

Case Studies



Steven Spielberg

Even as a child Steven Spielberg made films neighbors and friends wanted to watch. However, no one could have imagined in those early days how huge the audience for his films would become.

Today the Oscar-winning producer, director, and filmmaker is a household name to millions for such works as *Schindler's List* and *Saving Private Ryan*. Spielberg has directed 6 of the 25 top grossing films of all time, including *Jurassic Park*, *Raiders of the Lost Ark*, and *E.T., The Extraterrestrial*. In an industry where only three out of ten movies make money, almost all of his films have turned a profit.

First Film

The son of an electrical engineer and a concert pianist, Spielberg was born in Cincinnati, Ohio, in 1946. A few years later his family moved to New Jersey and in 1957 went west to Arizona. That year, at age 11, Spielberg borrowed his father's 8-millimeter home movie camera and began his movie career with the three-minute film, *The Last Train Wreck*. The young filmmaker used his electric train set as a prop.

Before long, family members were selling tickets and making lemonade for living room showings of his films. Spielberg charged admission to his home movies. His films were definitely low-budget affairs. To simulate explosions, Spielberg relied on bags of flour hurled into the air. He learned to edit his films in his head to save footage, a practice he still employs.

Spielberg made his first scripted film at age 12. A year later, he won a local contest for a 40-minute war movie titled *Escape to Nowhere*. Three years later a film of his about alien abductions premiered at a local theater, grossing \$800. In 1964 the family left Phoenix for a suburb of San Francisco. Spielberg got his first job in Hollywood that year, working as an errand boy at Universal Studios. In 1969 his 26-minute short *Amblin*, about a pair of hitchhikers, won several awards and earned him a seven-year contract in the television division of Universal Studios.

Making It Big

Spielberg's breakthrough movie was *Jaws*, the story of a man-eating shark that frightened audiences from coast to coast and brought in \$260 million. Other blockbusters followed. Each broke box office attendance records and added to his popularity with moviegoers. In



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E.T. the filmmaker drew upon upheavals in his personal life in the years leading up to his own parents' 1966 divorce. "It is really about a young boy," said Spielberg, "who was in search of some stability in his life."

Another personal experience, Spielberg's renewed interest in his Judaic background, led to the making of his 1993 epic about the Holocaust, *Schindler's List*. Spielberg used some of the profits from this film to found the Survivors of the Shoah Visual History Foundation, which has recorded the testimonies of more than 42,000 Holocaust survivors. "I've got this preoccupation with ordinary people pursued by large forces," he said.

In 1994 Spielberg formed a partnership with two prominent Hollywood moguls to create DreamWorks SKG, a company that produces live action and animated movies, music, computer games, and television productions. Asked if he will ever run out of ideas for movies, Spielberg replied, "I don't have enough time in a lifetime to tell all the stories I want to tell."

Spielberg Movies That Made the Top 50 List of Highest Grossing Movies of All Time

Movie	Rank	Year Release	Gross in U.S. Dollars Since Opening (in millions)	Estimated Budget (in millions)
<i>E.T.</i>	3	1982	\$435	Not available
<i>Jurassic Park</i>	7	1993	\$357	\$63
<i>Jaws</i>	25	1975	\$260	\$12
<i>Raiders of the Lost Ark</i>	31	1981	\$242	\$20
<i>The Lost World</i>	38	1997	\$229	\$73
<i>Saving Private Ryan</i>	44	1998	\$216	\$70

Source: MovieWeb

This chart shows data on 6 films directed by Steven Spielberg that were among the 50 top-grossing films of all time in 2003. The rank of each film on the top 50 list is shown in the second column on the left.

Thinking About the Case Study

- Analyzing Information** Based on the data available, which of these films produced the highest percentage of return on its investment? Which film earned approximately six times what it cost to make?

- Predicting Consequences** What factors might influence the relative position of the 1998 film *Saving Private Ryan* on a top 50 list in the next five years?

- Drawing Inferences** What early experiences encouraged Spielberg to continue his amateur filmmaking?

- Synthesizing Information** How did the response to *Jaws* help Spielberg's career?

Free Enterprise Activity

Today, a top-grossing movie not only generates income for actors, directors, producers, and others directly involved in the making of a motion picture, but can also have an impact on the incomes of thousands of people far from Hollywood. Make a list of jobs throughout the United States that are directly and indirectly affected by a mega-hit. Include such movie-related activities as advertising and publicity, as well as the merchandising of toys, t-shirts, and recordings that often accompany a major film's release.