. government and the motion picture industry seemed stronger than ever before. The industry's new wartime slogan "Win the War Now—everything else is chores" demonstrated its commitment not only to do what it could to meet the government's needs, but also recognized that it must also maintain "a regular flow of quality entertainment films to help maintain civilian and military morale."⁶⁶

A Bi-Coastal Organization: The National Divisions of the War Activities Committee

On January 14, 1942 Lowell Mellett, accompanied by Leo Rosten, on his first trip to Hollywood as Coordinator of Government Film to meet with executive members of the War Activities Committee, Hollywood Branch.⁶⁷ During his much-anticipated address to the committee, Mellett echoed the president's earlier statement, and stated matter-of-factly: "The Government has no idea of censoring material that goes into films for public consumption."⁶⁸ He

⁶³ "Co-ordinator of Films Named," 4.

⁶⁴ "WAC Ships 3,000 Prints of the Red Cross Trailer," *Film Daily*, December 24, 1941, 1, 3.

⁶⁵ Ibid. *Safeguarding Military Information* was originally designed for use in Army camps only.

⁶⁶ "'Win War Now,' Industry Slogan," *Film Daily*, December 22, 1941, 8.

⁶⁷ "That Man's Here," *Hollywood Reporter*, January 14, 1942, 1. Leo Rosten and Sam Spawick were later appointed consultants to the office of the Coordinator of Government Films. Rosten was stationed in Hollywood as an advisor; Spawick remained in New York. See also "Mellett Names Aides," *Hollywood Reporter*, February 3, 1942, 1.

⁶⁸ "No Film Censorship—Mellett," *Daily Variety*, January 15, 1942, 1, 14. See also "Mellett Says Stick to Job," *Hollywood Reporter*, January 15, 1942, 1, 4.

continued: “Unless the Army or Navy or some other Government agency calls upon you for a specific task, your greatest war service will be to stay right here on the job in Hollywood, making pictures. We are hoping that most of you and your fellow workers will stay right here in Hollywood and keep doing what you are doing because your motion pictures are a vital contribution to total defense efforts.”⁶⁹ Mellett stressed that his office would function primarily in an advisory capacity in terms of relaying the necessary information to filmmakers the Government’s views on war conditions abroad as they relate to the production of motion pictures. He informed the group that he will remain in Washington, but will soon appoint a government assistant to his Hollywood office, which will act as a “clearing house for such government information for the producers here at the source.”⁷⁰ Having an office in Hollywood was practical for administrative purposes and met Roosevelt’s directives. While there was a great deal of uncertainty as to how this would play out in terms of coordinating with the military, Mellett promised to “respect the interest” of the 12,000 theaters who agreed to show any film bearing the official War Activities Committee seal.⁷¹

In April 1942, Mellett flew back to Hollywood to iron out the details of the first government-WAC collaboration. Over a six-month period, the studios agreed to make twenty-six entertainment war shorts featuring the industry’s top talent on subjects deemed fundamental to the war effort.⁷² Because the films would be produced under the auspices of the WAC in cooperation with the government, Mellett reassured producers that they would have “access to all

⁶⁹ Ralph Wilk, “Making Pix H’Wood’s War Job,” *Film Daily*, January 15, 1942, 1, 8.

⁷⁰ “No Film Censorship—Mellett,” 14.

⁷¹ Koppes and Black, *Hollywood Goes to War*, 17.

⁷² “H’wood to Make 26 Entertainment War Shorts,” *Film Daily*, April 14, 1942, 1, 7.

Government agencies for complete knowledge of what is needed and what is current on all subjects of vital interests to the public.”⁷³ He told the press: “The motion picture industry has as clear an understanding of what the world faces as any other industry today. It is with confidence and appreciation that the Government looks forward to this new and greater contribution to the war effort.”⁷⁴ At the conclusion of the conference, Mellett named his assistant, Nelson Poynter, to head the Government Films office in Hollywood.⁷⁵

As Poynter began setting up his office in Hollywood after Mellett’s departure, members of the WAC were finalizing the number of divisions that composed the organization. By the time the dust had settled, seven working divisions of the WAC were established to mobilize the industry for the duration. Through a national coordinating committee, the manifold activities of the (1) Theatres Division; (2) Distributors Division; (3) Hollywood Division; (4) Newsreel Division; (5) Trade Press Division; (6) Foreign Managers Division; and (7) Public Relations Division were cleared in order to streamline and present pictorial messages of public importance. As illustrated in detail below, each division of the WAC played an essential role in proffering the participation of industry personnel as well as aiding the government in the production, distribution, and exhibition of films for national defense to help win the war.

Theatres Division

The Theatres Division was comprised of 16,486 theaters that pledged to play approved trailers and short subjects, produced by the government or the industry, in thirty-one exchange

⁷³ “26 Pictures Scheduled for U.S.,” *Daily Variety*, April 13, 1942, 1, 5.

⁷⁴ *Ibid.*, 5.

⁷⁵ “Poynter Mellett’s Man Here,” *Hollywood Reporter*, April 13, 1942, 1, 6.

territories with a national executive committee of fifteen.⁷⁶ Led by Chairman Joseph Bernhard, the Theatres Division boasted that “in the 11,000,000 seats of those 16,486 theatres sit the 80,000,000 moviegoers—the alert, purposeful American public!— who have participated so eagerly in bond drives, scrap drives, and who have made contributions of millions to great, national war charities.”⁷⁷ Exhibitors across the country responded to the president’s message that in total war “we are all soldiers, whether in uniform, overalls, or shirt sleeves” by having “box offices [become] agents for war bonds, theatre lobbies [become] depositories for junk, theatre usherettes [become] collectors of cash for war charities and theater screens [become] bulletins boards for factual films, along with feature pictures which the fans came to see in the first place.”⁷⁸

On February 2, 1942, the first seventeen films produced under the auspices of the WAC were made available for exhibition.⁷⁹ Among the titles included for issue (or reissue) were: *Pots to Planes* (Office of Emergency Management, 11/22/41)—a three-minute film which shows the method of reclaiming scrap aluminum for use in airplane manufacture as a result of the scrap aluminum campaign carried on the previous summer; *Women in Defense* (Office of Emergency Management, 12/24/41)—a ten-minute short narrated by Katharine Hepburn with commentary

⁷⁶ War Activities Committee—Motion Picture Industry, *Movies at War, 1942* (New York: War Activities Committee—Motion Picture Industry, 1943), 5. The number of theaters fluctuated as the war went on. This number reflects the number affiliated with WAC as of November 1942. There were 17,568 theaters operating in the U.S. as of October 15, 1942 (see also “17,568 Theaters Now Operating in the U.S.; Pledge War Support,” *Hollywood Reporter*, November 12, 1942, 1). Of the total 16,463 houses, both circuit and independent, pledged to play all WAC releases as well as participate in various war activities. The tabulation does not include the 663 U.S. Army motion picture theatres located in Army camps and training posts.

⁷⁷ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 5.

⁷⁸ *Ibid.*, 15.

⁷⁹ “WAC Film Releases,” *Film Daily*, February 2, 1942, 6. Twelve of the 17 films released were made when the group was still called the Motion Picture Committee Cooperating for National Defense. See also “War Activities Committee Releases,” *Hollywood Reporter*, February 2, 1942, 8.

written by Eleanor Roosevelt, covering the three principle phases of women's activities in the defense program; *Safe Guarding Military Information* (War Department, 1/16/42)—a nine-minute short made by Lt. Col. Darryl F. Zanuck at 20th Century-Fox as one of the series of training films made at cost for the War Department under the auspices of the Academy Research Council, depicts the fatal consequences of innocuous revelation of military secrets; *Tanks* (Office of Emergency Management, 1/23/42)—a ten-minute short narrated by Orson Welles, showing the production of one of the M-3 medium tanks, the testing and maneuvering on the firing range, and the final shipment to the battlefields; and *Any Bonds Today* (Treasury Department, Warner Bros., 2/2/42)—a two-minute Technicolor trailer featuring Warner Bros.' Looney Tunes character, Bugs Bunny, singing the patriotic song "Any Bonds Today" urging theater patrons to purchase war bonds on their way out the theater.⁸⁰ Exhibitors also did their part to contribute, incorporating into their daily programs all films made in cooperation with the military and governmental agencies.

While the Theatres Division's main job was to screen motion pictures made under the auspices of the WAC, it was also tasked with organizing exhibitors for national collection drives. An important first step in that effort took place in January 1942 when exhibitors mounted a charity drive for the Red Cross through their theater lobbies.⁸¹ Following that model, whenever wartime appeals were made to the public, theaters were encouraged to find new ways to get audiences to open up their checkbooks. Contests were popular, as were personal visits by film

⁸⁰ Ibid. The other film releases included, *Power For Defense* (National Defense Commission Film, 2/18/41); *Twelve* (War Department, 2/18/41); *Calling All Workers* (Social Security Board/National Screen Service, 4/9/41); *America Preferred* (Treasury Department, 5/20/41); *Seven Tags* (Treasury Department, 6/6/41); *Where Do We Go* (USO, 5/28/41); *Bits and Pieces* (Office of Personnel Management, 6/5/41); *America Builds Ships* (Office of Personnel Management, 6/5/41); *Army in Overalls* (Office of Personnel Management, 6/5/41); *Bomber* (Office of Emergency Management, 10/3/41); *Food For Freedom* (Office of Emergency Management, 12/9/41); and *Red Cross Trailer* (Red Cross, 12/24/41).

⁸¹ "H'Wood Opens Its Red Cross Drive," *Hollywood Reporter*, January 20, 1942, 2.

stars—events co-sponsored by the Theatres Division and the Hollywood Victory Committee (and its New York affiliate, the United Theatrical War Activities Committee).⁸² In its first year, the Theatre Divisions collected an impressive amount of money for causes like the Army-Navy Emergency Relief Fund (\$2,120,212.66), Infantile Paralysis (\$1,420,568.72), the U.S.O. (\$997,885.95) and Greek War Relief (\$777,586.26).⁸³

In addition to organizing national charity drives, motion picture exhibitors were instrumental in collecting scrap materials including metal and rubber for defense repurposing. With all thirty-one exchange territories participating, “new and unique angles of reclamation were uncovered,” as exhibitors across the country “opened their doors for free scrap matinees.”⁸⁴ Not surprisingly, children were largely responsible for the success of the scrap drive. Youngsters who attended the free films in exchange for scrap “brought in a total of 326,000,000 lbs. of heavy metal, rubber and rags, carting it to the theaters on sleds, trailers, trucks, scooters, and bicycles” in 1942 alone.⁸⁵ Distributors donated all of the films shown during the “Free Scrap Matinees” at no cost to government agencies; film carriers waived their fees; and projectionists screened the films on their own time. Theaters and newspapers even teamed up to host the “Great Scrap Offensive,” wherein 15,000 theaters across the country held a concentrated drive for the collection of scrap in the month of October.⁸⁶ Because of the increasing need for scrap metal and rubber, the WAC produced several shorts to boost collections. Films such as *Letter*

⁸² “50 Performers in Service Shows,” *Hollywood Reporter*, May 18, 1942, 11.

⁸³ War Activities Committee—Motion Picture Industry, *Movies At War*, 1942, 19.

⁸⁴ *Ibid.*, 20.

⁸⁵ *Ibid.*, 20.

⁸⁶ “Pix and Newspaper Scrap Drives Join,” *Film Daily*, October 6, 1942, 1, 4. Theaters (and the trades) put up signage that read: “Dig Up That Scrap!—Take A Rap at the Jap!—Avenge Pearl Harbor!” See also “15,000 U.S. Theatres Behind Gov’t Scrap Collection Drive,” *Hollywood Reporter*, October 6, 1942, 1, 5.

From Baatan (1942), *Salvage* (1942), *Rubber Conservation* (1942), and *The Aldrich Family Gets into the Scrap* (1942) all dealt with the necessity for collecting scrap.

In a similar attempt to collect copper, the WAC's salvage director for the Theatres Division, Arthur Mayer, held a "Keys to Victory" campaign in theaters across the country in an effort to collect millions of keys for the U.S. Navy on behalf of the War Production Board (WPB).⁸⁷ Theater owners were also enlisted in a campaign to salvage all copper from carbon drippings in their own theaters and were urged to see that not an ounce is wasted or remains unused.⁸⁸ The WPB asked the WAC to make "specialty films" that focused on lesser-known materials that could help the defense. For example, Walt Disney's short film, *Out of the Frying Pan and Into the Firing Line* (1942), featuring Pluto and Minnie Mouse, urged housewives to save their leftover cooking fat so that it could be used in the manufacturing of nitroglycerine.⁸⁹ Shorts like *Out of the Frying Pan and Into the Firing Line* were informative and to the point. Most importantly, they worked. By the end of the year, 3.6 million pounds of fat were saved and turned over to local offices of the WPB.⁹⁰

Perhaps the most frequent use of the theaters (other than screening films) by the WAC were the war bond drives that took place in them throughout the war. Organized by the Theatres Division, picture palaces were essentially turned into war bond banks by September 1942.⁹¹

Theaters across the country advertised reminders to purchase war bonds and defense stamps in

⁸⁷ "Now All Theaters Are 'Key' Stands," *Film Daily*, October 7, 1941, 8.

⁸⁸ "Copper Salvage Drive to Be Made in Theaters," *Hollywood Reporter*, June 24, 1942, 2. The War Production Board pledged that all the money made during the salvage drive would be donated to the Red Cross.

⁸⁹ "Minnie and Pluto Victory Film Stars," *Hollywood Reporter*, August 27, 1942, 2.

⁹⁰ War Activities Committee—Motion Picture Industry, *Movies At War*, 1942, 20.

⁹¹ *Ibid.*, 20-21.

theater lobbies, posted stickers at the box office, and included brief messages before and after the feature film.⁹² By 1943 every motion picture theater sold war bonds and defense stamps; “six thousand [were] officially accredited issuing agents for the Treasury Department and [“fed”] bonds to several thousand unaccredited theatres.”⁹³ Although bond-selling theaters made up only 10% of all the Treasury Department’s outlets, the theaters accounted for 20% of war bond revenues.⁹⁴

In addition to selling war bonds, the Theatres Division pledged to aid in special campaigns for the U.S. Treasury Department. One such campaign, “A Salute to Our Heroes,” was particularly successful. During September 1942, the entire industry pooled its resources with remarkable success. Over the course of 30 days, “59 Hollywood stars traveled 21,000 miles to 368 cities for bond rallies held in theaters with total sales reported at \$206,635,799.00.”⁹⁵ Exhibitors held bond premieres and priced their seats from \$25 to \$25,000—and these ‘free shows’ were credited with sales of \$94,048,179.35 for the U.S. Treasury Department.⁹⁶ In the hopes of lining up 1,000 first run motion picture theaters to stimulate the billion dollar “War Bond Premieres” drive goal, the WAC’s Distributors Division played an integral role securing the prints at no cost.⁹⁷

⁹² “Exhibs. To Aid War Stamp Sales,” *Film Daily*, April 8, 1942, 1.

⁹³ War Activities Committee—Motion Picture Industry, *Movies at War, 1943* (New York: War Activities Committee—Motion Picture Industry, 1944), 13.

⁹⁴ *Ibid.*

⁹⁵ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 20.

⁹⁶ *Ibid.*, 22. Prior to the “Salute to Our Heroes” month, the “Commando Committee of industry executives sold \$53,017,100.00 before the drive opened. The Treasury Department estimated that one million more workers were added to the 10% payroll war savings plan, wherein regular deductions were taken from weekly paychecks.

⁹⁷ “400 House Already Set for War Bond Premiere,” *Film Daily*, September 3, 1942, 1, 4.

To be sure, the participation of stars from the stage and screen in local theater war bond drives was essential to their overwhelming success.⁹⁸ Every motion picture studio loaned out stars who were not currently in production to go on war bond tours with the Hollywood Victory Committee.⁹⁹ Each individual member of the Committee formally pledged to the president their thoughts, time, and energy “to serve the country and their Commander-in-Chief, Franklin D. Roosevelt.”¹⁰⁰ On May 1, 1942, members of the first Hollywood Victory Caravan, led by emcee Bob Hope, began a 13-show tour across the U.S. In front of a decorated Washington crowd, including Secretary of War Henry L. Stimson and Secretary of Navy William “Frank” Knox, Hollywood stars namely James Cagney, Claudette Colbert, Bing Crosby, Olivia de Havilland, Cary Grant, Charles Boyer, Joan Blondell and Laurel and Hardy presented their pledge on an engraved scroll to Eleanor Roosevelt who accepted it on behalf of the president at the White

⁹⁸ Actress Carole Lombard and her mother were tragically killed in a plane crash on January 16, 1942 while en route to sell war bonds. “Goodbye Carole,” *Daily Variety*, January 19, 1942, 1, 5; “Carole Lombard,” *Hollywood Reporter*, January 19, 1942, 2; and “President Roosevelt Sends Regrets to Gable,” *Film Daily*, January 20, 1942, 2.

⁹⁹ A letter to Mr. Graves, Assistant to the Secretary of Treasury outlines studio regulations governing star appearances during bond tours for war savings. Among the included rules:

1. Stars will not appear on theater stages;
2. Stars will not appear at store stamp booths;
3. Stars will not appear at rallies where admission is charged, except where the admission is in the form of stamps and bonds;
4. Stars will not appear at private parties, dinners, etc.;
5. Stars will not appear on paid radio broadcasts;
6. Stars will not appear necessarily at conventions or rallies planned to coincide with the appearance of the star just to have them present as a drawing card on the strength of the fact that this will give the affair a War Savings sanction;
7. Stars will not make any appearances associated with any political activities or politicians;
8. Stars will not appear in any parades except in important Labor Day parades;
9. Stars should not appear at any more than three functions in any one day, in any one city;
10. Stars will appear at Public Rallies, Civic Club Luncheons and most particularly at factories to boost payroll savings plan;
11. Stars will appear at stamp booths in theater lobbies or in public squares such as at Victory Houses. (These to be classed as secondary appearances);
12. Stars will appear at planned press conferences.

Letter to Mr. Graves from Mr. Duffis, n.d., Bond Drive-Treasury Folder, Motion Pictures and World War II Files, 1937–1948, Collection 1218, Margaret Herrick Library.

¹⁰⁰ “Hollywood’s Pledge,” *Hollywood Reporter*, May 1, 1942, 1.

House.¹⁰¹ The success of the first Victory Caravan tour called for exhibitors across the country to donate their theaters for the purpose of hosting fundraising shows for national defense.¹⁰²

From the beginning, the liaison between Hollywood and Washington was a “distinctly American and democratic arrangement, a mesh of public policy and private initiative, state need and business enterprise.”¹⁰³ When the U.S. entered the war, many industries, such as steel and automobiles, “saw their entire production diverted from civilian to war-related goods.”¹⁰⁴ There was a very real possibility that Hollywood’s production and exhibition facilities might succumb to a similar fate. However, Mellett believed that the studios would “cooperate with the propaganda program if the government did not interfere with the box office.”¹⁰⁵ It was obvious to him that the right balance needed to be struck for the arrangement to work. While the government needed the motion picture industry and its resources, too much propaganda “could wreck the movies’ entertainment appeal—the very thing that made the studios attractive to [Washington] propagandists.”¹⁰⁶ And while Hollywood did want to participate in every way it could; it did not want to do so at the expense of losing out at the box office.

Looking back at the alliance nearly seventy-five years later, it is clear that the government got the better end of the deal. With top talent and seemingly unlimited resources at its disposal, one could argue that the studios were in some ways exploited by the government.

¹⁰¹ “H’wood Victory Caravan Set for Washington Bow,” *Film Daily*, April 30, 1942, 1, 6.

¹⁰² The first show grossed \$24,901 on the first night and was divided equally among the Army Emergency Relief and the Navy Relief Society. It was estimated that the show would gross \$600,000 and that each branch of the service would net \$250,000. “Caravan Show Nets \$24,901 in Capital,” *Film Daily*, May 1, 1942, 1, 4.

¹⁰³ Doherty, *Projections of War*, 61.

¹⁰⁴ Koppes and Black, *Hollywood Goes to War*, 57.

¹⁰⁵ *Ibid.*

¹⁰⁶ *Ibid.*, 58.

When discussions about government officials possibly taking over sectors of its business were introduced, the studios were proactive and made themselves invaluable to the cause. For example, in March 1942 Harry Warner called a meeting of producers, writers, directors, department heads, technical workers and theater owners on the Burbank lot to address rumors that the government would “take control of those studios which were wasteful in use of vital materials.”¹⁰⁷ Warner urged his employees “strict economy on consumption of film, nails, and all metals, wood and equipment.”¹⁰⁸ Motion picture theater owners were issued the same warnings. However, under the direction of the WAC’s Theaters Division Chairman, Joseph Bernard, the theaters became indispensable spaces for doing the government’s bidding. Because of their locations, motion picture theaters were the focal point of the WAC’s wartime service. Nearly all of the WAC contributions to the war effort took place at the theaters from short government films and morale boosting features, to the war bond campaigns and charity drives. The WAC highlighted the work done by the exhibitors and sold it back to Washington and the American people, who came to motion picture theaters multiple times a week to “do their bit” for the war effort.

Distributors Division

Led by William A. Scully, the Distributors Division supervised the efforts of “352 exchange managers, 352 office managers, 850 film bookers, 1,000 travelling representatives, and thousands of inspectors, shipping clerks, and office workers” all of whom cleared their films through the Committee’s 12 national film distributors.”¹⁰⁹ According to the data compiled by the

¹⁰⁷ “Gov’t Thumbs Down on Material Waste,” *Hollywood Reporter*, March 2, 1942, 2.

¹⁰⁸ Ibid.

¹⁰⁹ War Activities Committee—Motion Picture Industry, *Movies at War*, 1942, 5.

WAC in its first year, 352 film exchanges in thirty-one key cities handled war information releases without any cost to the government.¹¹⁰ In order to bring some much needed organization to the Distributors Division, the WAC's Executive Vice-Chairman, Francis S. Harmon, announced in March 1942 that "approved defense shorts will be distributed nationally by a single company for each group instead of by a number of co-ordinating companies as had been the practice in the past."¹¹¹ Under the new arrangement, Warner Bros. was the first studio to volunteer to distribute the first group of three shorts under the auspices of the WAC; other distributors followed Warner Bros. "in a rotating arrangement which [would] assure co-operating exhibitors of simplified national service."¹¹² In this way, every motion picture distributor shouldered the burden equally.

The Distributors Division the WAC was responsible for distributing ten different types of motion pictures. Below are brief descriptions of the films made by the motion picture studios under the auspices of the WAC. The diversity of films outlined here shows the unique cross-section of films that were distributed to aid the war effort.

(1) Victory Films:

Victory Films were produced by the United States government on subjects deemed vital and timely by Washington. Every Victory Film title was distributed and exhibited without cost to the government by the WAC "pursuant to the signed pledge of 16,486 exhibitors to include

¹¹⁰ Ibid.

¹¹¹ "Adopt Rotating Plan for Defense Pix Distribution," *Film Daily*, March 3, 1942, 1, 8; see also, "Distributors Get Victory Films in Threes," *Daily Variety*, April 9, 1942, 2.

¹¹² Ibid. See also, "Three Gov't Shorts Screened March 25," *Hollywood Reporter*, March 19, 1942, 24. The first three films distributed for free by Warner Bros. were: *Ring of Steel*, an Office of Emergency Management (OEM) film directed by Garson Kanin and narrated by Spencer Tracy; *Fighting the Fire Bomb*, an Office of Civilian Defense (OCD) film on procedure in air raids; and *Any Bonds Today*, a Technicolor Bugs Bunny cartoon produced for free by Leon Schlesinger for the Treasury Department.

factual messages covering a wide range of war subjects...in an effort to meet some definite war problem of the government.”¹¹³ The WAC reported that 94% of the theaters that pledged to show Victory Films did so during every screening held throughout the day.¹¹⁴

Through the voluntary cooperation of the WAC, the government and various national war charities including the Red Cross and March of Dimes, were able “to place factual messages upon more theatre screens than any of the industry’s feature pictures and short subjects which are produced and distributed commercially.”¹¹⁵ The joint objective of the Theatres Division, the Distributors Division, and the Office of War Information—Bureau of Motion Pictures called for the WAC to deliver 677 prints of Victory Films to be released every odd Thursday of the month; shorts made by the industry—the “America Speaks” series—were released on even Thursdays so that every pledged theater had at least one new war film subject each week.¹¹⁶

The WAC began producing Victory Films at the start of 1941 when the organization was still known as the MPCND. Among some of the more popular Victory Films titles were: *The New Spirit* (2/2/42—Technicolor)—Disney’s first World War II short commissioned by Treasury Secretary Henry Morgenthau, Jr., to encourage Americans to pay their income taxes on time; *Winning Your Wings* (5/28/42)—U.S. Army Air Forces recruiting film featuring actor James Stewart and directed by John Huston; *The Battle of Midway* (9/14/42—Technicolor)—U.S. Navy film directed by John Ford documenting the battle on Midway Island; *Japanese Relocation*

¹¹³ War Activities Committee—Motion Picture Industry, *Movies At War, 1942*, 7.

¹¹⁴ “Victory Films at Every Show in 94% of Theaters,” *Film Daily*, April 9, 1942, 1, 3. See also “Victory Films Play Majority of Shows,” *Hollywood Reporter*, April 9, 1942, 3.

¹¹⁵ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 7.

¹¹⁶ *Ibid.* It is important to note that less than one dozen Hollywood feature films played in more than 12,000 theaters when first released; the government’s Victory Films and the industry-produced America Speaks films appeared in more than 12,000 theaters.

(11/12/42)—OWI film explaining the necessity for Japanese American internment camps; and *Night Shift* (12/10/42)—Written, directed and produced by the British Ministry of Information and edited by the OWI—Bureau of Motion Pictures, depicting what the women of Britain are doing to help keep the war production program moving.¹¹⁷ By the time the war had come to a close in 1945, the U.S. government produced over 170 Victory Films and News Bulletins that were distributed and exhibited gratis under the auspices of the WAC.

(2) “America Speaks” Series:

Similar to the government’s Victory Films, the “America Speaks” series was a collection of twenty-six films that were voluntarily produced and distributed by the major motion picture studios for no profit. The topic for each film was discussed in consultation with the OWI based on the immediate needs of the government. As discussed earlier, Mellett and the Hollywood branch of his office made certain that the studios were furnished with the correct “facts and figures” needed for proper treatment of the subject matter. While films in the “America Speaks” were rented to exhibitors, “all receipts above actual cost of the negative and prints [were] given to recognized war charities” such as Army and Navy Relief Funds, the Red Cross, the March of Dimes, Infantile Paralysis, etc.¹¹⁸ Notable films in the “America Speaks” series include, *Everybody’s War* (11/5/42)—2-reel short narrated by Henry Fonda and distributed by 20th

¹¹⁷ Other important Victory Films included: *Seeing Them Through* (2/1/45)—Red Cross; *Victory Gardens* (5/18/44)—War Production Board Message about planting food in private homes and public parks for defense; *The Memphis Belle* (4/13/44—Technicolor)—William Wyler’s film depicting a flying fortress during a German air raid; *The Negro Soldier* (4/13/44)—Documents the contributions of African Americans during every war fought by the U.S.; *Food and Magic* (11/18/43)—Conserve food; *Glamour Girls of ’43* (9/2/43)—Women in industry; *Report From the Aleutians* (7/30/43—Technicolor)—John Huston’s film about the Aleutian Islands Campaign; *Prelude to War* (5/27/43)—First orientation film in Frank Capra’s *Why We Fight* series made at the behest of the War Department; *You, John Jones!* (1/14/43)—United Nations Relief film Directed by Mervyn LeRoy and starring James Cagney and Ann Southern; *Mr. Gardenia Jones* (5/29/42)—shows the morale-boosting work of the U.S.O. starring Ronald Reagan.

¹¹⁸ “All Profits from 26 War Pix Will Go to Emergency Charity,” *Hollywood Reporter*, May 22, 1942, 1. As discussed earlier, the films in the “America Speaks” series were released on even Thursdays during the war years.

Century-Fox under the auspices of the WAC, dramatizing America's awakening since the attack on Pearl Harbor; *Keeping Fit* (11/19/42)—2-reel short featuring Robert Stack and Andy Devine and distributed by Universal Pictures, highlighting the importance of exercise and eating a proper diet for war workers; *The Price of Victory* (12/3/42)—14-minute short distributed at a loss by Paramount for \$1 a day, includes an address by U.S. Vice-President Henry A. Wallace on what Americans must do to achieve freedom throughout the world, citing examples of heroism by U.S. soldiers to illustrate his theme that the American spirit must never die; *Conquer by the Clock* (12/17/42)—short film distributed by RKO Radio-Pictures, explaining how laziness on the part of war workers may lead to unforeseen tragedy to the armed forces; and *Wings For Fledglings* (12/31/42)—10-minute short distributed by Columbia Pictures depicting the training of an aviation cadet from raw recruit to pilot.¹¹⁹ The industry completed the first set of twenty-six “America Speaks” shorts on March 26, 1943 when MGM's production of *Inflation* came to a close.¹²⁰ Because of the overwhelming popularity of the films, the WAC continued to produce film titles intermittently for the “America Speaks” series during the war.

¹¹⁹ Other important films in the “America Speaks” series include, *Mr. Blabbermouth* (9/1/42)—cautions moviegoers against spreading rumors in the wake of Pearl Harbor; *Letter From Bataan* (9/15/42)—explains the perils of waste; *A Day in Moscow* (2/11/43)—highlights the positives of the Soviet Union.

¹²⁰ “Industry Finishes Its 26 Govt. Shorts,” *Hollywood Reporter*, March 26, 1943, 11. This report gives some additional insight into the studios' productivity under the WAC:

A new studio-OWI program may be evolved shortly to carry on the work. Studios, however, are coming through on their own with so many one and two-reelers suitable for the war purpose that the OWI may simply wait until material is prepared and then recommend films it wants to the War Activities Committee for distribution. The OWI also produced 26 shorts for WAC distribution in the past year. If the studios can supply enough shorts to carry the one a week schedule of releases set up by the WAC, then the OWI will shorten or even eliminate its own production. *Ibid.*

(3) Films For Fighting Men:

In 1942 the WAC pledged to send soldiers in combat areas overseas current feature motion pictures and war themed short subjects without cost to the U.S. War Department.¹²¹ All films were reprinted on 16mm sound film stock to fit with the portable projectors that traveled with the fighting troops. More often than not, servicemen overseas got to see motion pictures before American audiences saw them back home because “industry leaders wanted to provide American soldiers in combat areas with the best and latest in screen entertainment.”¹²² Francis S. Harmon, Executive Vice-President and Coordinator of the WAC, pointed out that this arrangement was “the first time all the companies had ever agreed to reduce current features and shorts to 16mm.”¹²³

After the America’s first year in the war came to a close at the end of 1942, the U.S. Army Motion Picture Service was “operating 762 theatres at 423 Army posts in the continental United States, Alaska, and the Caribbean bases. These theaters, with seating capacity of 543,579 had an audience in 1942 of 118,000,000 men in uniform.”¹²⁴ Like the men in combat, all new recruits training in camps were able to watch current feature pictures, short subjects, and

¹²¹ “Assure Pix for Troops Abroad,” *Film Daily*, December 8, 1942, 1, 6. In 1942 alone, 4,700 complete film programs were given to the War Department gratis.

¹²² “Free Films in Combat Zones,” *Film Daily*, February 20, 1942, 1, 8. For more on Hollywood’s feature films during World War II, see Jeanine Basinger, *The World War II Combat Film: Anatomy of a Genre* (New York: Columbia University Press, 1986); John Morton Blum, *V Was For Victory* (New York: Harcourt Brace Jovanovich, 1976); Leo Braudy, “Entertainment or Propaganda?” in *Warners’ War: Politics, Pop Culture & Propaganda in Wartime Hollywood*, ed. Martin Kaplan and Johanna Blakley (Los Angeles: The Norman Lear Center Press, 2004); Bernard F. Dick, *The Star-Spangled Screen: The American World War II Film* (Kentucky: University of Kentucky Press, 1985); and Richard Lingeman, *Don’t You Know There’s a War On?* (New York: Nation Books, 2003).

¹²³ *Ibid.*, 8.

¹²⁴ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 10. The U.S. Army Motion Picture Service screened films for 240,760 new recruits at camps all over the U.S.

newsreels on standard 35mm film furnished by the WAC.¹²⁵ However, while at camp, the draftees were charged the nominal admission price of 14¢ so that camp theaters could turn a profit for their mess funds. Both the U.S. Army Service and the U.S. Navy charged a small fee for admission.¹²⁶

The profound impact new films had on servicemen was regularly reported on in the trade press. In a letter from Major General Bonesteel, a commanding officer stationed in Iceland in 1942, he relayed to WAC officials how appreciative the men were of the films they had the opportunity to see while serving overseas, and stated: “Motion pictures are as necessary to the men as rations. All pictures here are screened to a capacity house and we deeply appreciate [the WAC’s] efforts to keep us supplied.”¹²⁷ Major General Wheeler, a ranking American officer in India, cabled the War Department a similar response and claimed: “Motion pictures are needed and are useful in stimulating a healthy state of mind and improving morale. This statement is based on my experience at many scattered stations where motion pictures constitute practically only diversion for troops.”¹²⁸ The response from servicemen was equally strong. Staff Sergeant Alan C. Coe sent his father a letter delivered via V-mail (Victory Mail) expressing his gratitude for the films that were screened for his unit on the battlefield. He wrote:

I can think of no single thing that we appreciate half as much as the movies...Not only do they provide an occasional evening’s entertainment, but they also give a

¹²⁵ “Free Film Programs in Combat Zones,” *Hollywood Reporter*, February 16, 1942, 1,7; “Film Industry Gives Army 80 Pix for Combat Areas,” *Hollywood Reporter*, February 20, 1942, 1, 7; and “Free Films in Combat Zones,” 1, 8. The WAC’s policy regarding 16 mm prints was that the format would only be used for men overseas and not in the continental U.S. since “the contemplated expansion of the facilities of the Army Motion Picture Service was expected to provide adequately for soldiers at their posts and more than 11,000,000 seats in 17,000 theaters provided ample facilities both for civilians and soldiers and sailors on leave.” “Free Films in Combat Zones,” 8.

¹²⁶ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 10.

¹²⁷ Ibid.

¹²⁸ Ibid.

guy something new to think about, and an occasional look at home... When a guy has been on foreign service for a while, he really begins to realize just what his own country means to him, and I think that the great per cent of the men who observe this have a better understanding of just what they are fighting for... About the only possible objection that one could have to the movies is the fact that we can't get enough of them. Of course I realize that transportation is a major question these days. We are supplied with about one picture per week. Don't get the idea I'm kicking but do you think it would be possible to swing two? A lot of the boys see the same picture three and four times... I have seen several thousand men sit through an entire show when it never once stopped raining. Then a lot of them walked miles through the same rain to get back to camp. I think that if anybody suggested stopping the show there would have been a riot.¹²⁹

When American soldiers were injured in combat, they had the opportunity to enjoy regularly scheduled “movie nights” in hospital wards. The WAC cooperated with the Red Cross and sent 16mm prints to over 350 hospitals across the country and in combat zones.¹³⁰ Film screenings became a regular part of the hospital schedule and Red Cross officials hailed the “therapeutic value of movies for convalescent patients in military hospitals.”¹³¹ In fact, because of the overwhelming need for films in Red Cross hospitals both abroad and domestically, in 1943, the national headquarters of the Red Cross appointed Harry S. Millar to serve as director of the Hospital Motion Picture Service.¹³² As the “third largest chain of motion picture houses in the world,”¹³³ the Red Cross played an integral role in providing much needed entertainment to incapacitated servicemen in various stages of rehabilitation in hospital wards.¹³⁴ The WAC also

¹²⁹ Ibid., 11.

¹³⁰ “Army Hospitals to Get New 16 mm. Pix Service,” *Film Daily*, February 15, 1943, 2. Paramount, 20th Century-Fox, RKO, and Universal were the first to agree to cooperate with the Red Cross and made “first-run features available for hospital showing...30 to 60 days after release.” Bookings were handled by the Red Cross and projectionists were enlisted soldiers detailed to the humanitarian aid organization. Ibid.

¹³¹ War Activities Committee—Motion Picture Industry, *Movies at War*, 1942, 12.

¹³² “Millar Heads R.C. Hospital Motion Picture Service,” *Film Daily*, March 2, 1943, 1, 2.

¹³³ Ibid., 2.

¹³⁴ “Red Cross to Start Ward Shows Mar. 15,” *Film Daily*, March 3, 1943.

supplied British, Canadian, and Australian servicemen with Hollywood films after Pearl Harbor to help maintain the high morale on the battlefield of America's Allies.¹³⁵

(4) Training Films:

Training films for servicemen made for the U.S. War Department by the studios were important visual aids for new inducted soldiers, and required the closest cooperation between the government and the film industry. Although understated when compared to the much more glamorous commercial fare, training films were made on a standard contract basis and were perhaps the studios' most important contribution to the war effort. Every branch of the military needed motion pictures for educating new recruits entering basic training. When America entered the war, the number of active members ready for combat was alarmingly low. As millions of young men joined the armed services, every branch of the U.S. military wanted to get them up to speed. Film was the fastest and most efficient way to train soldiers, and the War Department quickly enlisted the help of studio technicians to directly take part in military education.¹³⁶

Film historian Thomas Doherty writes that these “nuts and bolts films” required the help of Hollywood's top technical talent in order to “acquaint GIs with the arcane skills of modern warfare—everything from *The Tank Platoon in the Attack* to *The Operation of the Quartermaster Mobile Laundry*.”¹³⁷ Training films produced by the U.S. Signal Corps were filmed in Astoria, New York, Fort Monmouth, New Jersey, and Wright Field, Ohio, while the

¹³⁵ “Movies First Choice of U.S. Troops in Britain,” *Film Daily*, April 15, 1943, 1, 9.

¹³⁶ “Army Woos Film Technical Experts for Signal Corps,” *Hollywood Reporter*, April 23, 1942, 7. For more on training films made during World War II, see Charles F. Hoban, Jr., *Movies That Teach* (New York: Dryden Press, 1946).

¹³⁷ Doherty, *Projections of War*, 63.

Army Air Force filmed in Culver City, California.¹³⁸ Hollywood specialists employed everything from screen animation which “taught aircraft identification and explained top secret mechanisms” to “huge topographical set designs that [familiarized] bomber crews with the contours and skylines of target territory” for classroom use.¹³⁹ During 1941 and 1942, the Motion Picture Research Council (MPRC) produced “more than 100 subjects...on 301 reels of instructional film” including titles such as *Instructions of the Soldier* (taught positions and facings; steps and marching); *240 mm. Howitzer* (addressed personnel and equipment; operation of weapon; displacement); *Anti-Aircraft Searchlight Battery* (discussed emplacement; orienting and synchronizing; preparation for action); *Battle Formations* (demonstrated formations for the rifle squad and rifle platoon); *The Motor Vehicle Driver* (explained elementary and difficult driving techniques; night driving and map reading; hand signals and road rules; and demonstrated first echelon maintenance).¹⁴⁰

All training film requests were funneled through the MPRC, which divvied up assignments to the studios. Chaired by Col. Darryl F. Zanuck, the MPRC’s primary function was to act as a liaison between the U.S. War Department and the WAC. As with much of Hollywood’s war-related government work, there was a great deal of scrutiny over the training film contracts that were commissioned by the U.S. Army Signal Corps. On February 16, 1943, Senator Harry S. Truman (D-Montana), chairman of the special Senate Committee investigating the conduct of the war program, called a hearing to investigate Hollywood’s handling of training films. According to Senator Truman, the purpose of the inquiry was to determine “the basis for

¹³⁸ “War Department Barracks in Astoria Studios,” *Hollywood Reporter*, February 2, 1942, 3.

¹³⁹ *Ibid.*

¹⁴⁰ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 12.

giving Officers' commissions in the Army to persons associated with the motion picture industry" and the possibility of a quid pro quo arrangement in the drawing up of contracts.¹⁴¹

Truman and the Committee counsel specifically went after Col. Darryl F. Zanuck and questioned his motives for chairing the MPRC, implying that he gave his own studio, 20th Century-Fox, choice assignments compared to the rest of the studios.¹⁴²

It was disclosed on the first day of the hearings that the MPRC had a hand in the "commissioning of about 100 of the 437 officers commissioned by the Signal Corps, and that 55 of the 100 were from the major motion studios."¹⁴³ Col. Kirk B. Lawton, Chief of the Army's Pictorial Division, testified that Zanuck's duties were to "serve as [his] chief advisor and to

¹⁴¹ "Senate Committee Will Open Inquiry Today into Army's Commissioning of Industryites," *Film Daily*, February 16, 1943, 1.

¹⁴² "Army Lauds Pix Execs. to Senate Com.," *Film Daily*, February 17, 1943, 1, 8. Zanuck was not present at the hearing because he was out of town but "would appear whenever he was given sufficient notice." *Ibid.*, 8. To be sure, Zanuck was an easy target for Truman. During the September 1941 Senate Subcommittee on Interstate Commerce investigation into the "Moving Picture Screen and Radio Propaganda" led by the isolationist anti-Semite Senator Gerald Nye (R-N.D.), Zanuck unequivocally defended his former boss, Harry Warner, who was targeted for making militant "fifth column" propaganda films including *Confessions of a Nazi Spy* (1939), *Underground* (1941), and *Sergeant York* (1941). Nye argued that millions of Americans were exposed to propaganda each week in movie theaters. According to Warner Bros. historian Michael E. Birdwell, Nye believed that it was the Jews in Hollywood, not Hitler, who posed the greatest threat to America because they willingly promoted "a state of fear and anxiety in order to incite war hysteria." Michael E. Birdwell, *Celluloid Soldiers: Warner Bros.'s Campaign Against Nazism* (New York: New York University Press, 1999), 154–155.

Wendell Willkie, former Republican presidential candidate, was hired to represent the MPPDA, and skillfully defended the industry by charging that the real purpose of the hearings was to promote the isolationist cause. On the last day of the hearings, Zanuck took the stand and ridiculed the popular belief that Hollywood suffered under the evil influence of Jews and pointed out that he was born and raised a Methodist in Wahoo, Nebraska. He argued that films sold the American way of life to the world and reinforced the values Americans cherished while promoting them abroad. Zanuck noted sarcastically, "I usually find it that when someone produces something you don't like, you call it propaganda." His testimony was certainly memorable and a few of the senators on the committee investigating the conduct of the war program remembered Zanuck. For more on the propaganda hearings see *Propaganda in Motion Pictures: Hearing on S. Res. 152 Before a Subcomm. of the S. Comm. on Interstate Commerce, 77th Cong.* (1941); Larry Ceplair and Steven Englund, *The Inquisition in Hollywood: Politics in the Film Community 1930–1960* (Urbana and Chicago: University of Illinois Press, 2003); and Steven J. Ross, "Confessions of a Nazi Spy: Warner Bros., Anti-Fascism and the Politicization of Hollywood," in *Warners' War: Politics, Pop Culture & Propaganda in Wartime Hollywood*, ed. Martin Kaplan and Johanna Blakley (Los Angeles: The Norman Lear Center Press, 2004).

¹⁴³ "Army Lauds Pix Execs. to Senate Com.," 8.

handle the procurement of training films through the Research Council.”¹⁴⁴ When questioned by Committee counsel, Hugh Fulton, as to whether or not Zanuck supervised the production of training films No. 22 and No. 23, both of which were produced by his own studio, Col. Lawton replied that the films were made on behalf of the Signal Corps and that there was no monetary reason that he could see for Zanuck to necessarily want 20th Century-Fox to make training films because there was no commercial shelf life for them. Truth be told, the studios actually lost money when they were called upon to make training films. Col. Lawton testified that the Signal Corps had “yet to reject a single film from the Hollywood studios,” and declared that “these people are past masters...it is inconceivable that they could not make the run-of-the-mill bolt-and-nut pictures that we need. They can make any films that they want to make.”¹⁴⁵ He further made it plain that the Signal Corps relied on the Hollywood studios to make motion pictures for the obvious reason: they were simply the best at making films.

During the hearing, it was disclosed that, “from Jan. 1, 1941, through Dec. 10, 1942, the Army paid the studios through the Academy Research Council \$1,050,000 for training films. This was divided as follows: Paramount, \$270,682; 20th-Fox, \$234,515; RKO, \$110,815; Metro, \$106,453. In unknown finished work on hand as of Dec. 10, 1942, the Army Signal Corps owed \$789,118. This was divided: Paramount, \$253,850; Metro, \$131,439; Republic, \$88,956; Samuel Goldwyn, \$77,488; 20th-Fox, \$33,500.”¹⁴⁶ Fulton inferred that “the 20th-Fox share had dropped because the committee began investigating Zanuck” in September 1942.¹⁴⁷ Col. Lawton

¹⁴⁴ Ibid.

¹⁴⁵ Ibid.

¹⁴⁶ “Army Heads Defend Film Industry in D.C. Probe,” *Daily Variety*, February 17, 1943, 1, 9.

¹⁴⁷ Ibid., 9.

defended Zanuck and the other executives when questioned about the cost of the films. He explained to the committee that the studios “don’t charge production, overhead, or salaries of men working on the shorts. Their films were coming in between four and five thousand dollars a reel. We knew if they put in all the charges which they are allowed to by law, we would be paying around \$7,000.”¹⁴⁸

Film Daily reported that the main objective of the hearings was confusing even to the journalists covering the investigation. One reporter even commented that, “this committee seems to be trying to figure out why some studios were more anxious to lose money than others.”¹⁴⁹ In addition to the motives behind the studios’ willingness to make films for free, the other issue the Committee was particularly annoyed by was the necessity of giving studio executives like Zanuck official ranks in the military. Senator Truman told the press that he was not “out to uncover ‘skullduggery’ in the procurement of Army training films so much as he was to discover why approximately 100 motion picture people have been commissioned by the Signal Corps.”¹⁵⁰ Before the hearings began, Truman made it plain that the committee’s primary objective was to stop individuals working in civilian jobs from “parading around in Army uniforms.”¹⁵¹ Inquiring as to why the job of making training films must be handled by men in uniform, Col. Lawton pointed to Zanuck’s achievements in North Africa and Alaska and said that his “prestige in the industry entitled him to the rank [of Colonel] rather than that of a lesser officer.”¹⁵²

¹⁴⁸ Doherty, *Projections of War*, 64 (also partially quoted in “Army Heads Defend Film Industry in D.C. Probe,” 8).

¹⁴⁹ “Army Lauds Pix Execs. to Senate Com.,” 8.

¹⁵⁰ Andrew H. Older, “Reeling ‘Round Washington,” *Film Daily*, February 18, 1943, 1.

¹⁵¹ “Army Lauds Pix Execs. to Senate Com.,” 8.

¹⁵² *Ibid.* Zanuck filmed the critically acclaimed documentary *Desert Victory* in North Africa in 1943.

When Fulton skirted around the possibility that there was a possible quid pro quo agreement between the Signal Corps and Zanuck, Lawton immediately struck down the suggestion and came to Zanuck's—and the industry's—defense. He told the Committee:

Darryl Zanuck is invaluable to us because he can go to any company executive where a film is lagging and tell them to 'get on your bicycles.' The Chief Signal Officer needs just such a man to get the films out, one, good, two, as fast as you can get 'em. Zanuck has done a remarkable job on it. He's a go-getter the equal of which I have not seen in the motion picture industry or anywhere else. I have had personal contact with nearly all of the top men in the industry and have never found such a group of wholehearted, sincere, patriotic people—anxious to do something for their government—urging us to give them more scripts. I know of no other industry turning over to the government items of war material absolutely without profit.¹⁵³

Both Col. Lawton and Under Secretary of War Robert P. Patterson admitted that the fact that Zanuck was able to retain his financially lucrative position as vice-chairman of the board at 20th Century-Fox while also working as chairman of the MPRC was admittedly not ideal for a commissioned officer, he did so “with the knowledge and approval of the Chief Signal Officer.”¹⁵⁴ However, both the Signal Corps Pictorial Division and the War Department openly defended Zanuck and praised his “courage, energy, patriotism, and accomplishment.”¹⁵⁵ On April 6, 1943, the Committee dropped its inquiry into the Army training film contracts without Zanuck ever having testified.¹⁵⁶ Zanuck requested to be placed on the inactive list after editing on John Huston's *Report from the Aleutians* was completed in May. It was speculated that Zanuck's wish to transition to inactive duty was “made under pressure from Army officials

¹⁵³ “Army Heads Defend Film Industry in D.C. Probe,” 9.

¹⁵⁴ Chester B. Bahn, “Another Dud... via the Senate,” *Film Daily*, April 7, 1943, 1, 2. While chairman of the MPRC, Zanuck still collected his \$5,000 a week studio salary from 20th Century-Fox.

¹⁵⁵ *Ibid.*

¹⁵⁶ “Truman Com. Drops Inquiry,” *Film Daily*, April 6, 1943, 1, 7.

anxious to appease legislators.”¹⁵⁷ By the end of the year, the War Department handled all contractual relations between branches of the military and the film studios directly without any intermediary.

Training films were primarily made for the military personnel only. A great deal of the information discussed in the films was confidential and not meant for civilian audiences. In September 1942, the Army commissioned a series of films that were designed to help new recruits deal with the psychological pressures of warfare. Known as the *Fighting Men* series, the Army “turned instinctively to Hollywood where the facilities and experienced personnel of the American motion picture industry could bring to these films the realism and dramatization” that were required for topics that including a soldier’s first kill (*Baptism of Fire*), how to deal with isolation (*On Your Own*), and the harsh realities of hand to hand combat (*Kill or Be Killed*).¹⁵⁸

In addition to films dealing with the realities of warfare, there were also training films that discussed taboo topics such as sexually transmitted disease that were at once unpleasant and unavoidable for new recruits. For example, John Ford’s famous 1941 film about syphilis, *Sex Hygiene*, includes several graphic photos given to him by medical doctors that were so disturbing that he later told Peter Bogdonavich in an interview: “I think it helped a lot of young kids. I looked at it and threw up.”¹⁵⁹ There were training films for servicemen that were certainly more entertaining than others. Warner Bros.’ wildly popular animated series *Private Snafu* (Situation Normal: All F***ed Up) produced for the U.S. War Department, depicted the country’s worst

¹⁵⁷ Ibid., 7.

¹⁵⁸ Doherty, *Projections of War*, 66.

¹⁵⁹ Ibid., 67.

soldier and served as an example of what not to do in combat.¹⁶⁰ Because the films were not released in commercial movie theaters, the *Private Snafu* shorts did not have to get the Production Code Administration's required seal and certificate for release. As a result, the films were often vulgar and catered to an all-male audience with its racy animation and mild profanity. For example, in *Censored* (Tashlin, 1943), Private Snafu tries to send letters back home to his voluptuous lingerie-clad girlfriend, Sally Lou. Frustrated, he asks his Technical Fairy, First Class to help him get his letter to Sally Lou who, in her excitement, accidentally gives away Snafu's location (Bingo Bango Island) where the Japanese are awaiting his platoon's arrival. At the end of short, the audience discovers that it was all just a dream. Panicked, Snafu symbolically redacts his own letter and says: "Like I always said: every man his own censor." In *Spies* (Jones, 1943), a similar story line is presented. Private Snafu learns an important military secret and little by little lets it slip; first to the audience ("I just learned a secret, it's a honey, it's a pip. But the enemy is listening, so I'll never let it slip. 'Cause when I learn a secret, boy, I zipper up my lip!"), then to his mom when he calls home from a phone booth; and finally to a sexy female Nazi spy he meets at a bar who plies him with alcohol and transmits the secret back to Germany with first-class technology hidden in her undergarments. A humorous take on the famous propaganda slogan "loose lips sink ships," Snafu's blunder ends up getting back to Hitler in Germany who uses the confidential information as annihilates the American fleet in a submarine sneak attack.

¹⁶⁰ Originally conceived by Frank Capra, *Private Snafu* was the mascot of the short film program, *Army-Navy-Screen Magazine*. Created for the U.S. War Department and animated by Warner Bros.' top talent including Chuck Jones, Friz Freleng, and Bob Clampett, *Private Snafu* was the military's best kept secret. Theodor Geisel (a.k.a. Dr. Seuss), P.D. Eastman, and Munro Leaf wrote the four-minute shorts, while Warner Bros.'s famous voice talent, Mel Blanc, did his best human Bugs Bunny as the voice of Private Snafu. For more on World War II animation see Michael S. Shull and David E. Wilt, *Doing Their Bit: Wartime American Animated Short Films, 1939-1945* (Jefferson, NC: McFarland & Company, Inc., 1987).

After the initial wave of preliminary training films were made, the studios began to produce films that contained “vital military secrets and plans” that required the formation of specialized units with specific technical talents.¹⁶¹ However, there were a few military training films that did make their way to the commercial theaters. One of the first instances of a training film released commercially was an early U.S. Army Signal Corps one-reeler called, *Safeguarding Military Information* (1942), featuring Ginger Rogers, Walter Huston, and Eddie Bracken. The “restricted” training film emphatically states the importance of keeping quiet during wartime. Col. George S. Wear commended the studios on their efforts and urged them to show the film in WAC affiliated theaters. He stated:

The importance of maintaining silence in connection with the slightest bit of military information cannot be overemphasized. The motion picture industry is doing tremendously important work during these tense days and theater owners could do more by showing ‘Safeguarding Military Information.’ Not only does the film drive home the necessity for keeping quiet, but it is also a fine dramatic offering. The training film is a ‘must’ during the training of all soldiers, some of whom have seen it five or six times. It should be a ‘must’ for the entire civilian population.¹⁶²

There was much discussion after the success of *Safeguarding Military Information* as to whether or not the public should regularly get an opportunity to see training films. Advocates for the idea stated that the technical training films “carried a large dose of patriotism for the average fan” and would also “give the public a fair idea of what it means to be a soldier, and might also aid in new enlistments.”¹⁶³ While training films were for the most part relegated exclusively for military use, their significance was not lost on the public.

¹⁶¹ “Studios Working on War Pix in Secrecy,” *Hollywood Reporter*, July 23, 1942, 1.

¹⁶² “Army’s ‘Keep Quiet’ Film Released for Theater Use,” *Film Daily*, July 17, 1942, 8.

¹⁶³ “Public May See War Training Pix,” *Hollywood Reporter*, July 27, 1942, 2.

Without a doubt, the pedagogical film was an essential part of the training program in the armed forces. Vice president of Warner Bros., Joseph Hazen, remarked in early January 1943: “It has been found that men can learn in three days through the proper instructional film what would otherwise take three weeks to learn...the Army training film program...calls for the production of 1,500 to 2,600 reels of film...Certainly no one would contend that production of training films, which may mean the difference between a well-trained soldier, and a poorly trained soldier and which in turn may mean the life and death of that soldier, is not of paramount importance. The Army’s requirements must come first.”¹⁶⁴ Hazen accurately predicted the legacy of these films when he said: “Out of this great service will emerge the new instructional film which after the war will move to the schools, to the factories and to the land, where great masses of people will have to be re-educated and re-instructed in the peaceful arts, commerce, industry and science.”¹⁶⁵ Indeed, the value of film as a tool for disseminating information in the classroom setting was one of the many legacies of Hollywood’s contribution to the war effort.

(5) Orientation Films:

Orientation films were made to indoctrinate the American GI and explain the basic issues of the war through “dramatic use of newsreel material, confiscated Axis pictures, and sequences specially filmed for these feature length films...so that the newest recruit [could] learn the nature of the enemy, and his blind obedience to the heartless commands of a dictator.”¹⁶⁶ Beginning in

¹⁶⁴ Joseph Hazen, “How Films Service the Army,” *Variety*, January 6, 1943, 1, 65. Hazen further remarked: “It was indeed significant that at the Command and General Staff School where 87 business leaders were given 146 hours of lectures and conferences, it was the opinion of these business men that the four training films which were made part of the course, conveyed a more comprehensive impression of the subject matter covered by the film, than would hours of normal lectures.” *Ibid.*

¹⁶⁵ *Ibid.*, 65.

¹⁶⁶ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 13.

1940, one of the early means of implementing the morale program was a series of orientation lectures delivered by a group of speakers to troops stationed around the country under the supervision of the Bureau of Public Relations of the War Department General Staff.¹⁶⁷ While these lectures proved interesting to civilians interested in world affairs, soldiers on the front found the information presented just plain boring. When America entered the war, General George C. Marshall gave morale a high military priority and believed that films could play a vital role in combat. General Marshall was aware of the deficiencies of the morale program and stated: "I personally found the lectures of officers to the men, as to what they were fighting for and what the enemy had done, so unsatisfactory because of the mediocrity of presentation that I directed the preparation of this series of films...the responsibility for the films was purely mine."¹⁶⁸ Eager to expand the already existing training film program to include orientation films, Marshall developed the *Why We Fight* series, a seven part epic relaying the origins and first years of the war, produced for the Special Services Division of the War Department by one of Hollywood's most popular directors: Frank Capra.

When War Department officials initially approached Capra about making films for the government prior to America's entry into the war, they were met with some resistance. Capra had recently left his post at Columbia and formed his own independent production company, Frank Capra Productions. In fact, he had just completed *Meet John Doe*, the first film produced by his new company, when he was asked to attend a meeting called by the Motion Picture

¹⁶⁷ Thomas William Bohn, *An Historical and Descriptive Analysis of the "Why We Fight" Series* (New York: Arno Press, 1977), 95.

¹⁶⁸ *Ibid.*, 96.

Research Council (MPRC) with several other top executives.¹⁶⁹ At the meeting, Capra was encouraged to reenlist and make training films. During World War I, Capra served as a math instructor at Fort Scott, San Francisco and worked the desk when he was not teaching.¹⁷⁰ Now at the peak of his storied career, Capra was not inclined to return to military life. Capra biographer Joseph McBride writes that “training films held no inherent interest for Capra—and by his standards they were hackwork—but he felt it his patriotic duty to listen to the Army’s proposals.”¹⁷¹ While he might have feigned some interest in late 1940, Capra would not entertain reenlistment until the U.S. was attacked at Pearl Harbor.

Brigadier General F. H. Osborn, Chief of Special Services of the U.S. Army, asked the Signal Corps to induct Capra into the Army and assign him to the Pictorial Division of Special Services days after Pearl Harbor.¹⁷² Capra reported for duty on February 14, 1942 and was given a Major’s commission. On March 16, 1942 *Film Daily* announced that Capra was named Chief of the Motion Picture Section and was in the midst of preproduction for a series of orientation films.¹⁷³ Designed to supplement the aforementioned lectures, it was explained in the trade press that Capra’s orientation films were to be shown *only* in Army camp theaters to new recruits and officers.¹⁷⁴ Capra selected seven Hollywood screenwriters to work on the scenarios of the films,

¹⁶⁹ Joseph McBride, *Frank Capra: The Catastrophe of Success* (New York: St. Martin’s Griffin, 2000), 440. As discussed earlier, one of the Research Council’s primary functions was to coordinate the production of Army training films.

¹⁷⁰ “Capra to Report to Signal Corps,” *Film Daily*, December 15, 1941, 1.

¹⁷¹ McBride, *Frank Capra*, 440.

¹⁷² “Capra to Report to Signal Corps,” 1. See also “W Tyler, Capra, Huston Head for Signal Corps Service,” *Daily Variety*, December 15, 1941, 3.

¹⁷³ “Capra Films for Troops,” *Film Daily*, March 16, 1942, 1, 9.

¹⁷⁴ *Ibid.*

which would be produced in Hollywood, New York, Washington, and Fort Monmouth, New Jersey.¹⁷⁵ Having never made a documentary film, Capra was faced with the enormous challenge of bringing the war to life in a clear, productive way for the newly recruited soldier.

At a luncheon hosted by the WAC's Hollywood Division the following week, General Osborne and Capra discussed the series of orientation films in more detail and asked for the industry's help. General Osborne told the group: "The use of the screen in education on a scale never before imagined may mark another important step in the development of this great industry, and will, I believe, mean even greater use of the screen."¹⁷⁶ He noted that Hitler's propaganda machine was successfully using film as a weapon of war to dupe the masses, to which Capra turned to his colleagues and said, "We will turn that weapon against him."¹⁷⁷

According to McBride, the decision to make the *Why We Fight* films "mostly out of found footage—taken from newsreels, from Allied and enemy propaganda, and from entertainment films—was more or less forced on him by his budgetary limitations...All seven of the *Why We Fight* films had to be made for about one-fifth of the cost of *Mr. Smith Goes to Washington*" or \$400,000.¹⁷⁸ There were two basic assumptions that appeared to underlie the preparation of the films: (1) "a sizable segment of the draftee population lacked knowledge concerning the national and international events that resulted in America's entry into the war; (2)

¹⁷⁵ McBride, *Frank Capra*, 459. According to McBride, after Capra arrived in Washington, Capra had the War Department call the Motion Picture Research Council to summon a group of volunteers he hand selected from the Screen Writer's Guild's Hollywood Writers' Mobilization list including Leonard Spigelgass, John Sanford, Jerome Chodorov, Edward Paramore, S.K. Lauren, and Julius and Philip Epstein. McBride notes that Capra wanted Herman J. Mankiewicz and Jack Moffitt to join the group.

¹⁷⁶ "Industry Asked to Help Make Series of Army Pix," *Film Daily*, March 24, 1942, 2.

¹⁷⁷ Ibid.

¹⁷⁸ McBride, *Frank Capra*, 458. *Prelude to War* was made for \$60,974.

a knowledge of these events would in some measure lead men to accept more willingly the transformation from civilian to Army life and their duties as soldiers.”¹⁷⁹

The importance of maintaining morale and instilling loyalty and discipline into the new recruits was of the highest priority for Capra and it is without question that the seven *Why We Fight* films—*Prelude to War* (1942), *The Nazis Strike* (1943), *Divide and Conquer* (1943), *The Battle of Britain* (1943), *The Battle of Russia* (1943), *The Battle of China* (1944), *War Comes to America* (1945)—were designed to provide soldiers with the necessary information as to how the war began and how it was being fought. In his analysis of the *Why We Fight* films, military historian Thomas William Bohn notes that the films were divided up into two types according to basic theme and content. The first three, *Prelude to War* (1942), *The Nazis Strike* (1943), and *Divide and Conquer* (1943), and the last, *War Comes to America* (1945) set forth a general explanation as to how the war began by contrasting the two world orders—Axis and Allied—with an emphasis on specific events leading up to the war, including actual battle and campaign tactics, strategy, and the results of war; the other three films, *The Battle of Britain* (1943), *The Battle of Russia* (1943), and *The Battle of China* (1944) describe how each respective country became involved in the war, the battles and campaigns fought by these countries, and the effects of war upon the people and land of each country.¹⁸⁰

The focus on relaying facts and information was not used merely to inform the viewer objectively. Instead, the information given in the films was “proof” in the persuasive sense. According to documentary film theorist Bill Nichols, proofs are based on “demonstration or example, where convincing the audience takes priority over the demonstration’s factual merits.

¹⁷⁹ Bohn, *An Historical and Descriptive Analysis of the “Why We Fight” Series*, 98–99.

¹⁸⁰ *Ibid.*, 122.

The demonstration may be real or apparent without rhetorical consequences so long as it is persuasive. Evidence has to play a role here, but a demonstrative proof concentrates on making evidence persuasive, not on ensuring that it is fair, accurate, or even authentic.”¹⁸¹ For Nichols, rhetoric involves making a persuasive case, not describing and assessing damaging or less than appealing facts. The *Why We Fight* series celebrates the U.S. as “a land of freedom and democracy in sharp contrast to the demagogic, dictatorial regimes in Nazi Germany, fascist Italy, and totalitarian Japan.”¹⁸² Here, Nichols points to the proof’s ability to convince; an ability which resides in its evocation of a conventional image of America, one that has a historical factual basis but which glosses over such severe problems as racial discrimination, inequality between rich and poor, and intolerance for opinions and practices outside an established normalcy (i.e. homosexuality, communism, etc.).¹⁸³

Although the *Why We Fight* films were not intended for public consumption, exceptions were made for *Prelude to War* and *The Battle of Russia* much to the chagrin of OWI Bureau of Motion Pictures Chief, Lowell Mellett. On February 18, 1943, the trades announced that *Prelude to War* was headed for commercial release.¹⁸⁴ Mellett’s lack of enthusiasm for the film predates the announcement in the press. In a letter to Roosevelt dated November 3, 1942, Mellett provided two reasons for his objection to the commercial release of *Prelude to War*. He wrote:

¹⁸¹ Bill Nichols, *Representing Reality: Issues and Concepts in Documentary* (Indiana: Indiana University Press, 1991), 136.

¹⁸² Ibid.

¹⁸³ Ibid.

¹⁸⁴ “Capra’s ‘Prelude to War’ Heads for Public Release,” *Film Daily*, February 18, 1943, 1, 9. The film was first shown to the troops on October 30, 1942.

General Osborn tells me that you have indicated a desire to have shown to the public as soon as possible, the picture made by Frank Capra for the “orientation” of the troops in the training camps. I hope this is not so for two reasons:

- (1) The problem of distributing government pictures is complicated and difficult, but we are achieving a very fine working arrangement with the theaters. Introducing another full-length picture at this time would definitely upset our operation.
- (2) I feel that it is a bad picture in some respects, possibly even a dangerous picture. If there are competent psychiatrists working on the problem of the boys’ mental health at this time, I believe a group of such psychiatrists might well be asked to pass on the question of showing this picture even to the troops. One of the most skillful jobs of movie making I ever have seen, the picture makes a terrific attack on the emotions. Save that this attack may leave the subject bewildered rather than fired to a clear purpose, it might be a successful recruiting picture, or it might be a picture calculated to hop the boys up to do or die if shown to them just before zero hour. What it is designed to do for the young men who are completely absorbed in learning the mechanics of warfare and who, by all accounts are becoming the best army the country ever had, I do not see.

Endangering nervous hysteria in the army or in the civil population might help to win the war, although I doubt it. It won’t help in the business of making a saner world after the armistice.

This is the third instance in which a Hollywood director, put in a service uniform and given the government’s money to spend, has come up with a finished Hollywood product that has evaded scrutiny by the OWI. The first was Jack Ford and his BATTLE OF MIDWAY, the second was an abortive effort by Darryl Zanuck, which fortunately the army scotched. I hate to have to spend so much of my time seeking to outwit these boys.¹⁸⁵

While Osborn, Capra, and even Roosevelt might have seen some value in showing the film to the public, Mellett was correct in his assumption that the companies which had supplied the footage and the theaters resented the fact that this film—a film that Capra and members of the Army’s Special Services Branch assured Mellett was not for public consumption—would be released. A

¹⁸⁵ Memorandum from Lowell Mellett to Franklin D. Roosevelt, November 3, 1942, OF 73, Box 5, File Motion Pictures June-December 1942, FDRL.

typically reserved man, Mellett refused to back down on the OWI's policy regarding the theatrical release of orientation films and publically stated that he would not let the film be shown unless certain changes were made.¹⁸⁶

On April 27, 1943 the WAC, the OWI, and the U.S. Army arrived at an agreement that pleased everyone but Mellett. According to the official press release, the War Department agreed to make "150 prints of the 60 minute documentary available to the OWI for use by the WAC. Prints will go to the theaters gratis and all clearances will be waived. The industry will bear distribution expenses...Theatrical exhibition will be on a purely voluntary basis."¹⁸⁷ *Prelude to War* was not the hit Capra and Osborn predicted. Despite its shortcomings at the box office, the film was hailed in the press and was one of four films to win the Best Documentary Film Oscar at the Academy Awards that year.¹⁸⁸

In addition to the seven films in the *Why We Fight* series, Capra and his 834th Signal Service Photographic Detachment produced ten additional orientation films and were responsible for fifty issues of the bi-weekly newsreel titled *The War* (later retitled *Army-Navy Screen* after ten issues).¹⁸⁹ Among some of Capra's noteworthy orientation films were: *Substitution and Conversion* (1943), *The Negro Soldier* (1944), *Your Job in Germany* (1945), *Two Down and One*

¹⁸⁶ "May Air Army-OWI Breach on Showing of Army Pix," *Film Daily*, April 19, 1943.

¹⁸⁷ "To Release 'Prelude to War,'" *Film Daily*, April 27, 1943, 1, 8. 20th Century-Fox was put in charge of distributing the film.

¹⁸⁸ 1943 was the first year the Academy handed out the Best Documentary Film Oscar. Twenty-five films were nominated and four won: Frank Capra's *Prelude to War*; John Ford's *The Battle of Midway*; *Moscow Strikes Back* from the Soviet Union; and *Kokoda Front Line* from Australia. Although Frank Capra accepted the award at the ceremony, the Oscar was given to the Army. In 1944 the New York film critics gave the *Why We Fight* series a special award.

¹⁸⁹ McBride, *Frank Capra*, 470.

to Go! (1945), *The Stilwell Road* (1945), *Know Your Enemy—Japan* (1945), *Here Is Germany* (1945), *Our Job in Japan* (1945), and *On to Tokyo* (1945).

(6) Strategy Films:

Since the early days of the feature craze in the 1910s, studios regularly sent camera crews to foreign lands to capture stock footage to use as authentic background material for feature pictures filmed on back lots. However, when war broke out, the “million feet of 35mm film portraying coastlines, harbors, city streets, and other topographical features of present and future combat areas [was] turned over to the military and navel intelligent services by the industry” which proved invaluable to Office of Strategic Services (OSS).¹⁹⁰ Army and Navy officials studied the old footage from feature films, newsreels, and amateur travel films to produce what they called “strategy” films to combat the enemy. For example, documentary films including Australian Frank Hurley’s *With the Headhunters in Papua* (1921) and Robert Flaherty’s *Moana* (1926) were useful in examining remote areas in the Pacific.¹⁹¹ Older studio feature films such as *The Good Earth* (Franklin, 1937) starring Paul Muni and Luise Rainer and *The Bugle Sounds* (Simon, 1942) starring Wallace Berry were also closely examined by military intelligence. Pre-production research for *The Good Earth* was done in China and several feet of film was taken for background information. Servicemen en route to the region were ordered to watch the film for research purposes to help them better understand the “types of villages and customs of the people with whom they soon would be working and fighting.”¹⁹² Similarly, footage from *The Bugle*

¹⁹⁰ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 13.

¹⁹¹ Hurley’s film focused on the gruesome, savage tradition of headhunting in Papua New Guinea; Flaherty’s second documentary feature, *Moana*, depicted a young man’s journey into manhood in traditional Samoan culture. Flaherty filmed in the villages of Safune on the island of Savai’i.

¹⁹² War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 14.

Sounds was studied closely by officers participating in the Allied invasion in North Africa because it not only contained replicas of Fort Knox and Fort Lewis, but also used footage from Spanish Morocco that was originally filmed in 1928.¹⁹³

Studio research departments also turned over photographs that had been taken prior to the outbreak of war and were subsequently used as guides for production designers in charge of building studio sets and arranging for realistic outdoor sequences.¹⁹⁴ Like the training and orientation films, strategy films were especially useful in the early days of the war because high-ranking military personnel were able to accomplish a great deal in terms of mapping out strategies of attack in a short period of time compared to amount of time it took for the Axis to gather the same amount of information.

(7) Good Neighbor Films:

The Good Neighbor Film program began in 1940 when a private citizen by the name of Nelson D. Rockefeller approached President Roosevelt about the growing Nazi presence in South America. To be sure, Rockefeller was no ordinary citizen. Born into one of the wealthiest families in America, Rockefeller continued his father's philanthropic efforts and worked in key business sectors where his family had extensive holdings including Chase National Bank, Rockefeller Center, Inc., and Creole Petroleum, the Venezuelan subsidiary of Standard Oil Company of New Jersey.¹⁹⁵ Having visited the continent several times on business in the late 1930s, Rockefeller told Roosevelt that Axis activity was growing at an alarming rate and

¹⁹³ Ibid.

¹⁹⁴ Ibid.

¹⁹⁵ "Defense Post Goes to Rockefeller," *New York Times*, August 17, 1949, 6.

Argentina, in particular, “was becoming a hotbed of Nazi propaganda activity.”¹⁹⁶ Convinced that the Axis power was going to continue to grow, Rockefeller made it plain to the president that friendly relations with Latin American countries was of the utmost necessity if the U.S. wanted to counter Nazi influence.

In August 1940, Roosevelt created a new government post for Rockefeller, Coordinator of Commercial and Cultural Relations Between the American Republics, which was eventually shortened to Coordinator of Inter-American Affairs (CIAA).¹⁹⁷ Rockefeller’s ambitious program existed independently of the State Department, and had two main functions: (1) “‘economic warfare’—initiatives designed to meet Latin America’s immediate financial, agricultural, education, and health needs; and (2) ‘psychological warfare,’ designed to foster a strong spirit of friendly hemispheric unity, so that all of the Americas might stand together against the Axis powers.”¹⁹⁸ In order to meet the goals of the “psychological warfare” division, Rockefeller enlisted the help of the film industry and put millionaire John Hay “Jock” Whitney in charge of running the day-to-day activities of the film program. The choice of Whitney was calculated: he was an investor in Technicolor and had also helped back David O. Selznick’s independent production company by investing early on in *Gone with the Wind*.¹⁹⁹ More to the point, he was well connected in Hollywood and was comfortable approaching studios executives about

¹⁹⁶ J.B. Kaufman, *South of the Border with Disney: Walt Disney and the Good Neighbor Program, 1941–1948* (New York: Disney Editions, 2009), 12.

¹⁹⁷ “Defense Post Goes to Rockefeller,” 6.

¹⁹⁸ Kaufman, *South of the Border with Disney, 1941–1948*, 12. Kaufman writes that Rockefeller had little to do with the film program because he was too busy running the agency. His family’s connection to the Museum of Modern Art in New York was important because “it became a center of the CIAA’s film program, producing a series of 16 mm nontheatrical films and dubbing existing short subjects into Spanish and Portuguese for Latin American distribution.” Ibid.

¹⁹⁹ Koppes and Black, *Hollywood Goes to War*, 51.

producing films that would “reflect the spirit of the Good Neighbor campaign.”²⁰⁰ Whitney and his assistant, Francis Alstock, ran the industry’s newly established Motion Picture Society for the Americas, which served as a clearinghouse for information, facts, and data on motion picture problems in the Western Hemisphere.²⁰¹ Top film executives from every major motion studio as well as the leading independent producers sat on its Board of Directors including Y. Frank Freeman, Walter Wanger, Samuel Goldwyn, Louis B. Mayer, George J. Schaefer, David O. Selznick, Harry M. Warner, and Darryl F. Zanuck.

The Good Neighbor films were produced and distributed both by the industry and by the U.S. government through the CIAA and the Motion Picture Society of the Americas with the primary intention of forging a two-way street so that the peoples of North and South America could better understand each other’s culture, current history, and combined problems. According to the WAC, the “triple objective of government and industry [was] to secure (a) more *accurate* film portrayals of Latin American themes, locales, and characters; (b) more *adequate* coverage of events of mutual interest; and (c) more *discriminating* portrayals of the North American scene in Hollywood product exported southward, for exhibition in 6,188 theatres equipped to exhibit 35mm film.”²⁰²

In addition to serving as liaison between the CIAA and the WAC, the Motion Picture Society of the Americas agreed to: “(1) Amass and disseminate ideas and information about the other America useful to the industry; (2) Create and stimulate public interest in motion picture projects affecting the hemisphere policy; (3) Assist in implementing such projects and make

²⁰⁰ Kaufman, *South of the Border with Disney*, 13.

²⁰¹ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 14.

²⁰² *Ibid.*

representation on behalf of the industry to the appropriate branch of the government; (4) Review books and scripts with inter-American themes for use in motion picture productions; (5) Undertake research for and assist in the preparation of scripts; (6) Supervise and confer in connection with the production of motion pictures relating to national defense and morale, and inter-American relationships and activities.’²⁰³ The WAC exported more than three hundred current feature films each year to South America during the war. Studios took special care in making sure that their depiction of Latin America and its people were accurate by employing a specialist to read and examine scripts of feature films and short subjects that involved Latin American themes, characters, locales, costumes, and music.²⁰⁴

The CIAA had no better spokesmen than Roy and Walt Disney. Whitney and Alstock approached the brothers about making animated cartoons for the film program and encouraged them to maintain a friendly relationship with the South American film market. Both *Snow White and the Seven Dwarfs* (1937) and *Pinocchio* (1940) had been dubbed in Spanish and Portuguese for release in Latin America, as had several shorts until it became too expensive to continue producing foreign language sound tracks. Disney’s animated cartoons were wildly successful in Latin America and Whitney asked Roy if Walt and his animators would be interested in producing “nothing more than a smattering of ‘South American atmosphere’ in a few of the Disney short subjects.”²⁰⁵

²⁰³ Letter from Hal Strass to Arch Reeve and Duke Wales, “War: Overall Report on Industry,” March 8, 1946, Motion Pictures and World War II Files, 1937–1948, Collection 1218, Overall Report on Industry (1946) Folder, Margaret Herrick Library.

²⁰⁴ War Activities Committee—Motion Picture Industry, *Movies at War* 1943, 10–11.

²⁰⁵ Kaufman, *South of the Border with Disney*, 18.

After labor disputes in the summer of 1941 and mounting financial trouble after the release of *Fantasia* (1940), Disney was ready for a fresh start and agreed to produce a series of twelve Technicolor Latin American-themed short subjects over the course of two years. Much to the surprise of Whitney, Disney countered his proposal with another, more exciting, offer: an entire “special series of Latin American pictures, produced in cooperation with Rockefeller’s agency.”²⁰⁶ The CIAA sent Walt and his animators to Latin America on a goodwill tour wherein they began their firsthand research of the various cultures found on the continent. The men served not only as ambassadors of goodwill but also “[forged] professional contracts with other prominent cartoonists, painters, musicians, and filmmakers in those republics.”²⁰⁷ Disney’s South American goodwill tour was so successful that President Ortiz of Argentina received him at his home to “congratulate him on the effect [his] work had in fostering Argentine good-will for the U.S.,” and remarked that it was “time his country ceased looking too much to Europe, and sought real American collaboration with the United States.”²⁰⁸

The first CIAA-Disney program was released in 1942 and incorporated both live action and animation, including sequences of Disney and his animators doing fieldwork on their goodwill tour the previous summer. Titled *Saludos Amigos (Hello Friends)*, the film is comprised of four segments—*Lake Titicaca*, *Pedro*, *El Gaucho Goofy*, and *Aquarela do Brasil*—featuring Disney favorites Donald Duck and Goofy, and new characters Pedro, a small plane from Chile, and José Carioca, a parrot who introduces Donald Duck to the samba. Disney’s next

²⁰⁶ Ibid.

²⁰⁷ Ibid.

²⁰⁸ “Walt Disney Received by Argentine President,” *Film Daily*, September 17, 1941, 1, 3.

batch of films were equally popular with Latin American audiences including *The Three Caballeros* (1944), which was composed of seven self-contained segments.

In consultation with the WAC, the CIAA also produced non-theatrical 16mm prints for screenings at the U.S. Embassy, grade schools, universities, and civic groups. The CIAA owned and operated “128 sound 16mm projectors provided by the Coordinator’s Office, plus 76 mobile 16mm film units and 150 sound 16mm projectors owned and operated by branches of U.S. Corporations.”²⁰⁹ By 1943 the WAC produced 190 short subjects and weekly newsreels dubbed in Spanish and Portuguese. Among some of the better-known shorts produced were *Winged Scourge* (Disney), *Grain That Built the Hemisphere* (Disney), *Water, Friend or Enemy* (Disney), and *Child Nutrition on the Farm* (Dynamic Pictures). There were also a number of Hollywood feature films dealing with Latin American themes that were produced before the war’s end including *Brazil* (Santley, 1944), *Masquerade in Mexico* (Leisen, 1945), and *Yolanda and the Thief* (Minnelli, 1945).²¹⁰ The CIAA and the Motion Picture Society for the Americas continued their relationship until 1946 when the Motion Picture Society for the Americas terminated its activities.²¹¹

(8) Newsreels:

All five commercial newsreel companies—20th Century-Fox’s Movietone News, Paramount News, Pathé News, Universal News, and MGM’s News of the Day—and the

²⁰⁹ War Activities Committee—Motion Picture Industry, *Movies at War, 1942*, 11.

²¹⁰ By June 30, 1945, more than 50 Latin American actors and actresses appeared in American motion pictures. Talent scouts who visited South and Central America were helped by the Motion Picture Society of the Americas in establishing contacts and in arranging transportation and priorities. Those engaged in the production of pictures below the border were also assisted by the Motion Picture Society of the Americas in making transportation arrangements.

²¹¹ The Office of the Coordinator of Inter-American Affairs was renamed the Office of Inter-American Affairs (OIAA) on March 23, 1945. By 1946 the objectives of the organization had significantly changed.

celebrated magazine newsreel series *The March of Time*, covered the realities of the war for the American people. A pictorial descendent of the newspaper, newsreels provided an overview of foreign and domestic news stories. To be sure, newsreels were not always accurate and were often misleading. A typical newsreel was issued bi-weekly during the war and covered a number of topics including up to date news, human-interest stories, fluff pieces, and sport scoops.²¹² However, they were entertaining and popular and “probably constituted a major source of the public’s impressions of international affairs, particularly for those citizens whose low level of literacy put them beyond the reach of newspapers and magazines.”²¹³ Like feature commercial films, newsreels were censored before they were shown to the American public. Just as the Roosevelt Administration used the newsreels to its advantage during the early days of the New Deal, the government played a similar role in determining what the American people saw on screen as the nation prepared for war.²¹⁴

After the attack on Pearl Harbor, there was decidedly more interest in covering all phases of the war both abroad and at home than had previously been documented. Film historian Thomas Doherty writes: “War news was not a blizzard of disconnected images, but a discernable pattern of intelligible movements. With maps and arrows, intertitles, capsule backgrounds, illustrative graphics, and sure narrative thrust, the newsreels explained bewildering events on remote atolls and taught geography, military strategy, and international politics to a public conscious of the importance but confused by the complexity.”²¹⁵ In its breakdown of newsreel

²¹² Doherty, *Projections of War*, 229.

²¹³ Richard W. Steele, *Propaganda in An Open Society: The Roosevelt Administration and the Media, 1933–1941* (Connecticut: Greenwood Press, 1985), 147–148.

²¹⁴ *Ibid.*, 149.

²¹⁵ Doherty, *Projections of War*, 229.

coverage in 1942, the WAC distributed “4,278 different subjects, or ‘clips,’ of which 78.3% dealt with some phase of the total war effort...23.2% of the subjects dealt with fighting in the global war; 27.5% with activities of the armed forces at home; 14.6% with news coverage of official Washington and the government’s campaigns for sale of War Bonds, conservation of critical materials, etc., 9% with dramatic occurrences on the war production front; 4.1% with ‘good neighbor’ relations; and the 22.7% with non-war themes.”²¹⁶ Newsreels became a box office attraction for filmgoers and played a significant role in disseminating war information to the public.²¹⁷

(9) Morale Films:

Hollywood feature films played an important role in boosting the morale of American citizens both on the home front and abroad. Motion pictures were welcome antidotes to the grim realities of modern warfare.²¹⁸ The need for entertainment was never greater and the studios responded by making inspirational pictures in all genres including comedy (*Sullivan’s Travel’s*, [Sturges, 1941], *The Palm Beach Story*, [Sturges, 1942], *Road to Morocco*, [Butler, 1942], *Arsenic and Old Lace*, [Capra, 1944]); romantic melodramas (*Now, Voyager*, [Rapper, 1942], *For Whom the Bell Tolls*, [Wood, 1943]); musicals (*Yankee Doodle Dandy*, [Curtiz, 1942], *Meet Me In St. Louis*, [Minnelli, 1944], *Cover Girl*, [Vidor, 1944]); wartime fare (*Wake Island*, [Farrow, 1942], *Mrs. Miniver*, [Wyler, 1942], *Casablanca*, [Curtiz, 1942], *Since You Went Away*,

²¹⁶ War Activities Committee—Motion Picture Industry, *Movies at War* 1942, 16. Newsreel statistics did not change much the following year. There were more than 4,000 stories that covered 1,446 different news events of national importance. The statistics are as follows: “39.8% portrayed activities of the fighting forces of the United Nations on global battlefronts; 19.6% dealt with U.S. armed forces at home; 7.7% brought vital messages from war agencies or other home front news to the screen; 7.4% reported on war production in the arsenal of democracy; 3.9% pictured events among our “good neighbors” in Latin America and elsewhere; 21.6% (11% of total footage) was on non-war themes.” See War Activities Committee—Motion Picture Industry, *Movies at War*, 1943, 45.

²¹⁷ “Newsreels Now the Big B.O. Attraction,” *Hollywood Reporter*, April 22, 1943, 3.

²¹⁸ “Hollywood’s Help in Morale Building Told by Army, Navy,” *Hollywood Reporter*, February 13, 1942, 1, 2.

[Cromwell, 1944]); and mystery/suspense (*Shadow of a Doubt*, [Hitchcock, 1943], *Double Indemnity*, [Wilder, 1944], *Gaslight* [Cukor, 1944]). Several studios asserted that “the need for escapist films to maintain moral and entertain [the country’s] fighting forces has been the greatest incentive for the production of better pictures than Hollywood has ever known.”²¹⁹ Charles Francis Coe, vice-president and general counsel for the MPPDA, told industry leaders: “The first commandment which the public gives to the screen is: Entertain! The penalty for infraction is death at the box-office... If the war front is brought to the home front with the realism that true morale demands, it will make us grit our teeth the harder and clench our fists the tighter. It will solidify the determination that this holocaust must not happen again.”²²⁰

While war-themed films like *Mrs. Miniver* (Wyler, 1942) and *Wake Island* (Farrow, 1942) were popular in the first year of the war, there was a significant drop off in 1943. According to the data compiled by the WAC, of the 396 features produced in 1943: 258 do not reference the war (65.2%); 70 have a war backdrop only (17.7%); 38 are war pictures (9.6%); and 30 films focused on spy, sabotage (7.5%).²²¹ It is clear from these numbers that the eighty million American moviegoers frequenting motion picture theaters across the country each week were interested watching variations of the genre films they enjoyed and were comforted by before the war. Although a number of these films sprinkled patriotic and pro-war sentiment throughout the text, box office receipts clearly indicated that film, as the primary source of mass entertainment, still fulfilled its principal function of strengthening the morale of the American people.

²¹⁹ “‘Super-Escapist’ Pictures is Paramount’s Plan,” *Film Daily*, July 19, 1943, 1, 11.

²²⁰ “Films’ Biggest Role Still to Come—Coe,” *Film Daily*, September 29, 1943, 1, 8.

²²¹ War Activities Committee—Motion Picture Industry, *Movies at War 1943*, 3. These statistics remained consistent for the duration of the war.

(10) United Nations Films:

The WAC distributed a number of films produced by America's Allies in movie theaters across the U.S. between 1942 and 1945. A significant number of British government films produced and distributed by the Ministry of Information were released in the U.S. in non-theatrical showings.²²² For example, two short subjects *Night Shift* and *Dover* were distributed and exhibited under the auspices of the WAC at the request of the OWI. Of the thirty-three British films made by the Crown Film Unit that were shown in American theaters, eleven of them dealt with pressing wartime issues and were distributed by the major studios including *Christmas Under Fire* (Watt, 1941), *Target for Tonight* (Watt, 1941), and *London Can Take It!* (Jennings, 1940).

The Canadian National Film Board also produced a number of short film subjects that were shown to American audiences including the first film to win Best Documentary Short Subject, *Churchill's Island* (Legg, 1941), and *Food Weapon of Conquest* (Legg, 1941), which depicts the shortage of food in Nazi-occupied countries. The WAC also sponsored the release of Soviet films in the U.S. including eleven features such as *Moscow Strikes Back* (Varlamov, 1941), which depicts the Battle of Moscow, and *The Siege of Leningrad* (1943), the first Soviet film to be slated for an American release. The American print featured English commentary by acclaimed journalist Edward R. Murrow.

Hollywood Division

The WAC Hollywood Division was formed for the purpose of establishing a coordinating production body in Hollywood proper. Led by Paramount's head of production, Y. Frank Freeman, the Hollywood branch dealt with all requests from both government and private

²²² War Activities Committee—Motion Picture Industry, *Movies at War 1942*, 18.

agencies related to the war effort. Perhaps the most visible division of the WAC, the Hollywood Branch was “on duty... ‘one hour after the radio announcement of the [Japanese] attack on Pearl Harbor.’”²²³ Composed of approximately 30,000 studio workers, the Hollywood Division performed many of its wartime activities through its local agencies, such as the Hollywood Victory Committee, the Hollywood Writers Mobilization, the Research Council of the Academy of Motion Picture Arts and Sciences, the Permanent Charities Committee, etc. all of which coordinated with the industry-wide activities of the WAC.²²⁴

Formerly known as the Hollywood Branch of the MPCCND, the Hollywood Division of the WAC also functioned as the coordinating body for cooperating with the armed services insofar as Hollywood production problems were concerned. When America entered the war, the U.S. military required all studios to notify the Pictorial Branch of the Bureau of Public Relations on each occasion that it contemplated production of any film dealing in any manner, no matter how remote, with the armed services. For example, the U.S. Army instituted a “Title-Subject Registration File on Army Subjects” system that covered the three major types of motion pictures: “(1) Commercial films, features or shorts, which contemplate requesting Army cooperation in their production; (2) Commercial films, features or shorts, which do not require Army cooperation but which contemplate use of ‘process backgrounds’ containing Army personnel, Army material, or any aspect of the Army; and (3) Commercial films, features of shorts, which do not require Army cooperation or use of ‘process backgrounds’ under Army

²²³ “H’wood’s War Contributions Many and Varied,” *Film Daily*, December 8, 1942, 1, 3. See also “Industry’s Great War Job Told,” *Hollywood Reporter*, December 8, 1942, 1, 6, 7.

²²⁴ War Activities Committee—Motion Picture Industry, *Movies at War 1942*, 5.

jurisdiction, but which contemplate use of actors as officers or soldiers.”²²⁵ In a letter to Y. Frank Freeman, Col. W.M. Wright, Jr., Chief of the Pictorial Branch, Bureau of Public Relations explained to Freeman the new procedures for potential productions and highlighted the various ways in which they would permit his office to “better counsel the studios, before they spend large sums of money...and enable [his office] to better to protect those studios contemplating future requests for Army cooperation.”²²⁶ He wrote:

When you have a story, feature or short, dealing with the Army in any way, as stated above, kindly wire or write this office, stating the title and general subject matter. Also indicate whether or not a request for Army cooperation will be placed in the War Department Title-Subject File and other studios submitting similar titles-subjects will be advised of the first studio’s prior rights.

There are frequently cases where Army cooperation is offered with the proviso that a particular subject be produced within a particular period of time. This proviso is caused by the fact that there often exists an urgency in the need for a certain subject to receive public attention. An example is the present need for flyers, navigators and bombardiers for the Army Air Forces. If cooperation is offered on a picture dealing with one of these needs, it stands to reason that the urgency is an immediate war factor and that any studio which finds itself unable to proceed with the contemplated production will not want to “tie-up” such a subject indefinitely. The Title-Subject File will enable this office better to advise the studios on matters of this nature, thus protecting the studio from unwittingly “holding up,” for one reason or another, a picture which is perhaps badly needed as soon as possible, and at the same time protecting the Army from such an indefinite “tie up.”

As the Army grows in size, more and more American homes will play a part in the war effort. It stands to reason that Army subjects therefore will become more and more newsworthy. Toward that end, this office plans to present to the studios, from time to time, subject matter of dramatic value on the Army for their consideration.

²²⁵ Letter from Col. W.M. Wright, Jr. to Y. Frank Freeman, May 14, 1942, Motion Pictures and World War II Files, 1937–1948, Collection 1218, WAC 1942 Folder, Margaret Herrick Library.

²²⁶ Ibid.

This new file will enable this office to maintain more thorough records, therefore, of subjects suggested by the Army for commercial production consideration.²²⁷

Wright's detailed instructions for submitting requests was indicative of the standard operating procedures that took place during the war. The close cooperation between the Hollywood Division and the U.S. military in the production of motion pictures was filled with its challenges. Nonetheless, the two groups worked to make certain that (1) the armed forces were properly portrayed to audiences all over the world; and (2) that citizens of the world saw the greatness of America's servicemen.²²⁸

In addition to operating as a coordinating body for industry-government cooperation, the Hollywood Division was comprised of several subcommittees that organized the efforts of the industry's top talent. On December 10, 1941, the Hollywood Victory Committee for Stage, Screen, and Radio was formed to coordinate the requests for "free talent" and to aid and support the war effort by:

- (1) Co-ordinating the efforts of film, stage, and radio personalities in the entertainment of the armed forces of the United States and related services;
- (2) Conserving, budgeting, and distributing the use of all talent facilities of the entertainment industry in the interests of maximum efficiency and greatest possible contribution to the war effort and to humanitarian programs of all types;
- (3) Co-operating and affiliating with any organization or association whose objectives promoted the American war effort;
- (4) Undertaking and performing other projects for the general advancement of the war program.²²⁹

²²⁷ Ibid. Wright also stated: "It is no longer enough to portray an officer or soldier carelessly in a picture merely because the studio does not intend to ask for Army cooperation in production. The officers and the soldiers in our Army deserve to be properly portrayed on the screen. By being aware of each title against any unwitting or careless portrayal of an officer or soldier... more and more people may know something of the greatness of our Army."

²²⁸ Ibid.

²²⁹ "War: Overall Report on Industry," March 8, 1946, Motion Pictures and World War II Files, 1937-1948, Collection 1218, Overall Report on Industry (1946) Folder, Margaret Herrick Library. The Hollywood Victory was also established as a means of offering protection to the actors, the studios, and the radio networks in Hollywood, in terms of authenticating official requests of the government. Star appearances were "free" only insofar as the government did not pay for their services; they were paid their regular salary by the studios, radio networks, etc.

Chaired by Fred Beetsen, the primary objective of the Hollywood Victory Committee was to entertain men in the armed forces. Anticipating the flood of requests for celebrity appearances, it was determined that a single coordinating agency be established to handle such appeals. Every personality in the entertainment industry “signed a pledge volunteering his or her services, and agreed that all requests for appearances at any event would be referred to by the Victory Committee for handling.”²³⁰ The Hollywood Victory Committee readily supplied talent for activities of governmental agencies like the Treasury Department, the OWI, and the CIAA, as well as for national war relief charities and charity organizations such as the United Service Organization (USO), Army and Navy Relief Societies, Community Chest, Red Cross, March of Dimes, Russian War Relief, China War Relief, and other local charities.

In 1944, studios brought the glitz and glamour of a Hollywood premiere by introducing a new kind of first night for a film: the “fox hole premiere.” Taking place everywhere from remote jungles in the Pacific to war-torn cities in Italy, France, and Germany, studios premiered some of their top films in “Quonset huts, makeshift outdoor clearings, shell-wrecked barns, and even an occasional captured theater.”²³¹ Col. E.L. Munson, Jr., Chief of the Army Pictorial Service, reported from the frontlines: “World premiere showings have had a tremendous morale value, judging by the reports received at Army Pictorial Service headquarters. Soldiers not only appreciate beating the folks back home to the best pictures; they also enjoy the ballyhoo that

²³⁰ Ibid. Represented on the Committee were: the Actors Equity Association, American Federation of Radio Artists, American Guild of Musical Artists, Inc., American Guild of Variety Artists, American Society of Composers, Authors, and Publishers, Artists’ Managers Guild, Association of Motion Picture Producers, Inc., Hollywood Writers Mobilization, Independent Motion Picture Producers Association, Independent Publicist Association, Public Information Committee of the Motion Picture Industry, Motion Picture Association of America, Musicians Mutual Protective Association, the Radio Networks, Radio Writers Guild, Screen Actors Guild, Society of Independent Motion Pictures Producers, Southern California Broadcasters Association, the Theater Authority, Inc.

²³¹ War Activities Committee—Motion Picture Industry, *Movies at War, 1944* (New York: War Activities Committee—Motion Picture Industry, 1945) 6–7.

goes with the world premiere. Even in the Pacific jungles, Army men make up radio ‘commercials’ for the local military station, publicity material and advertising for their camp and unit newspapers, posters and souvenir programs.”²³² In addition to the films exhibited to soldiers fighting overseas, camp entertainment was also a welcome diversion for the troops. Screen personalities like Bob Hope, Bing Crosby, Rita Hayworth, Marlene Dietrich, Edward G. Robinson, Ingrid Bergman, Fred Astaire, Spencer Tracy, Ann Sheridan, and Jack Benny traveled to remote locales on behalf of the USO where they performed in “theaters” that were sometimes indoors, but most of the time outdoors in the sun, rain, snow, and mud. All camp entertainment for American troops was provided free of charge to the servicemen.²³³

On the home front, the Hollywood Victory Committee worked tirelessly to raise money and entertain troops before they deployed. As early as January 1942, Army and Navy Relief shows were organized to raise money for the armed services. Entertainers including Bette Davis, Spencer Tracy, Myrna Loy, Al Jolson, Betty Grable, Constance Bennett, and Abbott and Costello put on the war’s first all-star Navy Relief Show at Madison Square Garden on March 10, 1942 with ticket sales totaling more than \$140,000.²³⁴ The success of the show led to the establishment of the Hollywood Victory Caravan, which featured forty-one motion picture stars in a nationwide series of sold-out benefit performances in thirteen cities for Army and Navy Relief that took place between April 30 and May 20, 1942.²³⁵

²³² Ibid., 7.

²³³ “Camp Shows Free to All Service Men,” *Hollywood Reporter*, February 25, 1942, 1. See also “Bob Hope Devotes Vacation to Camps,” *Hollywood Reporter*, April 30, 1942, 7.

²³⁴ “Navy Relief Show’s Net to Approximate \$140,000,” *Film Daily*, March 10, 1942, 1, 6.

²³⁵ “Caravan Passes 750G Goal; Total Frisco Take \$150,000,” *Hollywood Reporter*, May 21, 1942, 4. Emceed by Bob Hope, stars including Cary Grant, Olivia de Havilland, James Cagney, Joan Blondell, Claudette Colbert, and Laurel and Hardy performed three-hour shows in each city while touring with the Hollywood Caravan. Hope’s

Another popular activity for soldiers during wartime was a night out at the Stage Door Canteen in New York City or the Hollywood Canteen in Hollywood. After visiting the Stage Door Canteen, Bette Davis thought that the same type of organization could work in Hollywood but instead of stage actors, movie stars would be the draw. Financed by Music Corporation of America (MCA) president, Jules Stein, and established by Davis and fellow actor John Garfield, the Hollywood Canteen opened its doors on Saturday, October 3, 1942, in an abandoned nightclub on Cahuenga Boulevard that was entirely rebuilt and refurbished by guilds and unions affiliated with the industry.²³⁶ Operating on almost an entirely voluntary basis with the generosity of private donations, the Hollywood Canteen became a popular hangout for servicemen during wartime.

The canteen was created to provide servicemen and women with an evening's entertainment and recreation that included everything from dancing with movie stars to listening to music provided by some of the nation's biggest bands such as Kay Kyser and Jimmy Dorsey to first-class floorshows.²³⁷ On any given evening, patrons might get a glimpse of Joan Crawford and James Cagney passing out food, Marlene Dietrich and Myrna Loy cleaning dishes, and Olivia de Havilland and Betty Grable dancing with servicemen. The industry's top talent helped in myriad ways to care for the "more than three million service people who passed through the

contribution was dubbed in the trade press as the "most extensive non-salaried p.a. tour ever undertaken by a star." "H'wood Victory Caravan Set for Washington Bow," *Film Daily*, April 30, 1942, 1.

²³⁶ Ralph Wilk, "Hollywood Canteen Bows In," *Film Daily*, October 5, 1942, 1, 5. Eddie Cantor was the emcee opening night and put on a floorshow for the servicemen and women as Kay Kyser, Duke Ellington, and Rudy Valee's Coast Guard Band played on opening night. Additional financial aid came from the box office receipts for the films *Stage Door Canteen* (Borzage, 1943) featuring Katharine Hepburn, Helen Hayes, Tallulah Bankhead, and Ray Bolger and, *Hollywood Canteen* (Daves, 1944) starring Bette Davis, John Garfield, Joan Crawford, and Eddie Cantor.

²³⁷ Ibid.

Canteen's doors" between opening night and its closing on November 22, 1945, making it the most popular attraction for uniformed men and women passing through town.²³⁸

A few months before the Hollywood Canteen opened, an organization with a similar name was established on May 15, 1942 by Mrs. Abraham Lehr and actress Mary Pickford called the Hollywood Guild and Canteen, which aimed to provide overnight accommodations for servicemen. Starting with thirty-five cots, the Hollywood Guild and Canteen expanded to sleep an average of 800 men nightly and 1,200 on weekends. The Hollywood Guild and Canteen also operated an officers' club and a Home for Women of the Armed Services, with sleeping accommodations for 100. According to wartime data collected by the WAC, "servicemen [were] permitted to remain at the Canteen for an indefinite period of time. Everything [was] free, including all meals, between-meal snacks, stationary, laundry service, postage stamps, library, etc."²³⁹ When the war ended, operations at the Hollywood Guild and Canteen continued and included a rehabilitation program for returning soldiers. Servicemen were allowed to stay "for periods up to two months after discharge and are helped to find jobs."²⁴⁰

On December 31, 1945, the Hollywood Coordinating Committee was formed to carry on the functions of the Hollywood Victory Committee during the immediate postwar period. More

²³⁸ "War: Overall Report on Industry," March 8, 1946, Motion Pictures and World War II Files, 1937-1948, Collection 1218, Overall Report on Industry (1946) Folder, Margaret Herrick Library. In the data collected, it was said that, "The canteen had only a small paid staff. Of its 11,000 registered volunteer workers, 2500 were used during a week... Much of the food provided free to service guests was contributed by supporting organizations, and was served under the direction of Chef Milani of screen and radio fame. The G.I.'s consumed a weekly average of 287 pounds of cheese, 376 pounds of ham, 200 pounds of sandwich meat, 4,750 bottles of milk, 215 pounds of potato salad, 450 loaves of bread, 35 pounds of peanut butter, 25 gallons of mayonnaise, 67 gallons of punch extract, 55 glasses of jelly, 35 pounds of potato chips, 75 dozen donuts, 85 dozen cupcakes and 95 gallons of ice cream." Ibid.

²³⁹ Ibid. The Hollywood Guild and Canteen was the converted home of the late movie star, Dustin Farnum, and had a \$10,000 swimming pool donated Tom Breneman for soldiers to use free of cost. Other facilities included ping pong tables, magazines, games, letter-writing facilities, radios, phonographs, a juke box, and showers. Tickets for theaters, sporting events, and radio programs were provided.

²⁴⁰ Ibid.

than any other group contributing to the war effort, the accomplishment of the motion picture industry's personnel and talent was impressive:

56,037 free appearances by 4,147 personalities in 7,700 events;
13,555 playing days by 176 personalities on 122 overseas tours;
5,947 playing days by 407 personalities on 406 hospital and camp tours;
2,056 one-night stands by variety troupes playing West Coast military installations;
214 personalities on war bond tours;
264 personalities on war bond broadcasts and radio transcriptions;
2,428 entertainment transcriptions for overseas transmission by the Armed Forces Radio Service;
38 film shorts made with top stars;
50 personalities on Canadian war bond tours;
34 personalities on transcribed radio programs for Canadian war bond drives;
19 personalities in Canadian war bond drive film shorts.²⁴¹

It its own words, the Hollywood Division of the WAC “accepted every assignment from the Government; completed every operation successfully, and gave of its time, its energy, its talents and its property beyond the call of duty.”²⁴²

Newsreel Division

Under the guidance of E.B. Hatrick, the Newsreel Division of the WAC was comprised of the five commercial newsreel companies (20th Century-Fox's Movietone News, Paramount News, Pathé News, Universal News, and MGM's News of the Day) and the *March of Time*.

Together with their staffs, the Newsreel Division was tasked with “accomplishing the impossible under war-time difficulties, with cameramen at fighting fronts, on sea, land and in the air, reporting pictorially this global war and bringing to the eyes and ears of the vast movie audiences

²⁴¹ Ibid. It is impossible to determine the total value of bonds sold as a result of the efforts of Hollywood stars. The estimate runs close to five billion dollars. During September 1942, the motion picture industry led the “Salute to Our Heroes” campaign, which netted a billion dollars in bonds. 59 film personalities appeared in 368 cities on “Stars Over America” tours. During 1943, the Hollywood Bond Cavalcade and the War Veterans Bond Airmadas sold more than a billion and a quarter dollars worth of bonds.

²⁴² War Activities Committee—Motion Picture Industry, *Movies at War, 1945* (New York: War Activities Committee—Motion Picture Industry, 1946), 1. For more information on Hollywood's contribution to the war effort see the celebratory book by the *Look* magazine editors, *Movie Lot to Beach Head* (New York: Double Day, 1945).

the day-by-day developments of world history.”²⁴³ While newsreels were instrumental to the Roosevelt Administration during the early days of the New Deal, they were now vital during World War II.

By April 1942 exhibitors noticed that current newsreels were considered just as important as the feature attraction to the paying public.²⁴⁴ Chester Friedman of the *Motion Picture Herald* declared: “No one can honestly state to what extent [the newsreel] acts as a direct stimulus to grosses, but try cutting it out of the program and the patrons will immediately start beefing. A man reads his paper or hears a broadcast about the great victory at Sicily, then he wants to see how it was done—so he goes to see it in the newsreel.”²⁴⁵ Early on in the war, newsreels were much more upbeat than one would have expected of a country in the midst of a total war. After America entered the war, newsreel coverage had not changed much since the late 1930s. Media historian Richard W. Steele writes that “the face of war Americans found in their movie theaters was mechanical, almost benign; a struggle of things rather than of people. Guns fired, bombs dropped, and the landscape erupted—all in a rather impersonal way. No effort was made to follow the soldier, to witness combat up close, to see its effects on the fighting men or on the civilians caught up in the battle. Instead of scenes of violence and death Americans saw... ‘atmosphere’ glimpses of the various fronts, political and military leaders addressing their people.”²⁴⁶ While censorship certainly was a factor, there was no real benefit for theater owners to show newsreels depicting the horrors of war. More often than not, newsreels (especially those

²⁴³ War Activities Committee—Motion Picture Industry, *Movies at War*, 1942, 5.

²⁴⁴ “Newsreels Now the Big B.O. Attraction,” *Hollywood Reporter*, April 22, 1942, 3.

²⁴⁵ Chester Friedman, “The Newsreel Is Important,” *Motion Picture Herald*, July 17, 1943, 73.

²⁴⁶ Steele, *Propaganda in An Open Society*, 148–149.

affiliated with the vertically integrated companies) “conveyed a sense of the “urgency of the situation” without suggesting its bloody consequences.”²⁴⁷

Louis and Richard de Rochement’s compilation documentary newsreel series, the *March of Time*, was an exception to this rule. Sponsored by *Time, Inc.*, the *March of Time* initially began as a radio program in 1931 before it became a monthly newsreel.²⁴⁸ Narrated by Westbrook Van Voorhis, the *March of Time* newsreel was not only entertaining, it was also instructive and dealt authoritatively with taboo political topics. For example, *Inside Nazi Germany* (1938) showed the interventionist position on international affairs and gave Americans a closer look into Hitler’s Germany by showing Joseph Goebbels’ anti-American propaganda machine at work. In *Main Street U.S.A.*, a domestic issue of the newsreel, the *March of Time* illustrated the various ways in which America’s idyllic small town life would be shattered after a Nazi victory. Combining newsreel footage and staged sequences, the series dealt with a wide range of domestic and international topics including *Huey Long* (1935), *Strikebreaking* (1935), *Uncle Sam: The Good Neighbor* (1938), *Peace—by Adolf Hitler* (1941), *The Argentine Question* (1942), and *Mr. and Mrs. America* (1942). While the overt interventionist and anti-fascist propaganda in the *March of Time* newsreels was not lost on the average American filmgoer, it remained America’s popular newsreel until it ended in 1951 when the news magazine programs on television rendered the newsreel format obsolete.

Midway through the war, a number of trade journalists regularly fumed about the sanitized war news in newsreels. The American people wanted to see a realistic view of what

²⁴⁷ Ibid., 149.

²⁴⁸ Expensive and time consuming, each issue of the *March of Time* cost around \$50,000 and had a running time of ten to twenty minutes. When the series began in 1935 it was shown in 500 theaters. This number would increase during America’s entry into war. The series ran until 1951 (six years longer than its radio companion) after television became a mainstay in American homes.

was happening abroad and were critical of the newsreels' omission of the horrors of war. To be sure, the OWI and armed forces were concerned about propagandizing the war and wanted to limit the complaints from filmgoers. *Film Daily's* Chester B. Bahn wrote: "It is no secret that newsreel coverage of the war has been on the 'soft' side, and that, with some exceptions, the grim toll of battle has been carefully played down. That, of course, has not been the fault of the newsreels, who have argued continuously for footage that does not minimize the horrors of conflict. Instead, it has reflected, largely, the censorship policy laid down by the armed forces."²⁴⁹ OWI's Domestic Director, E. Palmer Hoyt, stated in September 1943: "I have often said, and I'd like to say it again, that I think the newsreel coverage is one of the keys to the log-jams that that block realistic war coverage."²⁵⁰ He continued, "Getting the news from the front—in words or celluloid—means showing men being killed or wounded and few such pix have actually been seen here so far."²⁵¹ Hoyt's comments on the record calling for frank, realistic newsreel coverage convinced OWI chief Elmer Davis to urge Roosevelt to "direct the military to cease its policy of withholding all but 'cream puff' pictures and permit the newsreels to record the realistic 'albeit horror' side of war, including images of American men dead in battle."²⁵²

In July 1943, the WAC introduced its plan to release twenty-six War Information Bulletins to accompany the new program of information shorts.²⁵³ Not to exceed 250 feet of film

²⁴⁹ Chester B. Bahn, "War's Horror...and the screen," *Film Daily*, September 29, 1943, 1.

²⁵⁰ "Hoyt Urges Complete Frankness in War Pix," *Film Daily*, September 28, 1943, 1, 8.

²⁵¹ *Ibid.*, 8.

²⁵² Doherty, *Projections of War*, 239. Doherty writes that there were three convincing reasons for this turnabout: "(1) complaints from motion picture producers and Americans hungry for unadorned visuals; (2) the growing sense on the part of home front strategists that no news was bad news, incubating rumors and anxiety; and (3) by 1943 the course of war had favorably shifted and no armed service is ever reluctant to show its victories." *Ibid.*

²⁵³ "Hollyw'd WAC Okays War Shorts Program," *Film Daily*, July 27, 1943, 1, 10.

(approximately three minutes), the War Bulletins were attached to the regular newsreel issues. The first of the “War Bulletins” titled “One Day Sooner,” featured Rosalind Russell and highlighted the importance of contributing to the upcoming Third War Loan Drive.²⁵⁴ As would be the practice of forthcoming WAC “War Bulletins,” the short plug went to “approximately 10,000 theaters in newsreel cans, attached to the five regular newsreels. Additional circulation through the customary WAC distribution channels [brought] the Bond-selling message to audiences in a combined total of more than 15,000 theaters.”²⁵⁵ This distribution method ensured that the short was shown to its maximum audience. Although they were often pitched as “up to the minute news,” the WAC newsreel War Bulletins either told Americans about important upcoming events or served as reminders to “do their bit” by rationing or salvaging materials (i.e. “Save Waste Paper;” “Is Your Trip Necessary?”).²⁵⁶ The WAC’s Newsreel Division presented not just pictorial evidence of the American fighting forces overseas, but also brought vital messages to audiences encouraging participation in war philanthropy (bond campaigns, Red Cross Drives, War Relief appeals, March of Dimes), scrap drives and rationing programs, female recruitment in war industries and military service (WAC—Women’s Army Corps; WAVE—Women Accepted for Volunteer Emergency Service; SPAR—United States Coast Guard Reserve; Cadet nurse), etc.

Trade Press Division

Chaired by journalist Martin Quigley, editor of the *Motion Picture Herald*, the Trade Press Division of the WAC was the industry’s direct line of communication to explain, inform,

²⁵⁴ “First ‘Film Bulletin’ Plugs Third War Loan,” *Film Daily*, August 25, 1943, 8.

²⁵⁵ Ibid.

²⁵⁶ “WAC Schedules New War Information Pix, Bulletins,” *Film Daily*, November 24, 1943, 2.

and educate readers as to the events unfolding both on the home front and the frontline. Entire staffs of thirteen trade papers and magazines including *Variety*, *Daily Variety*, *Film Daily*, *Hollywood Reporter*, *Box Office*, *Motion Picture Herald*, *Film Bulletin*, *Motion Picture Daily*, *Harrison's Reports*, *Greater Amusements*, *The Independent*, *The Exhibitor*, and *Showmen's Trade Review* reported daily and weekly on war activities and sponsored in its pages promotional campaigns for the U.S. government.²⁵⁷ During the war, these publications “contributed approximately 1,200 pages of advertising, representing \$400,000, and 20,000 columns of reading space to the War and Victory bond campaigns, the March of Dimes, the Red Cross, National War Fund, United Nations, WAC (Women's Army Corps) Recruiting, the Gift Films, and the Government Information Films.”²⁵⁸

Foreign Managers Division

The Foreign Managers Division of the WAC “enlisted the entire export facilities of the industry to distribute gift programs to fighting men abroad and to deliver recreational and informative films to United Nations theaters.”²⁵⁹ All requests for gift films from foreign countries went through the Foreign Managers Division. Each studio had one representative who handled the distribution of all films overseas and worked closely with the Distributors Division of the WAC.

²⁵⁷ War Activities Committee—Motion Picture Industry, *Movies at War*, 1942, 5. Four of the trade press members issued daily publications (*Daily Variety*, *Film Daily*, *Hollywood Reporter*, and *Motion Picture Daily*), while the rest were issued weekly or monthly.

²⁵⁸ War Activities Committee—Motion Picture Industry, *Movies at War*, 1945, 36.

²⁵⁹ War Activities Committee—Motion Picture Industry, *Movies at War*, 1942, 5.

Public Relations Division

Led by Monroe Greenthal the Public Relations Division of the War Activities Committee employed “1800 publicity and public relations committeemen organized in 31 exchange areas, and representing some 400 cities” who dedicated their “promotional abilities and showmanship experience to a succession of industry projects requiring the enlistment of public support.”²⁶⁰ Prior to America’s entry into the war, the film industry did not have a nationwide public relations program wherein field men from all eight studios worked together to develop a policy that guaranteed “co-ordinated efforts to meet any situation, national or territory, which might arise.”²⁶¹ However, the urgency of the war called upon the studio executives to disseminate information about the industry’s war activities including the overseas gift films, the exhibition of government information shorts, the war bond drives, and charity campaigns for organizations like the March of Dimes, Red Cross, Community Chest, etc.

The Public Relations Division appointed field publicity men as local representatives of the WAC in every city with 25,000 or more inhabitants.²⁶² When the war began, the WAC employed a “census of audiences” survey to thoroughly research the needs of the community to create the “first accurate picture of film theater attendance, etc.”²⁶³ The establishment of a nationwide public relations system made it possible to “create public interest, sustain worker interest, and then finally capitalize the accrued interest in behalf of the next war job.”²⁶⁴ Working in conjunction with the Publicity Directors Committee, the WAC’s Public Relations Division

²⁶⁰ Ibid.

²⁶¹ “Nation-Wide Public Relations Program,” *Film Daily*, June 10, 1942, 1, 6.

²⁶² “WAC Field Publicists Named,” *Film Daily*, March 9, 1942, 1, 7.

²⁶³ “‘Census of Audiences’ Considered for Industry,” *Film Daily*, April 30, 1942, 1, 7.

²⁶⁴ War Activities Committee—Motion Picture Industry, *Movies at War*, 1943, 51.

operated as a clearing house for the issuance of press credentials for newspaper writers, magazine reporters, press photographers, radio commentators, foreign correspondents, etc. All publicity work done in connection with public screenings of WAC films, radio addresses, charity drives, and other patriotic endeavors were cleared through the Division.

The Official Government-Hollywood Liaison: The War Activities Committee and the Office of War Information's Bureau of Motion Pictures

As discussed earlier, during the first year of the Washington-Hollywood collaboration (the year preceding Pearl Harbor), the MPCCND released twenty-five government films and twelve Army recruitment trailers. The industry was tasked with dealing with each individual agency separately—all of which were competing for screen time. In a matter of weeks, film executives managed to reorganize the MPCCND into the WAC and established the aforementioned seven different working divisions that operated in tandem with one another. When the war started, industry leaders wanted a proper liaison with the government—someone who could answer their questions on the ground so to speak.

Executive members of the WAC found the government's Coordinator of Films, Lowell Mellett, amiable enough to work with; however, he spent the great majority of his time in Washington where he split his duties as the head of the Office of Government Reports (OGR) and as Roosevelt's assistant. While Roosevelt had hoped that the OGR would suffice as a propaganda agency for all media outlets, it was clear that he needed make a move "to co-ordinate the information and propaganda setup of the government after complaints had developed on a nation-wide scale that legitimate information was being withheld from the public untrained

bureaucrats and after publicity agencies established to deal with war problems and regular departmental and agency information services had mushroomed to amazing size.”²⁶⁵

On June 13, 1942 Roosevelt announced that Elmer Davis, a nationally known radio news commentator, novelist, and former newspaper reporter, would be the director “of a new Office of War Information, with authority over dissemination of all official news and propaganda within the United States and, except for Latin America, abroad.”²⁶⁶ While the Office of War Information (OWI) was structurally similar to the country’s propaganda bureau during World War I, the Creel Committee on Public Information, the *New York Times* reported that “Davis [would] have far greater authority than did George Creel...Mr. Davis will not, however, have power over censorship as well as news and propaganda, as did Mr. Creel.”²⁶⁷ Roosevelt gave Davis the power to decide what would be made public, and stated that it was “the right of the American people and of all other peoples opposing the Axis aggressors to be truthfully informed about the war effort.”²⁶⁸ More specifically, Davis was authorized to: “(1) Use the press, radio and motion pictures for information programs designed to form an intelligent public understanding of the war and of Government programs; and (2) Review, clear and approve Federally-sponsored radio programs.”²⁶⁹ Executive Order number 9182 consolidated overlapping government agencies dealing with the dissemination of information including the Office of Facts and Figures,

²⁶⁵ “Elmer Davis Appointed War Information Chief,” *Los Angeles Times*, June 14, 1942, 11.

²⁶⁶ Ibid. The Office of the Coordinator of Inter-American Affairs (CIAA) headed by Nelson Rockefeller was one of the few agencies that was not consolidated under the OWI. In fact, Rockefeller threatened to resign if the CIAA came under the OWI stating, “I never wanted to be *vice* president of anything.” Koppes and Black, *Hollywood Goes to War*, 58.

²⁶⁷ “President Forms Top News Agency; Elmer Davis Chief,” *New York Times*, June 14, 1942, 1, 31.

²⁶⁸ Ibid., 1.

²⁶⁹ “Expect Davis Will Step Up Use of Pix,” *Film Daily*, June 16, 1942, 1, 5.

headed by Archibald MacLeish; the Office of Government Reports, headed by Lowell Mellett; the Division of Information in the Office for Emergency Management, headed by Robert Horton; and the Foreign Information Service of the Office of the Co-ordinator of Information, headed by William J. Donovan.²⁷⁰

After the OWI was established, Davis divided his agency into two groups: the Domestic Branch and the Overseas Branch. On July 13, 1942 it was formally announced that Lowell Mellett had been tapped as head of the newly created Bureau of Motion Pictures (BMP).²⁷¹ While the selection of Mellett did not come to a surprise to industry leaders, it was somewhat startling that Davis “failed to create any startling changes as regards the use of the motion picture or its place in the Government program.”²⁷² Other than expanding the newsreel program, Davis suggested no modification to Mellett’s setup of three offices (the Hollywood office headed by Nelson Poynter and his assistant Dorothy Jones; the New York office headed by Samuel Spewack and William Montague Jr.; and the Washington office Mellett operated out of), other than to send Ulric Bell, a representative from the Overseas Branch, to Hollywood to help supervise scripts.²⁷³

As was the case before the establishment of the BMP, there was an enormous amount of confusion as to how the Hollywood Division of the WAC and the BMP would operate in tandem with one another. While Mellett was well regarded by industry executives, there was a lack of confidence in Poynter’s ability to run the Hollywood office. A former Scripps-Howard colleague

²⁷⁰ “President Forms Top News Agency; Elmer Davis Chief,” 1.

²⁷¹ “Davis Reorganizes Office of War Information,” *Film Daily*, July 13, 1942, 1, 8.

²⁷² *Ibid.*, 1.

²⁷³ “Parley on Newsreels’ Place in the War Program,” *Film Daily*, July 16, 1942, 1, 5. See also “Montague Into New Govt. Film Position,” *Hollywood Reporter*, July 23, 1942, 1.

of Mellett's and publisher of the *St. Petersburg Times*, Poynter was not an avid filmgoer and did not follow the industry with any regularity.²⁷⁴ He was, however, a passionate supporter of Roosevelt, a quality Mellett obviously found more important than film expertise. In the two months since he arrived in Hollywood, Poynter had done very little to endear himself to the moguls. His suggestions were rarely helpful and he often spoke out of turn. Days before Poynter's appointment as head of the BMP's Hollywood office was announced, he managed to get off on the wrong foot with industry leaders. Addressing the writers' mobilization, Poynter declared that the "film industry has been lured by the spectacular and photogenic to the exclusion of less easily treated intangibles for which the country [was] fighting...[and urged] that the industry devote its efforts to using new techniques for conveying information as part of entertainment for the peoples of the world."²⁷⁵ Asserting that "it is easier to portray on screen Great Britain's struggle than that of the Chinese or Russians who are not on the first line of this war," Poynter concluded his remarks by giving the industry a backhanded compliment, and stated: "Hollywood should give us a 'Mrs. Miniver' of Russia or China, making it clear our common interest with the Russians and Chinese in this struggle."²⁷⁶ After numerous complaints about his protégé and the continued lack of direction from the BMP, Mellett did some damage control and publically complimented the work the WAC had done, and said he "believed that there was an 'increasingly harmonious relationship' developing between the Army, Navy and motion picture industry."²⁷⁷

²⁷⁴ James M. Myers, *The Bureau of Motion Pictures and Its Influence on Film Content During World War II* (Lewiston, New York: The Edwin Mellen Press, 1998), 63.

²⁷⁵ "Urges New Film Technique For Conveying Information," *Film Daily*, June 11, 1942, 7.

²⁷⁶ Ibid.

²⁷⁷ "Greater War Effort Role for Industry—Mellett," *Film Daily*, July 31, 1942, 1, 7.

After settling into his new offices in the Taft building in Hollywood, Poynter and his assistant, Dorothy Jones, a former research assistant for renowned political scientist and communications theorist, Harold Lasswell, got right to work and established a system for reviewing and analyzing film content.²⁷⁸ Clayton Koppes and Gregory Black write, “Poynter’s biggest problem at first...was to convince the studios that he had no censorship power. He told the movie makers that the government simply wanted to help them fulfill their stated goals of boosting the war effort, and that he wished to be helpful.”²⁷⁹ Up to this point, the majority of the industry’s government work had been informational shorts and newsreels. Poynter and Jones stressed to industry executives the necessity of integrating the government’s message into feature films. Both found that the studios were not doing enough to promote a greater understanding of the war and more often than not simplified the issues to “dispel the country’s fears and frustrations.”²⁸⁰ In a survey conducted by the BMP examining the content of films produced between March and September 1942, it was clear that an attempt had been made to address the realities of the war. However, there were three glaring shortcomings that the BMP wanted Hollywood to take note of for future productions: (1) the limited depiction of everyday civilian problems; (2) their “failure to clarify or firmly define the basic issues of the war;” and (3) the “general ignorance of problems that the nation might face after the war.”²⁸¹ Both Mellett and

²⁷⁸ Clayton R. Koppes and Gregory D. Black, “What to Show the World: The Office of War Information and Hollywood, 1942–1945,” *The Journal of American History*, Vol. 46, No. 1 (June 1977): 89. For more on the BMP Hollywood Branch, see Dorothy Jones, “The Hollywood War Film: 1942–1944,” *Hollywood Quarterly*, October 1945, 10–15; and Dorothy Jones, “Tomorrow the Movies: III. Hollywood Goes to War,” *The Nation*, January 27, 1945, 91–94.

²⁷⁹ Koppes and Black, *Hollywood Goes to War*, 63.

²⁸⁰ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 75.

²⁸¹ *Ibid.*, 74.

Poynter believed that each of these shortcomings could easily be addressed by faithfully incorporating wartime issues into the plots of feature films.

The shift in focus from information shorts to feature films marked the beginning of the difficulties between the BMP and the executives of the WAC. While Mellett continued to stress that “the most valuable role of Hollywood in the war effort is first, last and always—make pictures for entertainment,” he felt strongly that the war could be sold via film just as “slacks for femmes, certain coiffure styles, heroes who don’t wear undershirts and other manifestations of everyday American life have been ‘sold’ via films in the past.”²⁸² From the start, Poynter was eager to follow Mellett’s directives and was insistent that studio feature films have more substance to them. The current message in many films was far too simple: America was at war after being attacked and would win at all costs.

In the initial study conducted by the BMP Hollywood Branch, some alarming facts about the industry’s treatment of the war in films was uncovered. Of the 213 films that were in production or under consideration that dealt with the war in some manner, “forty percent focused on the armed forces, usually in combat. Less than twenty percent dealt with the enemy, and most of those portrayed spies or saboteurs...the war issues, the United Nations, and the home front—received minimal attention.”²⁸³ What was more alarming to the BMP was the way in which the studios casually interjected the war into run of the mill plots. Instead of superficially using the war as a backdrop in “frothy musicals” or “flippant comedies,” for example, Poynter and his story analysts wanted to see serious treatment of the war issues such as women’s wartime work

²⁸² Abel Green, “U.S. Will ‘Cue’ Hollywood,” *Variety*, May 6, 1942, 5, 25.

²⁸³ Koppes and Black, “What to Show the World,” 91.

on the home front or the perils of the black market.²⁸⁴ What Poynter took away from the study was that Hollywood needed to revamp its treatment of the war so not to (1) “mislead attitudes of foreigners toward Americans;” and (2) mislead Americans into thinking that the war would be easy by oversimplifying the harsh realities of modern warfare.²⁸⁵

In the spirit of collaboration, the BMP offered to give the studios helpful “cues” at the script stage of production.²⁸⁶ Poynter delicately pointed out that the BMP could be “most helpful in this process if it got to review scripts before production began,” and was sure to state that while he could not demand the submission of scripts, the BMP appreciated the industry’s cooperation in the matter.²⁸⁷ The studios were understandably uneasy about this proposition. It was one thing for the WAC to help produce and distribute Victory shorts and other information films, but it was entirely another to incorporate “explicit propaganda themes” into feature motion pictures.²⁸⁸ Propaganda had never worked well at the box-office in the past, and industry executives had very little interest in indulging inexperienced government employees looking to give their opinion as to what to include and what not to include in their films. After all, *they* were the experts when it came to producing films and delivering entertainment to the American people. Out of concern that the government would impose some form of strict censorship, the studios (with the exception of Paramount) agreed to voluntarily submit scripts to the BMP.²⁸⁹

²⁸⁴ Ibid.

²⁸⁵ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 76.

²⁸⁶ Green, “U.S. Will ‘Cue’ Hollywood,” 25.

²⁸⁷ Koppes and Black, *Hollywood Goes to War*, 63.

²⁸⁸ Ibid.

²⁸⁹ Paramount was against the idea of submitting feature film scripts to the BMP from the start. Y. Frank Freeman, head of Paramount and the Hollywood Division of the WAC, felt that the industry was 100% committed to the war effort and any additional checks and balances was borderline insulting. Also, the industry had its own self-regulating

However, when it was inconvenient to do so, they went over Mellett and Poynter's heads and directly dealt with the Army, Navy, War, or State Departments when they needed permission or special clearances.²⁹⁰

It is important to note that as a department in the Office of Information, the BMP's chief goal was to assist producers in the dissemination of war information. This arrangement required the BMP, as the liaison between the government and industry, to exercise some kind of control over the films made for mass consumption. However, Mellett's decision early on to pitch this arrangement as a voluntary collaboration made it easy for studios to choose not to cooperate (as in the case of Paramount) and allowed them deal with several government agencies at one time in an effort to save time. Under this new arrangement, the BMP was ultimately regulated to the role of passive observer and the confusion and chaos in government-industry relations continued to grow rather than dissipate as the war went on.²⁹¹ Without having clear lines drawn at the start, the BMP was doomed to fail right from the start.

Miscues and Misfires: The Perils of Voluntary Collaboration

Several steps were taken during Poynter's first months as head of the BMP's Hollywood Branch. His first order of business was to explain the parameters of his job and relay to the WAC executives the three specific tasks assigned to his office by Mellett. First, his office was "to pass on information to the studios about ideas and concepts the government wanted stressed. Such suggestions were designed to clarify misconceptions or to shed more light on movie themes

agency, the Production Code Administration (PCA), and having to submit scripts to both agencies was redundant and held up production. It is likely that Freeman felt that caving in to the BMP brought the industry that much closer to government censorship. Had the BMP experiment worked during the war years, there is no telling as to whether or not the government would have interfered with Hollywood feature filmmaking in the immediate postwar years.

²⁹⁰ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 113.

²⁹¹ Allan M. Winkler, *The Politics of Propaganda: The Office of War Information, 1942–1945* (New Haven: Yale University Press, 1979), 59.

needing more attention.”²⁹² Second, the BMP was to “serve as a pool of information for Washington...and was both watchman and brakeman for the Roosevelt Administration on what Hollywood was doing.”²⁹³ Third, his division was to act as “an information agency for the studios” that aimed “to provide movie heads with quick responses to questions about government policy and procedure.”²⁹⁴

In an effort to make good on the last point, Poynter developed a seven-point questionnaire included in the new “Government Manual for the Motion Picture Industry” intended to guide the industry and limit the number of complaints hurled at the BMP. The questionnaire was created to help the industry understand the relationship between film and propaganda from the government’s perspective and was to be taken into considered before production on any feature-length motion picture commenced. Among the questions included:

- (1) Will this picture help win the war?
- (2) What war information problem does it seek to clarify, dramatize or interpret?
- (3) If it is an ‘escape’ picture, will it harm the war effort by creating a false picture of America, her allies, or the war we live it?
- (4) Does it merely use the war as the basis for a profitable picture, contributing nothing of real significance to the war effort and possibly lessening the effect of other pictures of more importance?
- (5) Does it contribute something new to our understanding of the world conflict and the various forces involved, or has the subject been adequately covered?
- (6) When the picture reaches its maximum circulation on the screen, will it reflect the conditions as they are and fill a need current at that time or will it be out-dated?

²⁹² Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 71.

²⁹³ Ibid.

²⁹⁴ Ibid.

- (7) Does the picture tell the truth or will the young people of today have reason to say they were misled by propaganda?²⁹⁵

In addition to the questionnaire, the manual also developed six categories for the production of war films—(1) Why We Fight (the issues of the war); (2) The Enemy (ideology, tactics); (3) The United Nations; (4) The Home Front (American family at war, civilian defense, wartime government agencies); (5) The Production Front; and (6) The Fighting Forces (Army, Navy, Marines, Air Corps)—and asked that the studios take special care when developing stories that focused on these topics.²⁹⁶

The Hollywood Branch of the BMP was composed of two departments: the Analysis and Review section, headed by Dorothy Jones, the BMP's chief story analyst; and the Liaison section headed by Poynter. Jones's team of reviewers was experienced and had worked at one time or another in the story departments of the major studios.²⁹⁷ Their chief concern was to give advice to producers on how to best incorporate the government's message in feature films as well as note any opportunities that might have been missed so that the studios can "insert information that might better clarify some aspect of the war or point out unfavorable portrayals of America's allies."²⁹⁸

Jones's section provided the BMP with much needed organization in its efforts to monitor and review as many scripts as the studios would turn over to them. According to the BMP's own internal manual written by Jones titled "Methods Used By the Office of War

²⁹⁵ "Government Manual for the Motion Picture Industry," July 1942, Dorothy B. Jones File, Motion Picture Industry Council Records, 1943–1957, Collection 172, Margaret Herrick Library (also quoted in Koppes and Black, *Hollywood Goes to War*, 66–67).

²⁹⁶ Ibid.

²⁹⁷ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 69.

²⁹⁸ Ibid.

Information to Study Subject Matter of Future Industry Releases as A Means of Achieving a Balanced Film Program of War Information,” cooperation between the industry and the BMP was needed to supply information about the war to audiences at home and abroad. In a summary of the BMP’s activities in its first year, Jones wrote: “It was essential, however, as part of this program to be able to advise the industry in advance of government needs, so that its overall product would meet the government’s needs for information at the time pictures were released. This required on the one hand a prediction as to what the government’s information needs would be a year or a year and a half in advance, and on the other hand information as to what the pictures already under consideration or actually in production would be coming up for release during this projected twelve or eighteen month period.”²⁹⁹ Additionally, the efficiency and timeliness of the Review and Analysis section were important in terms of getting the scripts turned over quickly to meet the government’s needs. Observing some of the initial challenges her team faced, Jones stated: “Prediction as to government information needs was compiled each quarter by the OWI Washington office on the basis of top secret information on military plans, (the dates of various campaigns and offensives), government war production schedules, projected plans for civilian controls, etc. In this way, for example, it was possible to tell in advance when the war production program would go into high gear and to encourage the industry to have ready pictures interpreting the problems and objectives of the production front at release time.”³⁰⁰ Thus, because of the sensitive nature of the information, casual insertions of

²⁹⁹ “Methods Used by the Office of War Information to Study Subject Matter of Future Industry Releases as A Means of Achieving a Balanced Film Program of War Information,” Dorothy B. Jones File, Motion Picture Industry Council Records, 1943–1957, Collection 172, Margaret Herrick Library. Jones noted that, “although this was a purely voluntary program, within one year all studios (with one exception) were automatically clearing their proposed story purchases as well as successive scripts and rough or final cuts of their films.” The “one exception” here is Paramount.

³⁰⁰ Ibid.

wartime messages in feature films became almost an obsession for the story analysts as the timing had to be just right.

Once a script was reviewed by Jones and her team, Poynter performed his role as liaison and sent one copy of the analysis to the studio and the other to Mellett in the Washington office. Whether the studio acted on the BMP's suggestions or "Poynters," as they later became known, was left entirely up to the producer. The men who worked with Poynter in the Liaison section held regular Monday morning story conferences with studio executives and went over each and every script in detail. In addition to providing the studios with suggestions that came from the Analysis and Review section, Poynter disclosed (as necessary) confidential information from the government about war related topics and cleared any film footage shot by American military cameramen on the battlefronts for use in feature films.³⁰¹ While the studios were willing to clear military-themed material with the BMP, the moguls were hesitant about submitting scripts that did not have a military angle.

Despite Mellett and Poynter's attempts to establish a cordial working relationship with the industry, there was a great deal of resentment and pushback by the end of 1942. Much of this had to do with the fact that there was still some confusion about the industry's role in the war effort and what appeared to be government intervention in the making of feature films from the executives' point of view. In an effort to clear things up once and for all, Mellett reiterated to the press: "there is a clear understanding on the part of the producers that they are completely free to disregard any of our views and suggestions... in effect our cooperation [with the motion picture industry] is largely one of keeping producers informed of wartime problems and conscious of

³⁰¹ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 72.

possible implications of proposed pictures or details of pictures.”³⁰² On December 29, 1942, five days after Mellett’s statement was issued, Nicholas Schenck, president of MGM, released a letter he received from Mellett to *Film Daily* for publication. Printed on the front page, Mellett’s letter read:

As I told you, there never was any need for misunderstanding concerning relations between the Office of War Information and the motion picture industry...Put on paper, the pertinent part of my statement to you is that our office is not asking the producers of pictures to submit such pictures to us at any stage of production—original story, shooting script, long cut or finished picture. We are suggesting, however, that the purpose of the motion picture industry to cooperate as fully as possible in the war effort will be served if pictures or proposed pictures are brought to our attention at each of these stages of production. Our aim is to simplify the procedures that now prevail. The nearer a picture approaches completion, the more difficult and expensive becomes the making of any alterations that in our mutual agreement may seem necessary.³⁰³

Mellett’s statement was enough to convince Schenck that the government was not attempting to censor films at this juncture. In an effort to smooth over tensions, Schenck acknowledged Mellett’s response and confidently echoed his sentiments: “Both the industry’s co-operation and the services of the Bureau of Motion Pictures have been on a purely voluntary basis. The element of voluntary co-operation which has characterized our relationships in the past will continue in the future. The year 1943 will find us a War industry and we undoubtedly will avail ourselves of many services which the Bureau of Motion Pictures is qualified to render us.”³⁰⁴

To be sure, the studios upheld their end of this “democratic” arrangement out of patriotic duty to their country and made a concerted effort to cooperate with the BMP. However, their growing suspicion of Mellett and his office was not unwarranted. Earlier that month, it was

³⁰² “OWI Chief Say U.S. Has No Idea of Censoring Pix,” *Hollywood Reporter*, December 24, 1942, 4.

³⁰³ “Lowell Mellett: ‘We Are Suggesting...,’” *Film Daily*, December 29, 1942, 1.

³⁰⁴ “Industry-OWI Co-Op. Stays Voluntary,” *Film Daily*, December 29, 1942, 1, 3.

reported that Allied States Association of Motion Picture Exhibitors wanted Mellett to get involved in the revamping of the consent decree when expires in the coming year.³⁰⁵ A representative for Allied States explained that Mellett’s “personal influence in government and industry circles might be put to good use” and “we believe we are safe in saying that the independent exhibitors would welcome it if Mr. Mellett would widen his contacts among them, make a survey of their problems, including that of the ever-increasing film rentals, and undertake to make their lot a happier one.”³⁰⁶ The suggestion that Mellett would get involved in the antitrust case at the request of the independents was very worrisome to the majors. *Film Daily’s* Chester B. Bahn cryptically noted in his column that it was no secret that Mellett had “manifested a lively interest in exhibition—there was, notably, his recent blast against double features...it might be well to remember that, in all probability, we still shall be at war next year when the consent decree will expire...In war-time, the Government’s powers are sweeping...And its controls do not necessarily have to be exercised via a court decree or legislative mandate.”³⁰⁷ The relationship between the studios and the BMP was currently shaky at best. But with early talks of Mellett getting involved in consent decree discussions on the side of the independents, industry leaders were undoubtedly concerned about his intentions. And while the consent decree proceedings were almost a year away, it was not a topic of discussion industry leaders wanted out in the open. Yet Mellett was a hard man to read; if there was any

³⁰⁵ “Allied Wants Mellett Help on Consent Decree,” *Film Daily*, December 14, 1942, 1, 10. The consent decree signed by the Big Five expired in November 1943, three years after they entered into it.

³⁰⁶ *Ibid.*, 10. What Allied States is insinuating is that Mellett could use his influence in “the Chicago area” in a current suit brought against the Balaban and Katz Circuit over the continuation of the double bill. Allied’s representative argued: “In this case, the interests that are blocking the elimination of duels should be glad to cooperate with a man of Mellett’s standing and prestige in clearing up a condition that has been festering for several years. Intervention would, we believe, make a fine impression of the industry as a whole, and, if successful, would result in generations of Chicago exhibitors calling Mellett blessed.” *Ibid.*

³⁰⁷ Chester B. Bahn, “Scratch-Pad...Jottings,” *Film Daily*, December 15, 1942, 1, 2.

interest on his end to aid the independents he certainly did not make it known the WAC executives he dealt with regularly. Despite their overwhelming sense of unease and lack of confidence in Poynter, the studios acquiesced and submitted scripts for features to the BMP. Knowing that their cooperation remained voluntary and that Poynter's suggestions did not have to be used if the studios thought they were unnecessary made their arrangement with the BMP a little more palatable than it would have been if the changes were deemed compulsory.

Perhaps a more practical and immediate concern the studios had in their dealings with the BMP was the monetary returns on their investments. Thomas Doherty observes that "Mellett and the BMP favored the less heralded and hence less cinematic and remunerative aspects of the war effort, such as the importance of a unified command on a worldwide scale and the unassuming heroism of the military branches of service."³⁰⁸ While this approach worked fine in short subjects, it was much more difficult to translate into feature pictures that will turn a profit at the box office. It was clear from production notes and correspondences between the BMP and the studios that Washington was not always sure what they wanted from Hollywood, and when they did know they were incapable of telling Hollywood how to achieve it. Moreover, Mellett was also responsible for issuing export licenses for films and controlled the exhibition of American films abroad. Since foreign exhibition often made the difference between the profit and loss for a picture, industry executives were willing to outwardly cooperate with Mellett's office. Another reason the studios wanted to keep up appearances of voluntary cooperation were the dire cuts in allocations of raw film stock.³⁰⁹ Mellett's close ties with War Production Board (WPB) chief, Harold Hopper, gave the studios a much stronger voice in their negotiations for

³⁰⁸ Doherty, *Projections of War*, 46.

³⁰⁹ Andrew H. Older, "Will Fight Further Raw Stocks," *Film Daily*, January 11, 1943, 1, 4.

more film stock for feature film production. Large quantities of film stock were set aside for the production of military training films and newsreels. The government was anxious to “keep newsreels up to their present standards” because they were “a very important part of the Government Information program.”³¹⁰ However, Mellett’s concern about the raw stock situation made him an important ally in Washington.³¹¹ He strongly believed that studio feature films were of equal value in the government information program and echoed OWI chief Elmer Davis’s sentiments that the “easiest way to inject a propaganda idea into most people’s minds is to let it go through the medium of an entertainment picture when they do not realize that they are being propagandized.”³¹² While industry executives cringed at the notion that they were instilling propaganda in their feature films, they happily looked on as Mellett publically told members of Congress and the WPB that in his opinion, more film stock should be allocated for the production of feature films.³¹³

While there were certainly times when the Mellett and the studios were in agreement, part of the overall confusion between the BMP and Hollywood was the direct result of the internal feuding between Poynter and the OWI’s Overseas Branch head, Ulric Bell. The redundancy of having the two branches in one office where they competed for scripts, analyzed films, and made sure that the studios were producing films that preserved the image of Americans abroad made it difficult to ascertain which branch the studios should report to. For one, Bell and Poynter had very different definitions of cooperation: Poynter, as mentioned

³¹⁰ Ibid., 4.

³¹¹ Andrew H. Older, “Tie Execs.’ Capital Parley to Raw Stock,” *Film Daily*, January 29, 1943, 1, 10.

³¹² Elmer Davis to Byron Price (Office of Censorship), January 27, 1943, quoted in Koppes and Black, “What to Show the World,” 88.

³¹³ Older, “Tie Execs.’ Capital Parley to Raw Stock,” 10.

earlier, favored a voluntary system, while Bell “believed the coordinating process entailed telling the movie studios what the government wanted...he wanted to force some kind of government conformance on the studios through the BMP.”³¹⁴ By all accounts Bell was a hot-headed opportunist and spoke openly and frankly to OWI chief Elmer Davis about the missed opportunities he had witnessed at the hands of Poynter and Mellett. From what he observed, the film industry was not fully cooperating with the government. In fact, it was difficult to tell who was running the BMP—Poynter or representatives of the WAC who seemed to be ordering Poynter and Mellett around like puppets. For Bell, the studios’ unwillingness to deal with one agency illustrated that the BMP and the film industry had “failed to form a solid united front” when it came to shaping motion picture content.³¹⁵

While Bell continued his smear campaign against Poynter and Mellett, the studios had reached their limit with the sheer volume of annoying memos filled with “Poynters” to consider from the BMP. Furious with the continued interference, industry executives representing the WAC sent the following letter to Mellett on March 8, 1943:

Referring to the discussion which representatives of certain undersigned Producers recently had with you concerning your memorandum of January 5, 1943, to Major General Alexander Surles, we would like to submit for your consideration and acceptance the following recommendations.

Your memo to General Surles described an arrangement you made with the War Department for consultation and exchange of ideas between the OWI and the War Department regarding motion pictures which are submitted to the War Department for its approval. This arrangement provides that the War Department withhold its judgment and approval until after submission to OWI of the scripts, et cetera, submitted to the War Department and after discussion and consultation by OWI with the War Department.

³¹⁴ Myers, *The Bureau of Motion Pictures and Its Influence on Film Content*, 99.

³¹⁵ *Ibid.*, 101.

In order to continue the relationship between OWI and the motion picture industry on a voluntary basis and to obtain full advantage of the advice of OWI, we suggest the following in lieu of the arrangement described in your memorandum to General Surles.

The War Department and the Producers shall continue to deal with each other in exactly the manner they did prior to the making of the arrangement described in your memorandum, without the requirement of consulting and advising with OWI.

The respective Producers will simultaneously with, or prior to, their submission of title, story, outline, shooting script and completed film to the War Department makes the same submission to OWI.

If OWI wishes to make any recommendations or give advice concerning the title, script or picture in any instance, it will offer its recommendation and advice to the producer of the picture, which will receive and give consideration to the same. If consultation appears advisable, it will take place between OWI and the producer.

The effect of this arrangement will be to avoid any implication that OWI is directing or exercising directly or indirectly any powers of censorship, while affording OWI access to the same information as the War Department receives and at the same time it receives it, so that effective use may be made by the Producers of the advisory facilities of OWI.³¹⁶

³¹⁶ Letter from MPPDA producers to Lowell Mellett, March 8, 1943, Motion Pictures and World War II Files, 1937–1948, Collection 1218, WAC 1942 Folder, Margaret Herrick Library. The list of signatories was as follows:

COLUMBIA PICTURES CORPORATION—B.B. Kahane, Vice President;
SAMUEL GOLDWYN—Samuel Goldwyn;
LOEW'S INCORPORATED—E.J. Mannix;
PARAMOUNT PICTURES, INC.—Y.F. Freeman, V.P.;
REPUBLIC PRODUCTIONS—M.J. Siegel;
RKO-RADIO PICTURES, INC.—C.W. Koerner;
TWENTIETH CENTURY-FOX FILM CORPORATION—William Goetz;
UNIVERSAL PICTURES CO., INC.—Cliff Work;
WARNER BROS. PICTURES, INC.—H.M. Warner;
CAGNEY PRODUCTIONS, INC.—William J. Cagney;
THE CHAPLIN STUDIOS, INC.—Charles Chaplin;
ALEXANDER KORDA—A. Korda;
SOL LESSER—Sol Lesser;
MERCURY PRODUCTIONS, INC.—Jack Moss;
MARY PICKFORD COMPANY—Alexander N. Goolin;
HUNT STROMBERG PRODUCTIONS, INC.—Hunt Stromberg;
VAGUARD FILMS, INC. Daniel T. O'Shea, Pres.—David O. Selznick;
WALTER WANGER PRODUCTIONS, INCORPORATED—Walter F. Wanger;
ANGELUS PICTURES ORPORATION—F. Van Duinan;
ATLANTIS PICTURES CORPORATION—Edgar Ulmer;
BANNER PICTURES CORPORATION—Sam Katzman;
BEAUMONT PICTURES CORPORATION—Bernard B. Ray;

By the spring of 1943, the BMP was in hot water. The internal feuding at the Hollywood Branch, and the continued distrust of its operations by the studios made Mellett's office "an inviting target for the resurgent conservative coalition in Congress."³¹⁷ On the House and Senate floors, congressmen and senators condemned Mellett's "censorship" of Hollywood.³¹⁸ A great deal of criticism was hurled at Mellett's division for its inability to effectively oversee the film industry's attempts to disseminate wartime propaganda in its films.

JED BUELL PICTURES CORPORATION;
CAPITOL PRODUCTIONS—Edward Gross;
CHADWICK STUDIO—I.E. Chadwick;
CONTINENTAL PRODUCTIONS—J.D. Kendis;
EDWARD FINNEY PRODUCTIONS—Edward Finney;
GREAT WESTERN PRODUCTIONS—Scott R. Dunlap;
HOLLYWOOD PICTURES CORPORATION—Jeffrey Bernard;
K.B. PICTURES CORPORATION—Frank King;
MAX KING PRODUCTIONS—Max King;
LANDRES PICTURES CORPORATION—M.M. Landers;
GEORGE MERRICK;
MONOGRAM PRODUCTIONS—Trem Carr;
MOTION PICTURE ASSOCIATES—Lester Cutler;
SIGMUND NEUFELD PRODUCTIONS—Sigmund Neufeld;
NORTH AMERICAN PRODUCTIONS—Wm. Shapiro;
LINDSLEY PARSONS PRODUCTIONS—Lindsley Parsons, Pres.;
PRODUCERS RELEASING CORPORATION—Leo Fronkess;
RANGE BUSTERS, INC.;
TED RICHMOND PRODUCTIONS;
S & N PRODUCTIONS—Sam Newfield;
JACK SCHWARZ PRODUCTIONS—Harry D. Edwards;
SUPREME PICTURES CORPORATION—Wm. Hackle;
ROBERT TANSEY PRODUCTIONS—Robert Tansey;
SYDNEY WILLIAMS PRODUCTIONS;
PEERLESS PICTURES—Sam Efrus; and
PACIFIC FILMS, INC. per Edward Finney, Co-Producer.

³¹⁷ Koppes and Black, *Hollywood Goes to War*, 134.

³¹⁸ *Ibid.*, 137. Koppes and Black write that Poynter claimed that Y. Frank Freeman, head of Paramount and the WAC's Hollywood Division, was part of a "Georgia conspiracy" against the BMP. In an interview with Poynter, he told Koppes and Black that he believed that Freeman "worked behind the scenes with Senators Walter George and Richard Russell of his native Georgia to kill the motion picture office." Paramount, after all, was the only studio the regularly refused to turn over scripts to the BMP. In his defense, Freeman did send telegrams and letters to key member of Congress expressing his support of Mellett's office even after it was defunded. *Ibid.*

Independent producer Walter Wanger's scathing remarks about the OWI's BMP and the men who ran it in a 1943 article titled "OWI and Motion Pictures" in *Public Opinion Quarterly*, summed up Hollywood's position on the situation. Wanger furiously wrote:

Mr. Lowell Mellett of the Office of War Information created a tempest in a lens when he made two requests last December. First, Mr. Mellett wanted all motion pictures shown to him in the rough, or long, version, before cutting. These requests caused apprehension in the industry. Outside, editors generally took the position that a threat to freedom of speech in one medium affected all. That conclusion is logical, and sums the national mind. Censorship before utterance is abhorrent to Americans, who believe that autocracy can have no deadlier weapon than a blue pencil.

Mr. Mellett explained that he did not desire censorship, that he was merely implementing advisory practices. In other words he was attempting to make certain that, in his view, the motion picture was being of maximum service to the war effort. His chief, Mr. Elmer Davis, taking a note of expressed fears, deprecated that 'Hollywood is letting its imagination carry it away.'

Hollywood is concerned about more than censorship. The OWI shows a growing desire *to write things into* scripts. Indeed, there is a mounting urge to dominate production. The officials moving in this direction are not equipped by any past relation to the motion picture industry.³¹⁹

Wanger pointed out how ludicrous it was for the U.S. government to entrust the "full sweep of war power" to government officials with no experience in the business of motion pictures and expressed surprise that "in a life-and-death struggle where psychological warfare is so important, our government can be so shortsighted as to sanction amateur dealing with psychological weapon—the motion picture."³²⁰ In what he called his "final suggestion to the OWI," Wanger notes that the BMP must change its "take-over attitude to one of cooperation:"

You will find in your file, *from motion picture leaders*, suggestions for specific pictures far more powerful, towards the ends of victory and understanding, than

³¹⁹ Walter Wanger, "OWI and Motion Pictures," *Public Opinion Quarterly* 7 (1943): 100. Wanger was president of the Academy of Motion Picture Arts and Sciences at the time of publication.

³²⁰ Cedric Larson, "The Domestic Motion Picture Work of the Office of War Information," *Hollywood Quarterly*, Summer 1948, 442.

any suggestions that have come to Hollywood from Washington. We really do know something about our business. We wish to make an even larger contribution to winning the war and achieving goodwill on earth than motion pictures already have made. The industry is not jealous of prerogatives, nor of personal standing; it has proved its willingness to waive profits in war-necessary film-making. Give the industry the broad lines of policy, and leave the committees within the industry the task of producing results.³²¹

While Mellett and Poynter had a few friends in Congress who came to their defense, the writing was on the wall. Congress had heard enough from both sides. On June 27, 1943, the House of Representatives voted 218 to 114 to dissolve the OWI's Domestic Motion Picture Branch;³²² the Senate cut the existing appropriations from \$7,625,000 to \$2,125,000—only “27 percent of the authorization for the branch the previous year.”³²³ More than 800 staffers were fired, including Poynter, after the BMP's Domestic Motion Picture Branch was effectively defunded by Congress. Ulric Bell's Overseas Branch was the only government motion picture agency left in business. Koppes and Black remark that the “hobbling of the domestic branch, though a personal defeat for Mellett and Poynter, ironically strengthened the OWI's hand in Hollywood. No one in the industry denied the government's interest in policing what films were exported...[and] as allied armies liberated potential markets, Hollywood's interest perked up.”³²⁴ While the studios were as thrilled with Bell and his suggestions as they were with Poynter's, this new arrangement carried with it the possibilities of financial incentives as the burgeoning foreign market opened up.

³²¹ Wanger, “OWI and Motion Pictures,” 110.

³²² “Industry Support for OWI Pix Bureau,” *Film Daily*, June 21, 1943, 1, 5.

³²³ Koppes and Black, *Hollywood Goes to War*, 138. See also “Davis Admits that Mellett Bureau May Be Washed Up,” *Hollywood Reporter*, June 21, 1943, 4; and “Senate Com. Urges End of OWI Film Bureau,” *Film Daily*, June 30, 1943, 1, 6.

³²⁴ Koppes and Black, *Hollywood Goes to War*, 139.

Although the BMP under Mellett made significant strides in defining the film industry's job as it related to the war, it only lasted nineteen months because it never satisfactorily established a successful working relationship with Hollywood. To Mellett's surprise, industry leaders, including Will Hays, went to bat to keep his office intact and even tried to get Congress to reinstate the Hollywood Branch after the die was cast.³²⁵ WAC chairman, George Schaefer, "expressed the hope that there would be no curtailing of the Mellett's services as liaison."³²⁶ After a tumultuous battle with Congress, Mellett left the OWI and returned to the White House in the summer of 1943 where he resumed his work as an assistant to Roosevelt.³²⁷

Two months after leaving his post as chief of the OWI's BMP, Mellett received a letter from Francis S. Harmon, Coordinator of the WAC, filling him in on the OWI-WAC projects that had begun when he was still head of the BMP, and were now in various stages of completion.³²⁸ Harmon's letter is very complementary and included a resolution "expressing appreciation of his services."³²⁹ However, it is Mellett's response to his former colleague that is quite touching and revealing. Reflecting on his short tenure as the head of the OWI's BMP Mellett mused: "It was an interesting and, in most every way, eminently satisfactory eighteen months. I would have not missed this experience for anything. It has given me an understanding of the good citizenship

³²⁵ "Hays, Mellett Confer on Saving OWI Pic Bureau," *Film Daily*, June 22, 1943, 1, 6. See also "Death of Mellett Bureau Won't End His Pic Relations," *Hollywood Reporter*, June 22, 1943, 4.

³²⁶ "WAC Wants Mellett to Stay," *Film Daily*, June 25, 1943, 1, 3.

³²⁷ Mellett's resignation was accepted by Davis and became effective on July 15, 1943. Stanton Griffis, chairman of Paramount's executive committee, temporarily took his place until the rest of the projects in the BMP Hollywood Branch pipeline had been completed. According to Koppes and Black, Poynter (now the "disapoynter") "took solace in a vacation in Mexico." Koppes and Black, *Hollywood Goes to War*, 138.

³²⁸ Letter from Francis S. Harmon to Lowell Mellett, September 16, 1943, Lowell Mellett Papers, Personal Files—1938–1944, Box 12, File Harmon, Francis S., FDRL.

³²⁹ Ibid.

going into the production and exhibition of motion pictures that I could not have obtained in any other manner, that in fact few people have ever been put in the position to realize. In return for this privileged understanding I have tried and will, of course, continue to try and spread this understanding whenever possible...The goodwill of the people in the industry would not be sufficient without efficient organization that you and your War Activities Committee have provided.”³³⁰

After the dissolution of the BMP, the WAC carried on and expanded its motion picture work in behalf of the government for the duration of the war. In its final report compiled on March 8, 1946, the WAC outlined the industry’s wartime activities between 1940 and 1945. Below is the complete list of the organizational plan and separate activities of the seven working divisions as of June 1945:

- (1) Theatres Division: 16,486 theaters, pledged to play approved trailers and short subjects produced by the government or the industry, were organized under area chairmen and committees in 31 exchange territories, with a national executive committee of 15.
- (2) Distributors Division: 352 film exchanges in 31 key cities handled War Activities Committee releases without cost to the government, through the efforts of 352 exchange managers, 352 office managers, 850 film bookers, 1,000 traveling representatives, and thousands of inspectors, shipping clerks, and office workers. 625 trucks, operating through 51 film carriers, each traveled 65,000 miles a year to transport without cost the government’s war messages.
- (3) Hollywood Division: Composed of approximately 30,000 studio workers, performed many of its wartime activities through its local agencies, such as the Hollywood Victory Committee, the Hollywood Writers Mobilization, the Research Council of the Academy of Motion Pictures Arts and Sciences, and others. The Hollywood activities were co-ordinated with the industry-wide activities of the War Activities Committee.
- (4) Newsreel Division: Five newsreel companies and the March of Time, with their staffs, sent cameramen to all fighting fronts to bring world audiences day-by-day war developments.

³³⁰ Letter from Lowell Mellett to Francis S. Harmon, September 18, 1943, Lowell Mellett Papers, Personal Files—1938–1944, Box 12, File Harmon, Francis S., FDRL.

- (5) Trade Press Division: Entire staffs of 16 trade publications daily and weekly reported and in other ways assisted the war activities and campaigns conducted by and within the industry. In 1942 alone they contributed 113 pages of advertising to the industry's war activities.
- (6) Foreign Managers Division: and overseas branches enlisted the entire export facilities of the industry to distribute gift programs to fighting men abroad and to deliver recreational and informative films to United Nations theaters.
- (7) Public Relations Division: 1,800 publicity and public relations committeemen organized in 31 exchange areas, and representing 400 cities, dedicated promotional abilities and showmanship experience to industry projects requiring the enlistment of public support.³³¹

Recognizing the tremendous appeal of filmed messages and of the power for good of the motion picture industry, the Treasury Department constantly stressed the theme "Buy a Bond at Your Favorite Movie Theater." In its final tally of American theater patrons' contribution to the war effort, the WAC reported: "\$37,000,000 [was contributed] to such organizations as the Red Cross, National Foundation for Infantile Paralysis, USO, and others. They bought billions of dollars worth of bonds, gave their blood, collected scrap, saved fats, conserved rubber and other vital war materials."³³² It was also estimated that "at least one purely wartime message appeared on every screen of every theater every 30 minutes of playing time during the war."³³³

Overall, it must be said that the continued collaboration between the film industry and the U.S. government resulted in an impressive output of patriotism and propaganda. When the war came to a close, there was a great deal of uncertainty as to what would happen to the industry moving forward. They had certainly held up their end of the deal after getting a temporary reprieve from the Justice Department by entering into a consent decree in November 1940. The

³³¹ "War: Overall Report on Industry," March 8, 1946, Motion Pictures and World War II Files, 1937–1948, Collection 1218, Overall Report on Industry (1946) Folder, Margaret Herrick Library. See also War Activities Committee—Motion Picture Industry, *Movies at War, 1945*.

³³² "War: Overall Report on Industry," March 8, 1946, Motion Pictures and World War II Files, 1937–1948, Collection 1218, Overall Report on Industry (1946) Folder, Margaret Herrick Library.

³³³ *Ibid.*

formation of the WAC and the work each of the seven divisions did at the behest of the Roosevelt Administration represented the close cooperation between government and industry during World War II. Its establishment was the industry's last-ditch effort—its “patriotic play”—to protect its methods of doing business while continuing to bolster the morale of the American people both at home and abroad during World War II. While the efforts of the organization were not enough to save their theaters after the war, the lesser-known story of the War Activities Committee—its people, its day-to-day work, why and how it came to be—is both complex and central to the motion picture industry's relationship with the Roosevelt administration and its long battle with antitrust law.

Conclusion

The establishment of the War Activities Committee (WAC) and the subsequent war work of the motion picture industry during World War II did not end with the U.S. government dismissing the *Paramount* case or granting the studios another reprieve. On April 12, 1945, Franklin Delano Roosevelt died two months before the war came to a close.¹ Regarded as a “personal friend” to the industry, Roosevelt and his administration played a key role in keeping the industry afloat during his unprecedented four terms in office. Over the course of twelve and a half years, Hollywood and the Roosevelt Administration weathered numerous battles together including the Great Depression, antitrust cases, and World War II. While there were a number of rifts between the White House and the industry during this time, Roosevelt’s “genuine love for film entertainment, his friendliness for players and others identified with their making, and his keen appreciation, not infrequently expressed, of the industry’s contribution to the nation’s war effort” made his unexpected death at Warm Springs, Georgia unfathomable to many.² The sad news of Roosevelt’s passing also brought with it a cloud of uncertainty. Many hoped that “the motion picture industry [could] look forward to continued friendship and sympathy in the White House” with President Harry S. Truman.³ However, most industry insiders believed that without Roosevelt they faced an uphill battle when it came to the on-going antitrust litigation.

To be sure, there is absolutely no indication that Roosevelt would have come to the aid of the studios after the war. In fact, in August 1944, the Department of Justice reactivated the *Paramount* case after numerous complaints were filed, illustrating the majors’ repeated

¹ “Film Leaders Voice Grief at FDR’s Death,” *Film Daily*, April 13, 1945, 2, 8. As a tribute to Roosevelt, the industry closed its theaters to mourn his passing.

² “Industry Mourns Death of Roosevelt,” *Film Daily*, April 13, 1945, 2, 12.

³ Andrew H. Older, “Truman Seen as Industry Friend,” *Film Daily*, April 16, 1945, 1, 3.

violations of the terms set in the November 1940 consent decree. The Department of Justice “asked that the remedies of the amended complaint be ordered,” which meant the “divorcement of the exhibition branches of the five majors from the main production-distribution activities.”⁴ After the war, the *Paramount* case was tried in the fall of 1945, and in June 1946, a statutory court held that the system of distribution used by the major studios violated the Sherman Act.⁵ A decree was issued in December 1946 by the court pursuant to its opinion six months earlier, and prohibited the studios from engaging in specific anticompetitive business practices including: “(1) fixing admission prices in film licenses, (2) agreements to maintain a system of clearances, (3) clearances between theaters not in substantial competition, (4) clearance in excess of what was “reasonably necessary” to protect the licensee in the run granted, (5) franchises, (6) formula deals, master agreements, and (7) conditional block booking.”⁶ Although the statutory court’s findings were a set back, there was a silver lining. While the court found the anticompetitive practices to be unreasonable restraints of trade and attempts by the majors to monopolize the industry, it concluded that “none of the defendants was organized or had been maintained for the purpose of achieving a national theater monopoly...and held that the five majors, through their control of 17 per cent of the nation’s theaters, did not and could not collectively or individually have a monopoly of exhibition.”⁷

Unfortunately for the majors, when the case was on appeal to the Supreme Court in 1948, the majority of the lower court’s rulings relating to the illegal restraints of trade practices and

⁴ Michael Conant, *Antitrust in the Motion Picture Industry* (New York: Arno Press, 1979), 98.

⁵ Manning Clagett, “D of J Files Proposed N.Y. Equity Decree,” *Film Daily*, June 21, 1945, 1, 6.

⁶ Conant, *Antitrust in the Motion Picture Industry*, 99.

⁷ *Ibid.*, 102.

horizontal and vertical combinations in protection conspiracies were upheld. U.S. Attorney General Tom Clark made it clear to industry leaders that the Department of Justice was “going to move ahead for a decree, but it won’t be a consent decree.”⁸ The biggest blow dealt to the majors was the Supreme Court’s directive to the lower court to “reconsider divestiture of theaters as a remedy.”⁹ All five studios were ordered to divorce their exhibition wing from their production-distribution activities, which was “accomplished by setting up a separate subsidiary to take over the theaters and then to spin off shares of that firm.”¹⁰ RKO and Paramount entered into separate decrees with the government in 1948 and 1949, respectively; Warner Bros. and Twentieth Century-Fox signed in 1951; and Loew’s/MGM in 1952.

Throughout this dissertation, I have aimed to show that before 1946 the U.S. government, through its various agencies (i.e. the Department of Justice, the federal courts, the Federal Trade Commission, and Congress) aided and abetted monopoly in the motion picture industry during the Roosevelt administration. The sanctioning of anticompetitive business practices under the industry’s Fair Code of Competition in 1933 and the “temporary approval of a cartelized structure” of the industry with the consent decree in 1940 allowed the major studios to continue to conduct their business at the expense of the independents.¹¹ Without a doubt, the quid pro quo arrangement between the government and the industry that resulted in the formation of the WAC was a business deal first, and a patriotic duty second. When the three-year time limit following the consent decree was up in 1943, the majors were able to continue to conduct their business

⁸ Andrew H. Older, “Gov’t to Seek Injunction in Equity Suit,” *Film Daily*, May 28, 1948, 1, 8.

⁹ Conant, *Antitrust in the Motion Picture Industry*, 101–102.

¹⁰ *Ibid.*, 104.

¹¹ *Ibid.*, 203.

despite having violated the terms of their agreement because their services were too valuable to the national defense efforts of this country.

The collaboration between the government and the motion picture industry that took place during World War II was unprecedented. Perhaps the moguls truly believed that the *Paramount* case would either go away or they would find a way to buy more time after their impressive participation in the war effort. The belief that the industry was immune to outside forces was only exacerbated when the studios enjoyed their biggest box office on record—\$1.75 billion—in 1946.¹² However, when the monopoly and vertical combination in the motion picture industry finally came to an end with the high court’s ruling in 1948, a new era of filmmaking was ushered in. By divorcing their theater circuits, the major studios begrudgingly opened up the market for free competition. Without total control of the American marketplace, the studios now had to figure out new ways to differentiate its product to stay profitable. The rise of independent productions, talent agencies, and, most importantly, television, in the postwar years signaled a dramatic shift in Hollywood’s business practices, and its story is equally as riveting as the one I have tried to relay here.

Antitrust law and the motion picture industry were uniquely tied during the first half of the twentieth century. What I hope to have illustrated in these pages is that the *Paramount* case and the antitrust litigation that preceded it not only shaped the way Hollywood conducted its business during the studio era, but was, in fact, the tie that cemented the collaboration between government and the industry during World War II.

¹² Richard B. Jewell, *The Golden Age of Hollywood Cinema, 1929–1945* (Malden, MA: Blackwell Publishing, 2007), 299. The opening of foreign markets combined with healthy domestic box office receipts resulted in the impressive gross revenues for 1946. Jewell’s breakdown of the individual studio’s profits are as follows: Paramount—\$39 million; Twentieth Century-Fox—\$25 million; Warner Bros.—\$22 million; Loew’s/MGM—\$18 million; and RKO \$12 million.

Bibliography

Archival Collections

Academy of Motion Picture Arts and Sciences (AMPAS). Academy War Film Library Files, 1941-1947, Special Collections 1258.

Academy of Motion Picture Arts and Sciences (AMPAS). Motion Picture Industry Council Records, 1943–1957, Dorothy B. Jones File, Special Collections, 172.

Academy of Motion Picture Arts and Sciences (AMPAS). Motion Pictures and World War II Files, 1937–1948, Special Collections 1218.

Academy of Motion Picture Arts and Sciences (AMPAS). Production Code Administration File, *I Am a Fugitive from a Chain Gang* (1932).

Franklin Delano Roosevelt Presidential Library. John Boettiger Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. Stephen T. Early Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. Harry L. Hopkins Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. Louis Howe Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. Pare Lorentz Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. Pare Lorentz Scrapbooks, Special Collections.

Franklin Delano Roosevelt Presidential Library. Lowell Mellett Papers, Special Collections.

Franklin Delano Roosevelt Presidential Library. President's Official File 36, Special Collections.

Franklin Delano Roosevelt Presidential Library. President's Official File 73—Motion Pictures, Special Collections.

Franklin Delano Roosevelt Presidential Library. President's Personal File, 1940-1958, Special Collections.

The University of California, Los Angeles. Will H. Hays Papers, Cinema History Microfilm Series, Part II: April 1929-September 1945, Special Collections.

Books:

Aitken, Ian. *Film and Reform: John Grierson and the Documentary Film Unit*. New York: Routledge, 1990.

- Balio, Tino. *Grand Design: Hollywood as a Modern Business Enterprise, 1930-1939*. Berkeley: University of California Press, 1995.
- Barnouw, Erik. *Documentary: A History of the Non-Fiction Film*. New York: Oxford University Press, 1993.
- Barsam, Richard Meran. *Nonfiction Film: A Critical History*. New York: E.P. Dutton & Co., 1973.
- Bassinger, Jeanine. *The World War II Combat Film: Anatomy of a Genre*. New York: Columbia University Press, 1986.
- Bernstein, Matthew. *Controlling Hollywood Censorship and Regulation During the Studio Era*. New Brunswick: Rutgers University Press, 1999.
- Bird, Caroline. *The Invisible Scar*. New York: Longman, 1978.
- Birdwell, Michael E. *Celluloid Soldiers: Warner Bros.'s Campaign Against Nazism*. New York: New York University Press, 1999.
- Black, Gregory D. *Hollywood Censored: Morality Codes, Catholics, and the Movies*. New York: Cambridge University Press, 1995.
- Black's Law Dictionary*. 8th ed. St. Paul: Thomson/West, 2005.
- Blum, John Morton. *V Was For Victory*. New York: Harcourt Brace Jovanovich, 1976.
- Bohn, Thomas William. *An Historical and Descriptive Analysis of the "Why We Fight" Series*. New York: Arno Press, 1977.
- Bordwell, David, Janet Staiger, and Kristin Thompson. *The Classical Hollywood Cinema: Film Style & Mode of Production to 1960*. New York: Columbia University Press, 1985.
- Bowser, Eileen. *The Transformation of the Cinema, 1907-1915*. Berkeley: University of California Press, 1990.
- Ceplair, Larry and Steven Englund. *The Inquisition in Hollywood: Politics in the Film Community, 1930-1960*. Urbana: University of Illinois Press, 2003.
- Childs, Marquis. *I Write From Washington*. New York: Harper, 1942.
- Chemmerinsky, Erwin. *Constitutional Law*. New York: Aspen Publishers, 2011.
- Conant, Michael. *Antitrust in the Motion Picture Industry*. New York: Arno Press, 1978.
- Creel, George. *How We Advertised America: The First Telling of the Amazing Story of the Committee on Public Information that Carried the Gospel of Americanism to Every Corner of the Globe*. New York: Harper & Brothers, 1920.

- Davis, Bette. *The Lonely Life*. New York: The Berkley Publishing Group, 1962.
- Dearing, Charles L., Paul T. Homan, Lewis L. Lorwin, and Leverett S. Lyon. *The ABC of the NRA*. Washington: The Brookings Institution, 1934.
- deCordova, Richard. *Picture Personalities: The Emergence of the Star System in America*. Urbana: University of Illinois Press, 2001.
- Dick, Bernard F. *The Star-Spangled Screen: The American World War II Film*. Kentucky: University of Kentucky Press, 1985.
- Dickstein, Morris. *Dancing in the Dark: A Cultural History of the Great Depression*. New York, W.W. Norton & Company, 2009.
- Doherty, Thomas. *Hollywood's Censor: Joseph I. Breen and the Production Code Administration*. New York: Columbia University Press, 2007.
- . *Pre-Code Hollywood*. New York: Columbia University Press, 1999.
- . *Projections of War*. New York: Columbia University Press, 1993.
- Forman, Henry James. *Our Movie Made Children*. New York: Macmillan, 1933.
- Goodwin, Doris Kearns. *No Ordinary Time*. New York: Simon & Schuster, 1994.
- Gomery, Douglas. *The Coming of Sound*. New York: Routledge, 2005.
- Hardy, Forsyth. *John Grierson: A Documentary Biography*. London: Faber, 1979.
- Harris, Mark. *Five Came Back: A Story of Hollywood and the Second World War*. New York: Penguin Press, 2014.
- Hays, Will H. *The Memoirs of Will H. Hays*. New York: Doubleday Press, Inc., 1955.
- Hirschhorn, Clive. *The Warner Bros. Story*. New York: Crown Publishers, Inc., 1979.
- Hoban, Charles F. Jr., *Movies that Teach*. New York: Dryden Press, 1946.
- Jackson, Robert H. *That Man: An Insider's Portrait of Franklin D. Roosevelt*. New York: Oxford University Press, 2003.
- Jacobs, Lea. *The Wages of Sin*. Berkeley: University of California Press, 1995.
- Jewell, Richard B. *The Golden Age of Cinema: Hollywood: 1929–1945*. Malden, MA: Blackwell Publishing, 2007.
- . *RKO Radio Pictures: A Titan is Born*. Berkeley: University of California Press, 2012.

- Kaufman, J.B. *South of the Border with Disney: Walt Disney and the Good Neighbor Program, 1941–1948*. New York: Disney Editions, 2009.
- Kennedy, David M. *Over Here: The First World War and American Society*. New York: Oxford University Press, 2004.
- Koppes, Clayton R. and Gregory D. Black. *Hollywood Goes to War*. Berkeley: University of California Press, 1987.
- Koszarski, Richard. *An Evening's Entertainment: The Age of the Silent Feature Picture, 1915–1928*. Berkeley: University of California Press, 1990.
- Lasky, Jesse L. with Don Weldon. *I Blow My Own Horn*. London: Victor Gollancz, 1957.
- Lasswell, Harold D. *Propaganda Technique in the World War*. New York: Alfred A. Knopf, Inc., 1927.
- Leff, Leonard and Jerold Simmons. *Dame in the Kimono*. Kentucky: University of Kentucky Press, 2001.
- Leuchtenburg, William E. *Franklin D. Roosevelt and the New Deal, 1932–1940*. Boston: Houghton Mifflin, 1958/
- Lewis, Howard T. *The Motion Picture Industry*. New York: D. Van Nostrand Company, 1933.
- Levin, Linda Lottridge. *The Making of FDR*. New York: Prometheus Books, 2008.
- Lingeman, Richard. *Don't You Know There's A War On?* New York: Nation Books, 2003.
- Look* magazine editors. *Movie Lot to Beach Head*. New York: Double Day, 1945.
- Lorentz, Pare. *FDR's Moviemaker: Memoirs & Scripts*. Reno: University of Nevada Press, 1992.
- McBride, Joseph. *Frank Capra: The Catastrophe of Success*. New York: St. Martin's Griffin, 2000.
- Muscio, Giuliana. *Hollywood's New Deal*. Philadelphia: Temple University Press, 1996.
- Musser, Charles. *The Emergence of Cinema: The American Screen to 1907*. Berkeley: University of California Press, 1990.
- Myers, James M. *The Bureau of Motion Pictures and its Influence on Film Content During World War II*. Lewiston, NY: The Edwin Mellen Press, 1998.
- Nelson, W. Dale. *Who Speaks for the President?: The White House Press Secretary from Cleveland to Clinton*. New York: Syracuse University Press, 1998.

- Nichols, Bill. *Representing Reality: Issues and Concepts in Documentary*. Indiana: Indiana University Press, 1991.
- Quinn, Susan. *Furious Improvisation: How the WPA and a Cast of Thousands Made High Art Out of Desperate Times*. New York: Walker & Company, 2008.
- Renov, Michael. *Hollywood's Wartime Women*. Ann Arbor: University of Michigan Press, 1988.
- Roosevelt, Franklin D. *Looking Forward*. New York: Touchstone, 2009. First published 1933 by the John Day Company, Inc.
- . *The Public Papers and Addresses of Franklin D. Roosevelt. Volume 7—The Continuing Struggle for Liberalism*. New York: Random House, 1938.
- Ross, Steven J. *Working-Class Hollywood: Silent Film and the Shaping of Class in America*. New Jersey: Princeton University Press, 1998.
- Schatz, Thomas. *Boom and Bust: American Cinema in the 1940s*. Berkeley: University of California Press, 1999.
- . *The Genius of the System: Hollywood Filmmaking in the Studio Era*. New York: Holt Publishers, 1988.
- . *Hollywood Genres*. Boston: McGraw-Hill, Inc., 1981.
- Shull, Michael S. and David E. Wilt. *Doing Their Bit: Wartime American Animated Short Films, 1939–1945*. Jefferson, NC: McFarland & Company, Inc., 1987.
- Sklar, Robert. *Movie-Made America: A Cultural History of American Movies*. New York: Vintage Books, 1994.
- Snyder, Robert L. *Pare Lorentz and the Documentary Film*. Oklahoma: University of Oklahoma Press, 1968.
- Steele, Richard W. *Propaganda in an Open Society: The Roosevelt Administration and the Media, 1933–1941*. Connecticut: Greenwood Press, 1985.
- Sussex, Elizabeth. *The Rise and Fall of British Documentary*. Berkeley: University of California Press, 1975.
- Tsivian, Yuri. *Early Cinema in Russia and its Cultural Reception*. Chicago: University of Chicago Press, 1998.
- Warner, Jack L. *My First Hundred Years in Hollywood*. New York: Random House, 1965.
- Winfield, Betty Houchin. *FDR and the News Media*. New York: Columbia University Press, 1994.

Winkler, Allan M. *The Politics of Propaganda: The Office of War Information, 1942-1945*. New Haven: Yale University Press, 1979.

Zeiger, Robert H. *America's Great War: World War I and the American Experience*. Lanham, MD: Rowman & Littlefield Publishers, 2001.

Zukor, Adolph. *The Public is Never Wrong: The Autobiography of Adolph Zukor*. With Dale Kramer. New York: Putnam, 1953.

Articles in Edited Volumes and Academic Journals:

Braudy, Leo. "Entertainment or Propaganda?" In *Warners' War: Politics, Pop Culture & Propaganda in Wartime Hollywood*, edited by Martin Kaplan and Johanna Blakley, 27–37. Los Angeles: Norman Lear Press, 2004.

Gil, Alexandra. "Breaking the Studios: Antitrust and the Motion Picture Industry." *NYU Journal of Law and Liberty* 3 (2008): 83–123.

Jones, Dorothy. "The Hollywood War Film: 1942–1944." *Hollywood Quarterly* 1, no. 1 (October 1945): 1–19.

Koppes, Clayton R. and Gregory D. Black. "What to Show the World: The Office of War Information and Hollywood, 1942-1945," *The Journal of American History* 46, no. 1 (June 1977): 87–105.

Larson, Cedric. "The Domestic Motion Picture Work of the Office of War Information." *Hollywood Quarterly* 3, no. 4 (Summer 1948): 434–443.

Leab, Daniel J. "Pare Lorentz and American Government Film Production." *Midcontinent American Studies Journal* 6, no. 1 (Spring 1965): 441–451.

Mott, Frank Luther. "Newspapers in Presidential Campaigns." *Public Opinion Quarterly* 8, no. 3 (1944): 348–367.

Ross, Steven J. "Confessions of a Nazi Spy: Warner Bros., Anti-Fascism and the Politicization of Hollywood." In *Warners War: Politics, Pop Culture & Propaganda in Wartime Hollywood*, edited by Martin Kaplan and Johanna Blakley, 49–59. Los Angeles: Norman Lear Press, 2004.

Rosten, Leo C. "President Roosevelt and the Washington Correspondents," *Public Opinion Quarterly* 1, no. 1, (1937): 36–52.

Sayre, Jeanette. "Radio: Congress Has an Inning," *Public Opinion Quarterly* 5, no. 2 (June 1941): 301–305.

Staiger, Janet. "Combination and Litigation: Structures of U.S. Film Distribution, 1896-1917," *Cinema Journal* 23, no. 2 (Winter: 1984): 41–72.

"The Motion Picture Industry and the Anti-Trust Laws," *Columbia Law Review* 36 (1936): 635–652.

Wanger, Walter. "OWI and Motion Pictures," *Public Opinion Quarterly* 7, no.1 (1943): 100–110.

Wertheimer, John. "Mutual Film Reviewed: The Movies, Censorship, and Free Speech in Progressive America," *The American Journal of Legal History* 37, no. 2 (1993): 158–189.

Whitman, William F. "Anti-Trust Cases Affecting the Distribution of Motion Pictures," *Fordham Law Review* 7 (1938): 189–202

———. "The Consent Decree in the Moving Picture Industry," *Fordham Law Review* 10 (1941): 65–73.

Dissertation:

Schoenherr, Steven E. *Selling the New Deal: Stephen T. Early's Role as Press Secretary to Franklin D. Roosevelt*. Diss. University of Delaware, 1976.

Newspaper, Magazine and Trade Paper Articles:

Abbey, C.R. "David Selznick Voices Opposition to Block-Booking." *Film Daily*, May 9, 1940.

Bahn, Chester B. "Another Dud... via the Senate." *Film Daily*, April 7, 1943.

———. "Majors Act to End Trade Problems." *Film Daily*, June 29, 1938.

———. "Scratch-Pad...Jottings." *Film Daily*, December 15, 1942.

———. "War's Horror...and the Screen." *Film Daily*, September 29, 1943.

Bell, Nelson B. "A Distinguished Audience See 'River' Preview." *Washington Post*, December 8, 1937.

Bellows, Henry. "Is Radio Censored?" *Harpers*, November 1935.

Boettiger, John. "Await Dictum on NRA From Supreme Court: Is It Constitutional? The Question." *Chicago Tribune*, September 3, 1933.

———. “New Deal Sees Spending Spree Reviving Trade.” *Chicago Tribune*, February 11, 1934.

———. “One Recovery Policy Seems to Reduce Surplus While Another Promotes Larger Production.” *Chicago Tribune*, October 1, 1933.

Carson, Lee. “Personality Profiles of the President’s Key Advisors.” *Washington Post*, August 17, 1941.

Chicago Daily Tribune “Col. McCormick Warns of Attacks Against U.S. Constitution.” September 18, 1934.

Chicago Daily Tribune. “Mrs. Anna Dall, John Boettiger Wed in New York.” January 19, 1935.

Chicago Daily Tribune. “Mrs. Roosevelt Cheered After Fair Radio Talk.” July 10, 1934.

Chicago Daily Tribune. “U.S. Board Orders Film Booking Co. to Stop Trust Tactics.” September 17, 1918.

Clapper, Raymond. “Why Reporters Like Roosevelt.” *Review of Reviews*, 1934.

Daily Variety. “26 Pictures Scheduled for U.S.” April 13, 1942.

Daily Variety. “Agreement on Consent Decree.” June 8, 1940.

Daily Variety. “Anti-Trust Trial Lid Pops Off.” June 4, 1940.

Daily Variety. “Army Heads Defend Film Industry in D.C. Probe.” February 17, 1943.

Daily Variety. “‘Box Office Dives to New Low.’” May 2, 1938.

Daily Variety. “Can’t Be Annoyed by Yelps.” December 9, 1933.

Daily Variety. “Consent Decree Set For ‘Big 5.’” July 23, 1940.

Daily Variety. “Consent Decree Signed.” November 22, 1940.

Daily Variety. “Distribs Get Victory Films in Threes.” April 9, 1942.

Daily Variety. “Distribs Lose Out in Anti-Trust Decision.” September 27, 1937.

Daily Variety. “Doesn’t Care for Censors.” January 31, 1934.

Daily Variety. “Exhibs Lose ‘Trust’ Bowl.” August 7, 1936.

Daily Variety. “FDR Acts in Theatre Crisis—Film Heads Summoned to Parley.” June 27, 1938.

Daily Variety. “Film Heads Not Guilty.” November 12, 1935.

Daily Variety. “Five Newsreels Join in Defense Plans.” June 8, 1940.

Daily Variety. "Goddard Trial Judge in U.S. Trust Suit." January 17, 1940.

Daily Variety. "Goodbye Carole." January 19, 1942.

Daily Variety. "Hays Dash Here on U.S. Suit." July 22, 1938.

Daily Variety. "Mellett Won't Censor Films." December 24, 1941.

Daily Variety. "No Film Censorship—Mellett." January 15, 1942.

Daily Variety. "Pic Biz Open Battle for Life." June 3, 1940.

Daily Variety. "Pic Manpower Faces War Call." December 9, 1941.

Daily Variety. "Show Biz Pledges War Aid." December 17, 1941.

Daily Variety. "Trust Probers Sidestep Quick Delve Into Picture Industry." July 8, 1938.

Daily Variety. "Will Study Morality of Films." January 30, 1934.

Daily Variety. "Work in Daylight!" *Daily Variety*, December 10, 1941.

Daily Variety. "Wyler, Capra, Huston Head for Signal Corps Service." December 15, 1941.

Daily Variety. "Zukor Variety Interview Used by U.S. in Quiz." April 6, 1940.

Daly, John J. "...the President!" *The Washington Post*, April 1, 1934.

Dennett, Prescott. "Allied Seeks Pix Probe By New Federal Group." *Film Daily*, July 7, 1938.

———. "Arbitr'n 'With Teeth,' Consent Plan." *Film Daily*, March 29, 1940.

———. "Congress to Watch Equity Suit Trial Before Legislating, Lea Indicates." *Film Daily*, January 3, 1939.

———. "FDR's Hands Off in Equity Suit." *Film Daily*, May 31, 1940.

———. "Justice Department Readies Pix Action." *Film Daily*, June 18, 1938.

Donnelly, Gerald B. "The Bishops Rise Against Hollywood." *America*, May 26, 1934.

Dunlap, Jr., Orrin E. "Hoover, Roosevelt and Radio." *New York Times*, July 10, 1932.

Early, Stephen T. "Hobgoblins: 1935 Model." *Redbook*, April 1935.

Eddy, Arthur W. "Only One Major Change in Code Revision: Independents Expected to Reject Third Code." *Film Daily*, October 18, 1933.

———. "Rosenblatt May Be Permanent Film Code Head." *Film Daily*, December 2, 1933.

———. “Independent Factions Walk Out On Code Confab.” *Film Daily*, October 6, 1933.

———. “Independents in Revolt Against Code Draft.” *Film Daily*, October 5, 1933.

Film Daily. “1940 Is Not 1918, Zukor Tells Gov’t.” *Film Daily*, April 6, 1940.

Film Daily. “400 House Already Set for War Bond Premiere.” September 3, 1942.

Film Daily. “A \$50,000,00 Unit.” April 6, 1923.

Film Daily. “Abram F. Myers Replies to Sidney R. Kent for Allied States.” April 4, 1938.

Film Daily. “Adopt Rotating Plan for Defense Pix Distribution.” March 3, 1942.

Film Daily. “Allied Tackles Job of Rewriting Draft.” January 23, 1939.

Film Daily. “Allied Wants Mellett Help on Consent Decree.” December 14, 1942.

Film Daily. “Allied Wants Justice, Not Commerce Dept., in Any Film Arbitration Plan.” April 24, 1940.

Film Daily. “Army Lauds Pix Execs. to Senate Com.” February 17, 1943.

Film Daily. “Army’s ‘Keep Quite’ Film Released for Theater Use.” July 17, 1942.

Film Daily. “Assure Pix for Troops Abroad.” December 8, 1942.

Film Daily. “Attacks Equity Suit as ‘Class Action.’” June 5, 1940.

Film Daily. “Await Hardy’s Next Move in St. Louis Case.” January 30, 1936.

Film Daily. “Ban on Duals Illegal, Philly Court Rules.” February 1, 1935.

Film Daily. “Big Five, U.S. Unite in Decree Defense.” November 14, 1940.

Film Daily. “Bitter Fight Seen as Zoning Test Case Opens.” April 19, 1932.

Film Daily. “Capra Films for Troops.” March 16, 1942.

Film Daily. “Capra to Report to Signal Corps.” December 15, 1941.

Film Daily. “Capra to Report to the Signal Corps.” December 15, 1941.

Film Daily. “Capra’s ‘Prelude to War’ Heads for Public Release.” February 18, 1943.

Film Daily. “Caravan Show Nets \$24,901 in Capital.” May 1, 1942.

Film Daily. “‘Census of Audiences’ Considered for Industry.” April 30, 1942.

Film Daily. "Centralization." June 9, 1924.

Film Daily. "Chadwick Testifies on Duals; Motion to Dismiss is Denied." November 28, 1934.

Film Daily. "Chain Unit Formed." December 3, 1925.

Film Daily. "Closing of 50 Metropolitan Area Theaters Proposed." June 23, 1938.

Film Daily. "'Compulsion' Big Issue of U.S. Decision." October 17, 1929.

Film Daily. "Confident." May 1, 1928.

Film Daily. "Court Finds for Gov't in Dallas Trust Case." September 27, 1937.

Film Daily. "Court Reserves Decision on Quittner Pauper Appeal." April 3, 1934.

Film Daily. "Crash Hits Film Issues." October 29, 1929.

Film Daily. "D of J to Fight Majors' Application for Delay of Month in Start of Trial." April 15, 1940.

Film Daily. "D of J Wins Right to Serve New Bill." December 6, 1940.

Film Daily. "Davis Reorganizes Office of War Information." July 13, 1942.

Film Daily. "Defense Must Ask For A Consent Decree—Arnold." January 4, 1940.

Film Daily. "Defense Scores Several Points in St. Louis Trial." January 28, 1938.

Film Daily. "Distribs. Open Guns Today in Protection Case." April 20, 1932.

Film Daily. "Distributors Win Ruling in Their Minneapolis Action." February 4, 1936.

Film Daily. "Dual Clause Test Case in Philly Court Today." November 21, 1934.

Film Daily. "Emergency Defense Parley Called on Dec. 19 by SPG." December 12, 1941.

Film Daily. "Equity Trial June 3; No More Delays." April 22, 1940.

Film Daily. "Exchanges Combined." June 5, 1924.

Film Daily. "Execs Pledge Full Co-Op to President." June 27, 1938.

Film Daily. "Exhibs. To Aid War Stamp Sales." April 8, 1942.

Film Daily. "Expect Allied to Press for Draft's Revision at Capital Meeting Today." January 16, 1939.

Film Daily. "Expect Davis Will Step Up Use of Pix." June 16, 1942.

Film Daily. "Federal Suit Can Bring Benefits—Hays." July 21, 1938.

Film Daily. "Federal Trade Commission Opens Case Against Famous Players." April 24, 1923.

Film Daily. "Film Council Cold to Increased Quotas." March 6, 1939.

Film Daily. "Film Leaders Voice Grief at FDR's Death." April 13, 1945.

Film Daily. "Films Must 'Keep Them Laughing.'" December 19, 1941.

Film Daily. "Films' Biggest Role Still to Come—Coe." September 29, 1943.

Film Daily. "First 'Film Bulletin' Plugs Third War Loan." August 25, 1943.

Film Daily. "Fox Issue Ready." November 13, 1925.

Film Daily. "Fox Theaters." November 8, 1925.

Film Daily. "Free Films in Combat Zones." February 19, 1942.

Film Daily. "Goddard Trial Judge in U.S. Trust Suit." January 17, 1940.

Film Daily. "Gov't Expects Its New Witness to Show Coercion in Theater Buying." April 2, 1940.

Film Daily. "Gov't Files List of New Charges." April 2, 1940.

Film Daily. "Gov't Films Being Used in Campaign, GOP Claims." September 27, 1940.

Film Daily. "Government to Insist on Divorcement—Arnold." February 6, 1939.

Film Daily. "Government's Suit Against Majors Forecast in *Film Daily* on June 18th." July 21, 1938.

Film Daily. "Greater War Effort Role for Industry—Mellett." July 31, 1942.

Film Daily. "H'wood to Make 26 Entertainment War Shorts." April 14, 1942.

Film Daily. "H'wood Victory Caravan Set for Washington Bow." April 30, 1942.

Film Daily. "H'wood's War Contributions Many and Varied." December 8, 1942.

Film Daily. "Harmon Quits MPPDA for WAC." December 17, 1941.

Film Daily. "Hess, Netter, Ed Grainger Queried at Rembusch Trial." February 15, 1934.

Film Daily. "Hoblitzelle on Stand in Texas Dallas Trust Case." September 23, 1937.

Film Daily. "Hodkinson Discusses Importance of First Run Showings to Independents." April 25, 1923.

Film Daily. "Hollyw'd WAC Okays War Shorts Program." July 27, 1943.

Film Daily. "Hoyt Urges Complete Frankness in War Pix." September 28, 1943.

Film Daily. "Indie Code Proposals Entirely Ignored." October 18, 1933.

Film Daily. "Industry Asked to Help Make Series of Army Pix." March 24, 1942.

Film Daily. "Industry Mourns Death of Roosevelt." April 13, 1945.

Film Daily. "Industry-OWI Co-Cp. Stays Voluntary." December 29, 1942.

Film Daily. "Industry Pledges Defense Co-operation." September 5, 1940.

Film Daily. "Industry Support for OWI Pix Bureau." June 21, 1943.

Film Daily. "Industry Too Complex for Split—Hays." March 26, 1940.

Film Daily. "Iowa-Nebraska Allied Raises Youngclaus Fund." March 9, 1932.

Film Daily. "Judge H.W. Goddard to Try Gov't Equity Suit." January 17, 1940.

Film Daily. "Justice Dept. Asks 'Free Competition.'" July 21, 1938.

Film Daily. "Justice Dept. Looks for Extended Trial." July 22, 1938.

Film Daily. "Kent Warns Neely's Bill Spells Industry Ruin." March 8, 1938.

Film Daily. "Lowell Mellett: 'We Are Suggesting...'" December 29, 1942.

Film Daily. "Major Producers as Gov't Witnesses." April 17, 1940.

Film Daily. "Marco Tells of Pleading with Para. for Product." January 18, 1936.

Film Daily. "May Air Army-OWI Breach on Showing of Army Pix." April 19, 1943.

Film Daily. "Metro-Goldwyn." April 18, 1924.

Film Daily. "Minneapolis Dist. Court Holds Price-Fixing is Not Restraint." February 6, 1936.

Film Daily. "Minneapolis Dual Test Case Dropped." March 26, 1936.

Film Daily. "Monopolistic Waste Charged by Arnold." June 4, 1940.

Film Daily. "Movies First Choice of U.S. Troops in Britain." April 15, 1943.

Film Daily. “Myers Calls Decree ‘Unjust.’” November 15, 1940.

Film Daily. “Myers Explains Allied’s Rejection of D of C Plan.” April 23, 1940.

Film Daily. “Name Senate Com. to Hold Neely Bill Hearings Today.” February 3, 1939.

Film Daily. “Nation-Wide Public Relations Program.” June 10, 1942.

Film Daily. “Navy Relief Show’s Net to Approximate \$140,000.” March 10, 1942.

Film Daily. “Nazis’ Grab Spells \$350,000 U.S. Loss.” March 17, 1939.

Film Daily. “NEC Sets Up Machinery for Broad Probe of Monopoly.” July 9, 1938.

Film Daily. “Neely Consideration Again Blocked in Senate.” May 6, 1938.

Film Daily. “Neely Gets Mad.” May 12, 1938.

Film Daily. “Neely Monopoly Charge Denied by 26 Companies.” March 9, 1938.

Film Daily. “New Entertainment Possibilities Seen as Vitaphone Debut Soars.” August 8, 1926.

Film Daily. “Newsreel Cameramen May Be on Semi-Military Basis.” December 16, 1941.

Film Daily. “No Changes by Roosevelt in Film Code.” December 1, 1933.

Film Daily. “No Collusion Between Film Companies, Kent Testifies at Quittner Meeting.”
January 4, 1933.

Film Daily. “No Film Censorship: F.D.R. to Mellett.” December 24, 1941.

Film Daily. “Now All Theaters Are ‘Key’ Stands.” October 7, 1941.

Film Daily. “On Warner Board.” October 16, 1925.

Film Daily. “Para.’s Air Raid Precautions.” December 16, 1941.

Film Daily. “Parley on Newsreels’ Place in the War Program.” July 16, 1942.

Film Daily. “Pic Defense Committee Given New Tag by Freeman.” December 31, 1941.

Film Daily. “Pix and Newspaper Scrap Drives Join.” October 6, 1942.

Film Daily. “President Roosevelt Sends Regrets to Gable.” January 20, 1942.

Film Daily. “Protection Cause 70% Drop, Mrs. Youngclaus Testifies.” April 21, 1932.

Film Daily. “Quittner Loses Conspiracy Suit Against Para.” February 25, 1933.

Film Daily. “‘Reach Substantial Agreement’—Gov’t.” July 23, 1940.

Film Daily. “Rembusch Hearing Feb. 5.” February 5, 1934.

Film Daily. “Report Top Execs. Will Meet Roosevelt Today.” June 25, 1938.

Film Daily. “Rewriting of Draft Near Finish; J. Schenck Defends Block-Booking.” January 25, 1939.

Film Daily. “Rosenblatt Expects Code Will Ignore Dual Bills.” October 17, 1933.

Film Daily. “S.R. Kent to Study South Amer. Market.” March 6, 1939.

Film Daily. “Says Indep’t Won’t Sign Any Code Unless it Assures Freedom of Duals.” October 17, 1933.

Film Daily. “Settlement of Government Suit is Reported Set.” April 29, 1936.

Film Daily. “Senate Com. Urges End of OWI Film Bureau.” June 30, 1943.

Film Daily. “Senate Committee Will Open Inquiry Today Into Army’s Commissioning of Industryites.” February 16, 1943.

Film Daily. “Signal Corps May Recruit from Hollywood Talent.” December 10, 1941.

Film Daily. “Submit Para. Claim Settlements.” October 24, 1934.

Film Daily. “‘Super-Escapist’ Pictures is Paramount’s Plan.” July 19, 1943.

Film Daily. “Text of Paramount Decision.” July 18, 1927.

Film Daily. “Theater Defense Bureau for L.A.” December 16, 1941.

Film Daily. “Theater Unit for Fox.” November 6, 1925.

Film Daily. “To Release ‘Prelude to War.’” April 27, 1943.

Film Daily. “Truman Com. Drops Inquiry.” April 6, 1943.

Film Daily. “U.S. Action Aimed to Force Divorcement of Theaters.” July 21, 1938.

Film Daily. “U.S. Consent Decree Stand Finds Majors Cool.” January 11, 1940.

Film Daily. “U.S. Films Foreign-Exchange Status.” March 3, 1939.

Film Daily. “U.S. Grip on Foreign Market Off 5%; B’s Hurt Abroad, Washington’s View.” March 3, 1939.

Film Daily. “Universal Issue Out Today.” December 4, 1925.

Film Daily. "Urges New Film Technique For Conveying Information." June 11, 1942.

Film Daily. "Value of Pictures Called Intangible by Judge in Quittner Suit." February 25, 1933.

Film Daily. "Victory Films at Every Show in 94% of Theaters." April 9, 1942.

Film Daily. "Vitaphone." August 8, 1926.

Film Daily. "WAC Field Publicists Named." March 9, 1942.

Film Daily. "WAC Film Releases." February 2, 1942.

Film Daily. "WAC Schedules New War Information Pix, Bulletins." November 24, 1943.

Film Daily. "WAC Ships 3,000 Prints of the Red Cross Trailer." December 24, 1941.

Film Daily. "WAC Wants Mellett to Stay." June 25, 1943.

Film Daily. "Walt Disney Received by Argentine President." September 17, 1941.

Film Daily. "War Training Program to be Expanded." December 12, 1941.

Film Daily. "Warner Deal For Stanley Purchase Is Declared Set." September 7, 1928.

Film Daily. "'Win War Now,' Industry Slogan." December 22, 1941.

Film Daily. "Zoning System Upheld in Kansas City Court Ruling." August 6, 1936.

Flinn, John C. "Unity Conference of Industry Opening." *Daily Variety*, December 9, 1941.

Ford, Elizabeth. "Roosevelt Is Popular Film Subject." *The Washington Post*, October 17, 1937.

Fortune. "No One Has Starved." September 1932.

Francis, Warren B. "'Political Trade' Indicated in Federal Anti-Trust Film Suit." *Los Angeles Times*, July 24, 1938.

———. "Film Anti-Trust Suit Launched." *Los Angeles Times*, July 21, 1938.

———. "Senate Refuses to Provide Funds for Government Films." *Los Angeles Times*, April 27, 1940.

Friedman, Chester. "The Newsreel Is Important." *Motion Picture Herald*, July 17, 1943.

Green, Abel. "U.S. Will 'Cue' Hollywood." *Variety*, May 6, 1942.

Griffith, Richard. "A Big Year for Fact Films." *New York Times*, September 17, 1939.

Hazen, Joseph. "How Films Service the Army." *Variety*, January 6, 1943.

Hollywood Reporter. "15,000 U.S. Theatres Behind Gov't Scrap Collection Drive." October 6, 1942.

Hollywood Reporter. "17,568 Theaters Now Operating in the U.S.; Pledge War Support." November 12, 1942.

Hollywood Reporter. "50 Performers in Service Shows." May 18, 1942.

Hollywood Reporter. "All Profits from 26 War Pix Will Go to Emergency Charity." May 22, 1942.

Hollywood Reporter. "Army Woos Film Technical Experts for Signal Corps." April 23, 1942.

Hollywood Reporter. "Arnold Urges Neely Bill Action." April 23, 1940.

Hollywood Reporter. "Bob Hope Devotes Vacation to Camps." April 30, 1942.

Hollywood Reporter. "Camp Shows Free to All Service Men." February 25, 1942.

Hollywood Reporter. "Caravan Passes 750G Goal; Total Frisco Take \$150,000." May 21, 1942.

Hollywood Reporter. "Cardinal Bans All Pix." June 9, 1934.

Hollywood Reporter. "Carole Lombard." January 19, 1942.

Hollywood Reporter. "Copper Salvage Drive to Be Mode in Theaters." June 24, 1942.

Hollywood Reporter. "Davis Admits that Mellett Bureau May Be Washed Up." June 21, 1943.

Hollywood Reporter. "Death of Mellett Bureau Won't End His Pic Relations." June 22, 1943.

Hollywood Reporter. "Exhibitor Groups 'Little 3' Band in Pact Attack as Court Hold Decision Amid Uproar." November 15, 1940.

Hollywood Reporter. "Exhibs Out Plan to Aid U.S. Defense." September 5, 1940.

Hollywood Reporter. "Film Industry Gives Army 80 Pix for Combat Areas." February 20, 1942.

Hollywood Reporter. "For Your Information." December 18, 1941.

Hollywood Reporter. "Free Film Programs in Combat Zones." February 16, 1942.

Hollywood Reporter. "Gov't Files List of New Charges." April 2, 1940.

Hollywood Reporter. "Gov't Thumbs Down on Material Waste." March 2, 1942.

Hollywood Reporter. "H'Wood Opens Its Red Cross Drive." January 20, 1942.

Hollywood Reporter. "Harmon Meshes Industry, Defense." December 17, 1941.

Hollywood Reporter. "Hays Group Stand Pat; Gives Breen New Powers." February 6, 1934.

Hollywood Reporter. "Hollywood's Help in Morale Building Told By Army, Navy." February 13, 1942.

Hollywood Reporter. "Hollywood's Pledge." May 1, 1942.

Hollywood Reporter. "Industry Finishes its 26 Govt. Shorts." March 26, 1943.

Hollywood Reporter. "Industry's Great War Job Told." December 8, 1942.

Hollywood Reporter. "Little Three Try to Duck Trust Suit." December 4, 1940.

Hollywood Reporter. "Majors Move in Gov't Trust Suit." March 25, 1940.

Hollywood Reporter. "Mellett Names Aides." February 3, 1942.

Hollywood Reporter. "Mellett Says Stick to Job." January 15, 1942.

Hollywood Reporter. "Minnie and Pluto Victory Film Stars." August 27, 1942.

Hollywood Reporter. "Montague into New Govt. Film Position." July 23, 1942.

Hollywood Reporter. "National Box Office Slumps as Public Glues Eyes on War." December 9, 1941.

Hollywood Reporter. "Newsreels Now the Big B.O. Attraction." April 22, 1943.

Hollywood Reporter. "No Blind Selling, Limit of Blocks to Five Pictures and Arbitration System is Basis of Trusts Suits Settlement." March 29, 1940.

Hollywood Reporter. "NY Film Industry Uniting for Action." December 12, 1941.

Hollywood Reporter. "Only Way in Which They Can Be Assured of Outlets for Their Product, Say Zukor." April 6, 1940.

Hollywood Reporter. "OWI Chief Say U.S. Has No Idea of Censoring Pix." December 24, 1942.

Hollywood Reporter. "Poynter Mellett's Man Here." April 13, 1942.

Hollywood Reporter. "Pres. Backs Censorship." December 6, 1933.

Hollywood Reporter. "Producers War Brews." June 25, 1933.

Hollywood Reporter. "Public May See War Training Pix." July 27, 1942.

Hollywood Reporter. "Studios Working on War Pix in Secrecy." July 23, 1942.

Hollywood Reporter. "Suit Welcome, Says Para." June 4, 1940.

Hollywood Reporter. "That Man's Here." January 14, 1942.

Hollywood Reporter. "Three Gov't Shorts Screened March 25." March 19, 1942.

Hollywood Reporter. "U.S. to Subpoena Industry Tops in Anti-Trust Lawsuit." April 17, 1940.

Hollywood Reporter. "U.S. Victory Means Monopoly." June 5, 1940.

Hollywood Reporter. "Victory Films Play Majority of Shows." April 9, 1942.

Hollywood Reporter. "War Activities Committee Releases." February 2, 1942.

Hollywood Reporter. "War Department Barracks in Astoria Studios." February 2, 1942.

Hollywood Reporter. "War's Effect on Hollywood." December 9, 1941.

Hollywood Reporter. "Writers War on Filth." February 27, 1933.

Hume, Oscar. "Gov't Without Plans for War-time Film Control." *Film Daily*, December 9, 1941.

International Photographer. "Newsreels—Enterprise Personified." April 1938.

James, Miller. "Intimate View Given of Roosevelt On Air." *Los Angeles Times*, July 1, 1934.

Jones, Dorothy. "Tomorrow the Movies: III. Hollywood Goes to War." *The Nation*, January 1945.

Kingsley, Grace. "Film Exhibitors Organize Circuit." *Los Angeles Times*, April 21, 1917.

Krock, Arthur. "100,000 at Inauguration: President, Grim, Terse, Pledges 'Adequate but Sound Currency.'" *New York Times*, March 5, 1933.

———. "President Tells Plans." *New York Times*, March 9, 1933.

Los Angeles Times. "Co-ordinator of Films Named." December 24, 1941.

Los Angeles Times. "Boettiger in Hollywood; Silent About Mrs. Dall." January 4, 1935.

Los Angeles Times. "Editors See Threat of Press Censorship." April 21, 1934.

Los Angeles Times. "Elmer Davis Appointed War Information Chief." June 14, 1942.

Los Angeles Times. "Famous Players Methods Scored." September 1, 1921.

Los Angeles Times. "Film Block Defended." February 29, 1936.

Los Angeles Times. "Government Commission to Rule Films Proposed." July 3, 1936.

Los Angeles Times. "Hays Defended in Film Attack." April 7, 1930.

Los Angeles Times. "Hoover's Radio Speeches Equal Coolidge Mark." December 29, 1930.

Los Angeles Times. "James Roosevelt Explains Status in Hollywood Job." December 15, 1938.

Los Angeles Times. "James Roosevelt Introduces His New 'Soundies.'" September 16, 1940.

Los Angeles Times. "John Boettiger Gets Hearst Job." November 27, 1936.

Los Angeles Times. "Lasky Ordered to Cease Monopolistic Practices." July 10, 1927.

Los Angeles Times. "Lasting N.R.A. Benefits Seen." October 27, 1933.

Los Angeles Times. "New and Exacting Code Governs Film Industry." April 1, 1930.

Los Angeles Times. "No Unfair Film Booking Found." August 7, 1924.

Los Angeles Times. "President's Son Becomes Film Executive." December 5, 1938.

Los Angeles Times. "Red Propaganda Turns Hunger March into Riot." January 4, 1932.

Los Angeles Times. "Reporters Finally Meet 'White House Spokesman.'" March 9, 1933.

Los Angeles Times. "Resettlement Agency Dies." September 2, 1937.

Los Angeles Times. "Roosevelt Son Defendant." March 25, 1939.

Los Angeles Times. "Senator Byrd Calls Homes Project Waste." May 24, 1937.

Los Angeles Times. "Schenck Denies Tax Evasion." June 4, 1940.

Los Angeles Times. "Text of New President's Address at Inauguration." March 5, 1933.

Los Angeles Times. "U.S. at War with All of Axis Now." December 12, 1941.

Los Angeles Times. "Veterans Given Camp Preference." May 24, 1933.

Lunch, Milton F. "Arnold Asks Federal 'Divorce' Law." *Film Daily*, April 23, 1940.

———. "House Com. Rips Neely Bill to Pieces." *Film Daily*, May 15, 1940.

Mallon, Paul. "Roosevelt Gets His Story Over." *New York Times Magazine*, November 19, 1933.

McCall's. "The Plow That Broke the Plains." July 1936.

Mehrtens, George W. "Allied's Probe Demand No Bar to Conciliation." *Film Daily*, July 8, 1938.

Motion Picture Herald. "Production Code Scrap of Paper Says Mundelein." June 9, 1934.

Motion Picture Herald. "Rosenblatt Against Federal Censorship." October 20, 1934.

Moving Picture World. "Feature Producers Affiliate." May 30, 1914.

Moving Picture World. "Jesse L. Lasky in Pictures." January 3, 1914.

Moving Picture World. "Lasky Goes to Coast." November 22, 1914.

Moving Picture World. "'Little Mary' Again in Pictures." May 17, 1913.

Moving Picture World. "Motion Picture Patents Co. Wins," February 15, 1913.

Moving Picture World. "New Feature Company." December 20, 1913.

Moving Picture World. "Some Amusement Company Sues Mastbaum." March 9, 1918.

Moving Picture World, "Stanley Corporation is Enjoined." September 28, 1918.

Moving Picture World, "The Imp Leading Lady." April 2, 1910.

Moving Picture World, "We Nailed a Lie"—Advertisement. March 12, 1910.

New York Times. "10,000 Chicagoans Join 'Hunger March.'" November 1, 1932.

New York Times. "An Outline for the 'New Deal.'" March 19, 1933.

New York Times. "Attacks Big Firm as Film Monopoly." September 1, 1921.

New York Times. "Big Film Concerns Accused in Suit of Acting as a Trust." July 21, 1938.

New York Times. "Boettiger Named Hearst Publisher." November 27, 1936.

New York Times. "Bonus Army Asked to Leave Capital; Veterans Refuse." June 9, 1932.

New York Times. "Byrd Attacks RA on 'Sinful Waste.'" July 5, 1937.

New York Times. "Coolidge Epigrams on Radio." January 15, 1933.

New York Times. "Creel as a Recurrent Storm Centre." May 19, 1918.

New York Times. "Creel to Direct Nation's Publicity." April 15, 1917.

New York Times. "Defense Post Goes to Rockefeller." August 17, 1949.

New York Times. "Deny 'Movie' Conspiracy." March 18, 1923.

New York Times. "Early's Resignation Rumored in Capital." November 18, 1936.

New York Times. "Eviction Criticized by Senator Black." July 30, 1932.

New York Times. “Famous Players Guilt of Film Trust Conspiracy, Says Trade Commission.” July 10, 1927.

New York Times. “Film Distributors Capitulate in Suit.” May 1, 1936.

New York Times. “Film Suit to Name James Roosevelt.” March 18, 1939.

New York Times. “Government Sues 9 Movie Companies.” August 7, 1935.

New York Times. “James Roosevelt Organizes Own Film Unit; Will Have Access to Goldwyn Stars.” December 15, 1939.

New York Times. “James Roosevelt Takes Film Post as Goldwyn Executive on Coast.” December 5, 1938.

New York Times. “Legal Rights of Broadcasters Discussed by Judge Davis.” June 12, 1927.

New York Times. “Mellett is Named Film Coordinator.” December 24, 1941.

New York Times. “Movies Discussed By Mrs. Roosevelt.” July 10, 1934.

New York Times. “Mrs. Dall Wed Here To Boettiger, John.” January 19, 1935.

New York Times. “New Deal Sprung By Gridiron Club.” April 30, 1933.

New York Times. “Picture Shows All Put Out.” December 25, 1908.

New York Times. “Politicians Seeking Credit for Radio Legislation.” January 10, 1926.

New York Times. “President Forms Top News Agency; Elmer Davis Chief.” June 14, 1942.

New York Times. “Radio Board Replies to Press Criticism.” May 19, 1934.

New York Times. “Roosevelt Blocks Paying Cash bonuses; Aids Idle Veterans.” May 12, 1933.

New York Times. “Roosevelt Quits.” October 31, 1940.

New York Times. “Roosevelt Studies A New Movie Bureau.” June 19, 1938.

New York Times. “Roosevelt Views Movies’ Problems.” October 29, 1937.

New York Times. “Says Film ‘Trust’ Bars Independents.” April 24, 1923.

New York Times. “Schenck Receives 3-Year Sentence.” April 25, 1941.

New York Times. “Senators Hit ‘Block Booking.’” February 20, 1938.

New York Times. “St. Louis Jury Acquits Big Film Firms of Conspiracy to Break Anti-Trust Law.” November 12, 1935.

- New York Times*. "Testimony is Begun in Film Trust Case." October 5, 1935.
- New York Times*. "Text of President Hoover's Annual Message as Read to Congress Yesterday." December 9, 1931.
- New York Times*. "The President's Message." December 9, 1941.
- New York Times*. "The Statement Issued by Will Hays." July 21, 1938.
- New York Times*. "Theatre Heads Balk at Tugwell's Movie." May 15, 1936.
- New York Times*. "Urges Film Censorship." May 18, 1916.
- New York Times*. "Vote News Agency Despite Curb Fear." May 21, 1941.
- New York Times*. "Wallace Ends RA: Sets Up New Unit." September 2, 1937.
- New York Times*. "Zukor and Lasky Deny Monopoly." November 3, 1925.
- Nugent, Frank S. "Raw Deal for the New Deal." *New York Times*, May 24, 1936.
- . "Dragging 'The River:' And Delving Betimes Into Other Phases of the Puzzling Documentary Film." *New York Times*, February 6, 1938.
- . "The Quiz and Other Posers: Post Mortem on the Prize Contest and the Resurrection of That Old Problem of Bringing Reality to the Screen." *New York Times*, January 15, 1939.
- . "The Screen." *New York Times*, February 5, 1938.
- . "The Screen." *New York Times*, March 7, 1940.
- Older, Andrew H. "Gov't to Seek Injunction in Equity Suit." *Film Daily*, May 28, 1948.
- . "Reeling 'Round Washington." *Film Daily*, February 18, 1943.
- . "Tie Execs.' Capital Parley to Raw Stock." *Film Daily*, January 29, 1943.
- . "Truman Seen As Industry Friend." *Film Daily*, April 16, 1945.
- . "Will Fight Further Raw Stocks." *Film Daily*, January 11, 1943.
- Oulahan, Richard V. "President Is Encouraged." *New York Times*, October 9, 1931.
- Palmer, Kyle D. "Roosevelt Sworn into Office, Opens Action For Recovery." *Los Angeles Times*, March 5, 1933.
- San Francisco Chronicle*. "U.S. Accuses Big Firms of Conspiracy." September 1, 1921.

Scheuer, Philip K. "‘Fight for Life’ Vivid Tragedy of Childbirth." *Los Angeles Times*, October 2, 1940.

Silberberg, William. "NRA May Use ‘Teeth’ on Factions Not Signing." *Film Daily*, October 2, 1933.

Steen, Al. "Allied to Continue Trade Reform Negotiations." *Film Daily*, January 18, 1939.

———. "Goldwyn Hits Block-Booking; Will Trade Show." *Film Daily*, May 8, 1940.

———. "Trade Reforms Before Allied Directors Today." *Film Daily*, January 17, 1939.

———. "U.S. Action Aimed at Divorcement of Theaters, Monopolistic Practices." *Film Daily*, July 21, 1938.

Strauss, Theodore. "The Giant Shinnies Down the Bean Stalk." *New York Times*, October 12, 1941.

Sykes, Judge Eugene. "Constitutionality of Radio Law is Not Thoroughly Tested." *New York Times*, September 18, 1927.

Time. "Documented Dirt." May 25, 1936.

Variety. "60,000,000 U.S. Listeners-In." March 14, 1933.

Variety. "Cardinal Dougherty’s Broadside." June 12, 1934.

Variety. "Hodkinson of the Paramount Defeated at Annual Election." June 16, 1916.

Variety. "Deadline for Film Dirt." June 13, 1933.

Variety. "Film Industry Meeting." June 12, 1940.

Variety. "Haysites Meet on National Defense Pix." July 3, 1940.

Variety. "History of First National." April 21, 1926.

Variety. "H’wood on the March with 350 from Studios in Armed Branches; Capra, Wyler, Huston Soon in Signal Corps." December 17, 1941.

Variety. "Kahane Heads Coast Ass’n, Breen Ups." February 6, 1934.

Variety. "New York Theatre May Join Famous Players’ Big Strong." October 31, 1919.

Variety. "Roosevelt Reasons." May 9, 1933.

Variety. "Wall St. Lays an Egg." October 30, 1929.

Wall Street Journal. "Motion-Picture Concerns Are Charged With Unfair Practice." September 1, 1921.

Wall Street Journal. "Ordered to Discontinue 'Unfair' Film Practices." September 17, 1918.

Wall Street Journal. "Roosevelt Secretaries: Howe, McIntyre and Early Named." March 2, 1933.

Wall Street Journal. "U.S. Anti-Trust Suit Against Three Leading Film Concerns Settled." May 1, 1936.

Washington Post. "Antitrust Charge Against Film Firm." September 1, 1921.

Washington Post. "Costly Greenbelt." July 8, 1937.

Washington Post. "Howe, McIntyre and Early to Be Contact Agents of New President." March 2, 1933.

Washington Post. "Insidious Censorship." June 19, 1934.

Washington Post. "Mobilizes the Movies." July 2, 1917.

Washington Post. "Movie Men Answer Suit." March 18, 1923.

Washington Post. "Questions Fly at Roosevelt at First Press Conference." March 9, 1933.

Washington Post. "S.T. Early Resigns From Staff of A.P." May 24, 1927.

Washington Post. "Tuning In." October 8, 1934.

White, W.L. "Pare Lorentz." *Scribner's Magazine*, January 1939.

Wilk, Ralph. "Hollywood Canteen Bows In." *Film Daily*, October 5, 1942.

———. "Making Pix H'Wood's War Job." *Film Daily*, January 15, 1942.

———. "Studios to Work from 8 to 5." *Film Daily*, December 12, 1941.

Wilkerson, W.R. "Tradeviews." *Hollywood Reporter*, December 15, 1941.

Zukor, Adolph. "Which of These Two Are You, an Exhibitor or a Producer?" *Variety*, October 25, 1918.

Radio and Television:

"Lorentz on Film," Pare Lorentz, Program I— *The River*, NET TV series.

"The Newsreels," Stephen Early interview, WOR Radio, broadcast October 15, 1930.

“On the Bank Crisis,” Franklin D. Roosevelt, Fireside Chat #1, broadcast March 12, 1933.

Government and Industry Work Product (Internal Publications)

Rosenblatt, Sol A. *Report Regarding Investigation Directed to Be Made By the President in His Executive Order of November 27, 1933, Approving the Code of Fair Competition for the Motion Picture Industry*. Washington: Government Printing Office, 1934.

U.S. Temporary National Economic Committee, Monograph No. 43, *The Motion Picture Industry—A Pattern of Control* (Washington: 1941).

War Activities Committee—Motion Picture Industry, *Movies at War*, 1942. New York: War Activities Committee—Motion Picture Industry, 1943.

War Activities Committee—Motion Picture Industry, *Movies at War*, 1943. New York: War Activities Committee—Motion Picture Industry, 1944.

War Activities Committee—Motion Picture Industry, *Movies at War*, 1944. New York: War Activities Committee—Motion Picture Industry, 1945.

War Activities Committee—Motion Picture Industry, *Movies at War*, 1945. New York: War Activities Committee—Motion Picture Industry, 1946.

Federal Statutes:

Clayton Act, ch. 323, 38 Stat. 730 (1914).

Federal Trade Commission Act, ch. 311, 38 Stat. 717 (1914).

National Industrial Recovery Act, ch. 90, 48 Stat. 195 (1933).

Revenue Act of 1932, ch. 209, 47 Stat. 169 (1932).

Sherman Antitrust Act, ch. 647, 26 Stat. 209 (1890).

Tariff Act of 1930 (Smoot-Hawley), ch. 497, 46 Stat. 590 (1930).

Cases:

A.L.A. Schechter Poultry Corp. v. United States, 295 U.S. 495 (1935).

Edison v. Am. Mutoscope & Biograph Co., 151 F. 767 (2d Cir. 1907).

Edison v. Am. Mutoscope Co., 114 F. 926 (2d Cir. 1902).

Famous-Players-Lasky Corp., 11 F.T.C. 187 (1927).

Greater N.Y. Film Rental Co. v. Biograph Co., 203 F. 39 (1913).

Joseph Burstyn, Inc. v. Wilson, 343 U.S. 495 (1952).

Motion Picture Patents Co. v. Indep. Moving Pictures Co. of Am., 200 F. 411 (2d Cir. 1912).

Motion Picture Patents Co. v. Laemmle, 178 F. 104 (C.C.S.D.N.Y. 1910).

Motion Picture Patents Co. v. Ullman, 186 F. 174 (S.D.N.Y. 1910).

Mutual Film Co. v. Indus. Comm'n of Ohio, 236 U.S. 230 (1915).

Perelman v. Warner Bros. Pictures, Inc., 9 F. Supp. 729 (E.D. Pa. 1935).

Quittner v. Motion Picture Producers & Distribs. of Am., Inc. (S.D.N.Y. 1933) (unreported).

Quittner v. Motion Picture Producers & Distribs. of Am., Inc. 70 F.2d 331 (2d Cir. 1934).

Rembusch v. Motion Picture Producers & Distribs. of Am., Inc. (S.D.N.Y. 1934) (unreported).

Rolsky v. Fox Midwest Theaters, 1932-1939 Trade Cas. (CCH) ¶ 55,132 (W.D. Mo. 1936).

Shubert Theatre Players Co. v. Metro-Goldwyn-Mayer Dist. Corp. (D. Minn, 1936) (unreported).

Stanley Booking Corp., 1 F.T.C. 212 (1918).

United States v. First Nat'l Pictures, Inc., 34 F.2d 815 (S.D.N.Y., 1929).

United States v. Interstate Circuit, Inc., 20 F. Supp. 868 (N.D. Tex., 1937).

United States v. Motion Picture Patents Company, 225 F. 500 (E.D. Pa., 1915).

United States v. Paramount Famous Players-Lasky Corp., 34 F.2d 984 (S.D.N.Y. 1929).

United States v. Paramount Pictures, Inc., 66 F. Supp. 323 (S.D.N.Y. 1946).

United States v. Paramount Pictures, Inc., 70 F. Supp. 53 (S.D.N.Y. 1947).

United States v. Paramount Pictures, Inc., 334 U.S. 131 (1948).

United States v. Warner Bros. Pictures, Inc., 13 F. Supp. 614 (E.D. Mo. 1936).

United States v. Warner Bros. Pictures, Inc., 298 U.S. 643 (1936).

Youngclaus v. Omaha Film Bd. of Trade, 60 F.2d 538 (D. Neb. 1932).

Legislative Materials:

80 Cong. Rec. (1936).

Labor-Federal Security Appropriation Bill for 1941: Hearings on H.R. 9007 Before the Subcomm. of the S. Comm. on Appropriations, 76th Cong. (1940).

Propaganda in Motion Pictures: Hearing on S. Res. 152 Before a Subcomm. of the S. Comm. on Interstate Commerce, 77th Cong. (1941)

Work Relief and Relief for Fiscal Year 1940: Hearings on Appropriations for Work Relief and Relief, Fiscal Year 1940 Before Subcomm. of the H.R. Comm. on Appropriations, 76th Cong. (1939).