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Malaysian Films : Survival Or Revival

By

Mohd Hamdan Hj Adnan

MALAYSIAN FILMS: SURVIVAL OR REVIVAL¹ -----

By: Mohd. Hamdan Hj. Adnan.²

1. OVERVIEW -----

The Malaysian film industry is slightly over half a century old. Fierce competition from imported films, greater usage of video and good programmes from the three television channels in Malaysia has affected the development of the movie industry. In fact the three sectors of the industry, i.e. production, distribution and screening are all experiencing hard times.

Currently, Malaysian films at best are surviving. Various efforts both by the Government and the film industries, however, do show some hope for a revival though it might not be to the extent of its golden years in the 1950s and early 1960s.

Malaysian films are also experiencing an identity crisis. This happened because Malaysian films are basically synonymous to Malay films, whereas the country is multi-ethnic with Malays comprising slightly less than 50 per cent of her 16 million population. Efforts to develop Malaysian films to truly reflect her diverse people are being pursued. As it is the Malay films have long practiced taking some non-Malays actors and actresses to be part of certain movies. However, it is only seen as a token effort to really "Malaysianize" the 'Malaysian film'. What

is needed now is that Malay films depicting life in Malaysia should mirror the reality of life in Malaysia. Concurrently, Chinese and Indian movies produced in Malaysia must portray Malaysia as a nation of many different race interacting together and becoming Malaysians.

The Malaysian government in its effort to revive and promote the Malaysian film industry is beginning to see films as also the means to foster national unity and identity. However, for Malaysian films to become a force in uniting the people and building national identity, they must first become acceptable to all Malaysians as reflecting themselves and of professional standard.

The association of "Malaysian" with "Malay" films has a lot to do with the historical development of the Malaysian film industry. Nearly all the local feature movies produced in Malaysia were Malay films with nearly all Malay actors and actresses even though the producers and directors were mostly non-Malays. In fact, the two main film companies producing these films were non-Malay firms, namely Shaw Brothers and Cathay-Keris Production.

Malay films become Malaysian films because the other two major races in Malaysia, the Chinese and the Indians were more attracted to films produced in their countries of origins than if they were produced in Malaysia. Also, it was cheaper to import and distribute films rather than to also produce it.

Apart from private film companies, Malaysia also has a National Film Board (Filem Negara Malaysia - FNM). It mainly produces films of national interest. FNM interprets and focusses on the guiding spirit of the National Ideology (Rukunegara), the imperatives of Malaysia's New Economic Policy and the concept of the new society in the making. The Department also provides various services pertaining to film-making.

Since its inception in 1946, the National Film Board has grown into one of the foremost film organizations in this region. It has a modern studio sound stage, B/W and color laboratory, three studios for post production and a branch in Kuching, Sarawak.

2. A BRIEF HISTORY

The film industry in Malaysia began in Singapore. It made use of the Bangsawan people (Malay opera). In 1933, the first commercial film produced in Singapore made use of Bangsawan personalities. Bangsawan was then the people's popular traditional form of entertainment. The Bangsawan players readily adapted themselves to film-making, and movies quickly became a new entertainment medium among the masses.

As the film became more popular as an entertainment medium among the people, the Bangsawan as a traditional form of entertainment for the masses rapidly declined. However, many other reasons could be offered for the downfall of Bangsawan after the introduction of film.

The first Malay film to be produced was LAILA MAJNUN (1938) a tragic love story in the vein of "Romeo and Juliet". A number of business people associated with personalities of the Bangsawan was responsible for the production of this movie. An Indian national B.S. Rajhans was the director of the film.

According to some veteran actors, around 1937, appeared a film company from the west who sent their film unit to Singapore. to produce a Malay movie entitled "DOOL⁴OO". This film directed by an American also made use of the Bangsawan personalities.

The early movies were such a big hit that the Shaw Brothers, who had just begun their involvement in the entertainment world decided to venture into film-making. Using used film equipment imported from Shanghai the brothers set-up their own studio at Ampas Road, Singapore. Employing film technicians from Shanghai and personalities from Bangsawan and stage dramas, the brothers produced four Malay Movies (MUTIARA, IBU TIRI, BERMADU and TIGA KEKASIH) between 1938-39. These films were the joint-effort of the producers, technicians, cameramen as well as the actors and actresses. All these films were well-received. The brothers were in the process of completing another Malay film (TOPENG SYAITAN) when the Second World War came.

During the Second world War the Japanese exploited the film industry to produce their own propagandistic films.

After World War II, Mr. Christy, a businessman in Singapore tried to revive the local film industry. However, because he had no cinema theatre to screen his movie, he could not continue his film making effort.

The failure of Mr. Christy's film company "Malayan Art Production" paved the way for the Shaws to almost monopolise the film industry through their Malay Film Production (MFP). The only competition faced by MFP was from Cathay-Keris Production.

Both companies produced a film each every month. The 50's and early 60's were the boom era with fans imitating their favourite movie stars.

However, from mid-60s upward, the film industry began facing bad times. Attendances, profits and production quantities dropped while costs escalated. Inevitably in 1967, Malay Film Production folded up and was followed in 1972 by Cathay-Keris.⁵

In 1975, Studio Merdeka, set up in Kuala Lumpur by Shaw Brothers virtually collapsed.

Nevertheless, from the early 1970's as a result of government encouragement, new film makers have emerged. They are not from the Shaws or Cathay-Keris, but constitute a new generation of Bumiputra (natives) entrepreneurs - An important factor was that production was now in full colour and wide screen, compared with the previous years' black and white conventional format.⁶

It is common knowledge that the Malaysian film industry in the early 80's was stricken by recession. Factors contributing to the sad situation include a disappearing cinema audience, problems in getting financial support for productions, cash flow restrictions and stiff, almost crippling competition from television and video. The problem is further compounded by lack of trained manpower and equipments, as well as getting cinema theatres to screen their movies.

3. CURRENT STATUS

According to the Malaysian Film Producers Association, there are 25 firms that were once registered as film producers.

Malaysia's multi-racial entrepreneurs today hold sway over the industry. However, while the old luminary personalities from the studio system are still regularly churning out predictable products, there is an emergent group of new film makers and directors making their presence felt.

3.1 Production

Around 10 to 15 feature movies are produced annually in Malaysia by local film companies. However, nearly all of the films produced by local companies are not up to the mark. This could be attributed to the fact that most of the local film producers today are part-timers who not only lack financial capital but

also good scripts, talents, facilities, technical expertise and experience to produce good films.

Besides that, most of the film entrepreneurs active in production were graduates of the studio system under the Malay Film Productions and Cathay-Keris in Singapore of the 50's and 60's. They lack bravura to come up with new ideas in their films which could appeal to a whole new generation of film goers brought-up in an era of science and technology.

As a result, they readily lose a big portion of the picture-going public which comprises the younger generation (more than 70 per cent of audiences are in the 15 - 30 age group). The situation being thus, the industry is in a state of limbo. The interest of young picture goers (today) is centered on films containing a plethora of special effects and such films are not forthcoming from local producers.

However, a new breed of film-makers and directors are making their presence felt. Leading this group is Othman Hafsham, whose first two features, ADIK MANJA and MEKANIK were top grossers. Others like him such as Rahim Razali, Tan Sri Kamarul Ariffin, Harun Hassan and others are unconventional in their approach and styles. While some of their films may not be box-office triumphs their works have receives critical acclaim.

Nearly all Malaysian films are produced on shoe string budgets.
(See Table 1).

TABLE 1 - NUMBER AND PRODUCTION COST OF MALAYSIAN
FILMS PRODUCED (1984-86)

Year	Number of Films	Cost of Production
1984	9	M\$2,250.000
1985	8	M\$2,000.000
1986	8	M\$2,000,000

Note: (Each production is estimated to cost about
---- M\$250,000)

Film-makers with production costs exceeding one million Malaysian ringgit will face great difficulties in trying to recover the money back, let alone be millionnaires. This is due to the fact that movie-going audiences in Malaysia are declining. The fall could be due to the fact that Malaysian films are seen to be catering to the needs of the Malays rather than for Malaysians. Further, the local movies have a tendency to pander to the interest of the younger groups between the age of 15 to 35 which comprise the bulk of the regular movie goers. Hence, not surprisingly, at present, youth-oriented themes are highly favoured. The youth-oriented themes revolve around stereotypes and youthful love affairs portraying disco culture, tight jeans, long hair and aimless wandering. This accounts for the extreme popularity of films like ALI SETAN, GILA-GILA, JEJAKA PERASAN and SUARA KEKASIH, which concentrated on youth-oriented themes.

As expected, the actors and actresses that have a large following are the newer or younger generations personalities. For example, currently, the two top stars are Fauziah Ahmad Daud and Azmil Mustapha. They make the ideal romantic couple, as evident from the big business done by their recent films.

The quality of Malaysian films also leaves much to be desired. This might easily be attributed to the limited funds available for production. Equally important reasons for the low standards of movies produced are the lack of good scripts, actors and actresses that could do better with more training and experiences, inadequately qualified or experienced directors and film technicians, etc.

An Associate Professor at the National University of Malaysia (UKM), Dr. Wan Hashim Wan Teh commented at the "Seventh Malaysia Film Festival" in December 1987 that a significant number of the 14 films contested at the film festival were mediocre or sub-standard. He added that in a year only one or two and at the most three of the local films can be considered of quality. However, this comparison was only made in the Malaysian context. Compared with other Asian films, Malaysian films are still far behind.

Nearly all Malaysian films are processed overseas, thus incurring additional cost. The remaining few are processed locally at "Filem Negara Malaysia".

While the film companies struggle to survive, the Malaysian National Film Department or "Filem Negara Malaysia" continues to produce features, documentaries and filmlets. This includes sponsored films for various government agencies and other organisations. These films are processed in the Department's own colour laboratory.

In 1985, the Department produced 80 films, including 26 documentaries, one feature and 53 filmlets, which were dubbed into English on request.¹⁰

Apart from feature movies by film companies and documentaries, filmlets and features by Filem Negara Malaysia, the number of advertising films in Malaysia is also growing. As of 1st April, 1987, all advertising films shown locally must have "Made in Malaysia" (MIM) certificates from the National Film Development Corporation Malaysia (FINAS). The condition is imposed under Regulation A of FINAS (licencing) Act 1983. MIM certificates are required to be obtained by producers of advertising films after their completion and prior to remittance to the Film Censorship Board.

Film producers or companies not complying with this requirement will be deemed to have committed an offence and can be levied a compound fine of up to M\$1,000 or if proven guilty in court can be fined a maximum of M\$50,000 or two years jail or both.

Generally, the standard of advertising films in Malaysia can be considered of high standard. A number of Malaysian advertisements have won international awards.

3.2 Audience Trends

A Survey Research Malaysia (SRM) survey published in 1981 described the profile of the cinema audiences as follows:

- (1) 70% of the audience in Peninsula Malaysia belong to the 15 - 30 age group.
- (2) 62% of the audience are male
- (3) In racial groupings:
70% of the audience are Chinese, 23% are Malays and the rest (7%) are other races.

After seven years, a slight variation to the above profile is expected. Generally, however, the pattern is more or less the same today compared to 1981.

Local movies screened weekly over Radio-Television Malaysia in 1986 had about 3.40 million viewers while the private drama slot managed to attract about 2.1 million viewers. This is despite the fact that they faced stiff competition from foreign films. A breakdown of the Malaysian film viewers over television revealed that 86 per cent were Malays - five per cent were Chinese and the rest Indians and other groups.

The number of people watching movies in cinemas are declining. This is reflected by the shrinking number of cinema theatres. For example in 1977. There were altogether 716 cinema halls, now the number has dropped to about 150. It is observed that the number of cinema theatres in Malaysia will continue falling as the figure for cinema-goers persistently becomes less. Why is this happening?

Firstly, Malaysia now has three television channels - two government-owned and one private (TV3). The three channels compete with each other for audiences. Not surprisingly their programmes have improved, making Malaysians 'lazy' to go out to movie theatres. Most Malaysians now prefer to be entertained in their own homes. Before the advent of televisions and video, going out to cinemas used to be one of the most popular forms of entertainment. Now, there are many other competing forms of entertainment which take away the cinema audiences.

Further, most of the audiences for Malaysian feature films are Malays. With the exception of one or two films, Malaysian films are more seen as Malay films. Consequently, only a small number of non-Malays watch Nakat movies, preferring to see films in their own languages or English.

The plight of the Malaysian film industry does not look too good as the Malay audiences comprises only 23 per cent (SRM - 1981) and not all of them would have gone to see Malay films. Also, it was identified that only Malays between the age of 15-35 would

take the trouble of leaving their homes to watch movies in cinemas. A new phenomenon among young Malays who are becoming more Islamic could further reduce the number of Malays watching Malaysian films. They would rather indulge in religious activities than watch films. Also, some might feel that cinema-going is an unIslamic activity.

Also, as more Malays become educated and achieve middle-class status, their taste for local films could change due to their increasing sophistication, while conversely the standard of Malaysian films seems to stagnate if not deteriorate.

Thus, it is obvious that the Malaysian film industry is currently facing a challenge for survival, particularly with diminishing audiences. Inevitably with the audience numbers declining, their returns also decline. With less returns, ~~producers exist~~ producers cannot afford high production costs and with limited expenditure, producers will find it difficult to improve their film standard as well as to promote it effectively.

3.3 The Cinema Industry in Malaysia

The dwindling number of cinema-goers has greatly affected the Malaysian cinema industry. Compounding the bad shape of the cinema industry is inefficient management, and other woes faced by the film world in general.

In 1983, annual government revenue from the industry in the form of entertainment was estimated at M\$31.74 million, and from Film hire duty, about M\$6.1 million. Government revenue as a percentage of the industry's total income was 29.8%. Further, yearly personal income tax on people engaged in the industry was about M\$2 million. The amount of revenue collected from the industry in 1987 has not shown any improvement, in fact there has been a tendency for the revenue to decline over the years.

Management of the cinema industry has stagnated, if not worsened for the majority of today's cinema managers were promoted from rank and file. Most of them have spent 20-30 years in various capacities within the cinema industry. To date, there has been minimal or no change in the management styles in exhibition or distribution systems.

Further, there has been a dearth of literature or information to educate or inspire cinema managers to up-date their existing practices or adopt modern management styles. Few managers in the industry know the advantage and economics of forward planning. The existing organisation system does not permit them to use their initiative for advancement.

In the Malaysian cinema industry, managers especially those newly recruited tend to leave their jobs easily when other opportunities avail themselves. This is due to unattractive pay, especially at the point of entry, long working hours and bleak promotion prospects.

The present standard of cinema management and service are no comparison to that of other entertainment-oriented services. For example, even trained projectionists are becoming rare. Poor projection standards tend to mar the enjoyment of today's more sophisticated audiences. As it is, there are no proper training programmes for new-comers, in-house or otherwise.

The only advancement in the industry is the computerisation of accounting systems, film distribution, records and billings. But the management systems remain the same - monopolistic in style.

In Malaysia, the two giants who control the industry do so mainly because of better halls and more appealing products. The small independent cinemas are forced to take less popular and older films and wait their turn. Hence, even though the local movie industry used to rake in M\$130 million yearly, the smaller cinemas are closing one by one. With it, many producers are going off the market.

The closing down of cinemas also correlates closely with the thriving video industry. It is felt that the cinema industry competes very unfavourably with videos due to an imbalance aided by lopsided government regulations, as the following table demonstrates:

TABLE TWO

DIFFERENCES IN REGULATIONS BETWEEN FILM AND VIDEO

DETAILS	FILM	VIDEO
1. Entertainment Tax	25% of gross collection.	None
2. Film Hire Duty	15% of film's gross rental.	None
3. Censorship Fee	About M\$400 (with deduction) for film 3 hours long; about M\$250 for every copy of 1 - 2 hours	M\$23 - M\$43 for every A copy M\$7.50-M\$1650 for every "B" copy.
4. Local Government Taxes (cinema licence, screening licence, bill board licence, car parking licence, and so on).	Payment mandatory	None
5. Sub Titles	Mandatory	None
6. Enforcement of Censorship	Film censored strictly and in detail.	Video censorship somewhat loose.

For cinemas to compete favourably with videos, more equitable regulations are required. As long as the above regulations stand, the cinema and film industry in Malaysia will continue to be threatened by the video industry. Calls for the video industry to be controlled more effectively are also made because of its pervasive influence with regard to the formation of behavior that is undesirable and contrary to the aim of fostering national culture.

For the cinema industry to counter-balance the growing dominance of video and TV and help foster the growth of the film industry, it must unite and modernise itself. If this is not done quickly, the people in the industry and the industry itself will only be hurting themselves.

4. THE MECHANICS AND ECONOMICS OF DISTRIBUTION

In Malaysia, for over four decades, the development of the film industry including the mechanics and economics of distribution was more or less monopolised by two giant companies, i.e. Shaw Brothers and Cathay Organization. Between them, they have their hands on almost all aspects of the film industry. In an effort to loosen the grip of the "giants", especially in terms of film distribution, the Malaysian government in 1981 enacted a law forbidding anyone from involving themselves in more than two areas of the film industry.

FURTHER, according to Section 22 (1) of the same Act,

"No person shall engage in any of the activities of production, distribution or exhibition of films or any combination of those activities as specified (production and distribution, or production and exhibition or distribution and exhibition) unless there is in force a licence authorising him to do the same."

The Act define film under Section 2 to include feature films, short films, trailers, documentaries, advertising filmlets and any recording on material of any kind of moving images, accompanied or unaccompanied by sound, for viewing by the public or any class of the public. Anyone who carries out production, distribution, recording, rental and importation of films and video tapes without a valid licence risks being fined a maximum of M\$50,000 or sentenced to two years jail or both.

The Government agency empowered to enforce this Act, the National Film Development Corporation Malaysia (FINAS) reported that cases of film and video dealers not in possession of valid licences still seem rampant despite the fact that licencing and enforcement laws had been introduced about four years ago. However, usually FINAS takes a lenient attitude of those who err by advising them to apply for licences. Several reminders are also sent. Firm and more stringent steps are only taken as a last resort when all else fails."

On the other hand, Malaysian film producers do not seem to be very effective or even very concerned in promoting their movies. A Malaysian film producer has observed that most of his counterparts do not budget adequate fund for marketing of their films because of financial constraints. They make their movies without paying much attention to marketing and distribution. In fact, a number tend to totally neglect the marketing and distributing aspects, often starting to think about it only when their movies are completed. This of course leads them to take extreme measures when they desperately need to screen their films at a particular time in order to attract the Malay crowd. Generally, Malaysian films are targetted to be screened during the two Muslim religious festivals, i.e., one celebrated after Ramadan and the other in-conjunction with the Haj celebration. It is rather difficult for local films shown in cinemas at other times to even collect their production cost, unless they become a hit among the Malay audiences.

4.1 Cinema Circuits

Almost all local movies are distributed through the cinema circuits. Despite declining audiences cinema owners have a variety of films to choose from, i.e. local or imported.

Producers, on the other hand, offer their products to the strongest circuits and to the most profitable bidder. In other words clients of substantial means get much more, while those
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of lesser means get less.

Thus, in order for the smaller cinema companies to continue surviving, they often resort to undercutting tactics by "slashing dockets", skimming of entertainment tax, etc.

Cinema operators in Malaysia in order to survive are also more frequently changing their movies, sometimes at the extent of offering two movies a day. Further, the duration of screening Malaysian film ^S have also decreased. In the better years, some Malay films could be screened over a period of six months. Now, even the best of Malaysian films get only 28 days of cinema screening (See table below).

TABLE THREE

MALAYSIAN FILMS SCREENED IN CINEMA HALLS IN 1987

Film Names	Dates of Screening	Total
1. Si Jantung Hati	22 Jan. - 7 Feb.	17 days
2. Rozana Cinta 87	26 Feb - 16 March	19 "
3. Anak Niat	14 March - 23 March	10 "
4. Jasmin 2	April	7 "
5. Marah Marah Sayang	May - June	14 "
6. Aniaya Jenayah	June	3 "
7. Mawar Merah	28 May - 24 June	28 "
8. Mr. Os	25 June - 15 July	21 "
9. Kepala Angin	30 July - 12 Aug.	14 "
10. Sayang	July - Aug.	6 "
11. Keluarga 99	3 Sept. 22 Sept.	20 "
12. Puteri	8 Oct. - 28 Oct.	21 "
13. Wira angkasa	29 Oct. - 19 Nov.	22 "
14. Tempo 88	20 Nov. - 26 Nov.	7 "
15. Rahsia	27 Nov. - 23 Dec.	27 "

Joint-Venture Films

1. Dewi Cinta	28 March - 22 April	26 days
2. Misteri Rumah Tua	16 July - 23 July	8 "
3. Bayangan Cinta	24 Dec. - 15 Jan. 88	23 "

SOURCE: Berita Harian, 21 January, 1988

Producers and distributors want high prices, distributors want their "cut" and charge exhibitors with exorbitant percentage deals. Exhibitors compete viciously among themselves for the films and do not care whoever falls in their way. Thus, while the local movie industry used to rake in M\$130 million annually, the small independent cinema operators are closing one by one (the number fell from 716 in 1977 to about 216 in Peninsular Malaysia alone at the last count (1986)). The two giant distributors invest in a large percentage of the cinemas all round the country. They thrive with the power of better halls and stronger products while the smaller cinemas must take older films and wait for their turn.

Other than the revenue from ticket sales, exhibitors also depend on screen advertising as another source of revenue.

What is lacking in the present film industry is good business sense, goodwill and harmony which require an even balance of give and take. Presently, there are more takers than givers. There is a great need for distributors and exhibitors to get together and find out what will work for the exhibitors as well as the distributors.

4.2 Television Networks

All the three television channels regularly screen local movies which have been on the cinema circuits for sometime. Recently, even new movies on the circuits are bought over by Television

Malaysia or TV3 to be screened. Generally, old Malay feature films are transmitted over the television networks. Some films could be shown many times and yet satisfy their audiences. This is so for certain classic Malay movies, especially those with the late legendary Malay actor P. Ramlee as the star.

Nevertheless, the Malay or Malaysian movies screened over television in Malaysia has consistently been quite popular and almost always remain among the top five most popular programmes screened on television.

Studies shown that Malay feature films aired weekly over Television Malaysia Network One are viewed by about 3.40 million of Malaysia's 15 million population. Further, the weekly drama programmes produced by local film companies are reported to attract about 2.1 million viewers, competing favourably with imported films.

According to the 1986/87 Economic Report of the Ministry of Finance, Malaysia, the number of television sets for every 1,000 people grew from 94 in 1981 to 95 in 1982, 101 in 1983, 105 in 1984 and 108 in 1985. According to the Ministry of Information, there are currently about 1,779,216 television sets in Malaysia. With Malaysia becoming a television-watching nation, the number of cinema-goers has also taken a dive.

Both TV Malaysia and TV3 are now involved in commissioning local film companies to produce movies for TV - so far the response of

TV audiences to these local TV movies has been quite encouraging. Film companies in Malaysia also seem to respond positively to requests for producing movies for TV, as shown by the competition for contracts offered by the television networks.

4.3 Video Outlets -----

The Malaysian film industry has not used the proliferating video outlets to distribute films. Rather, they fear video outlets who are unscrupulous and pirate films through certain syndicates and thus affect cinema audiences. There have been cases where just-completed films were already being distributed through various video outlets throughout the country before they could be screened in cinemas.

It is therefore not surprising that the local film industry is consistently urging the government to effectively enforce the recently enacted Copy Right Law as well as demanding more regulation and policing of the video industry.

According to the Malaysian Industrial Development Authority (MIDA) the number of VCRs imported to Malaysia in 1980 was around 31,444 units for 1980, 46,110 for 1981, 54,284 for 1982, 92,712 for 1983 and 197,796 for 1984. As the price of VCRs get to be cheaper, their sales can be expected to increase, in turn making the video threat to the film industry more strongly felt.

5. ~~OF~~ IMPACT OTHER MASS MEDIA

The impact of television and especially video on the local film industry is quite adverse, particularly in relation to attendance at cinema halls. It could be said that what video did to film can be likened to what film did to "Bangsawan", (traditional Malay opera). That is, the Bangsawan which was a very popular form of entertainment for the masses before the advent of film began to take a back seat and was nearly forgotten when films quickly began to take its place.

The Malaysian video industry has come into its own in the last decade or so. Reflecting the trend worldwide, it is growing in leaps and bounds, overtaking the film industry in annual gross takings.¹⁷ For example, in the first half of 1986, the Licencing and Enforcement Division of FINAS received 534 applications for licences to distribute video tapes in addition to 174 applications to renew. Only 21 film distribution licenses were applied for, besides one renewal while applications for video production licences totalled 44 and renewals seven.

Deputy Home Affairs Minister, Datuk Megat Jonit, estimated that there were 20 million video tapes in the market. In 1986, the government collected M\$2.2 million from censorship certificates. All tapes hired out must be accompanied by censorship certificates and those who do not have the certificate will face a hefty fine. From February 1, 1988, the Malaysian Censorship Board will introduce computer printed certificates which will be

stuck on video tapes.

Video operators are subjected to less stringent laws as compared to film operators. In addition, they are exempted from entertainment tax, film hire duty and local taxes. The video market is exhibiting its potential as a lucrative investment opportunity with annual turnovers of M\$400 million for tape rentals at retail level, M\$23 million for licencing and M\$50 million for tape duplication, both at wholesale level. (Figures¹⁸ from Ministry of Trade and Industry, 1986).

As a result of the booming video market, the industry is in need of more post-production facilities. It is anticipated that a number of modern video post-production centres will be set up by local and foreign entrepreneurs in the near future.

The coming of TV3 as your "Entertainment Channel" had also initially worsened the woes of the film industry. Nevertheless, after about four years, it has shown that it could help revive the sagging film industry rather than send it to an early grave. Television networks in Malaysia has begun approaching film companies to produce movies made for television or any special programmes, like television dramas and so on.

However, what the film industry people are so unhappy about vis-a-vis the invasion of video into their domain is the lenient approach of the government towards the video industry. Nevertheless, efforts are now being made to ensure that the video

industry is controlled so that the film industry can compete favourably. For example, FINAS' power has been extended to cover short subject films, videotapes, videodiscs and the recording and duplicating of videotapes. Previously, it only had powers to regulate and control the production, distribution and exhibition of films in Malaysia and in relation thereof to provide for the issue of licences.

Nevertheless, there are signs that the Malaysian film industry is ~~begin~~ⁿⁿg to work with video operators. The video ~~people~~^{peop}le are buying copyrights of certain popular Malay films to be made into video copies and distribute through video parlours. Certain groups are, however, saying that in the short run, ~~it~~ may profit the film industry but in the long run, the film industry will lose out. The reasoning is based on the assumption that ~~one~~² Malaysian viewers get too use to ~~see~~ see films in the comfort of their homes, they might not want to go to cinema hall.

5.1 FINAS - For Remedied Measures and Development of the Malaysian Film Industry

The National Film Development Corporation Malaysia (FINAS) was established in 1980 by an Act of Parliament to assist, develop and revive the ailing film industry. Under the Fourth Malaysia Plan, the Government allocated M\$17 million to FINAS for its activities. The formation of FINAS can be seen as the Malaysian government's efforts to prop up the local film industry which at that point of time was being severely challenged by home televi-

sion viewing and video. It can also be seen as the Government's effort to provide a catalyst to speed up the local film industry's development in terms of quality and quantity.

FINAS started operations in October 1981. Among its priority projects is the documentation of reports and information connected with the three aspects of local film activities i.e. production, distribution and exhibition. Also, FINAS is entrusted with liaison activities with International Film Organizations.

FINAS is also empowered to do all things expedient or reasonably necessary for the discharge of its functions. Some of FINAS' duties include:

1. To conduct surveys in respect of the film industry and carry out feasibility studies for the development of local film production.
2. Make recommendations to the Minister of Information on policies, methods and measures to be taken to promote, nurture and facilitate development of the film industry.
3. To develop and stimulate the growth and maintain the standards of the film industry by various means including the provision of research and advisory services.
4. To regulate and co-ordinate the activities of persons and bodies relating to matters pertaining to the film industry.

5. Generally to promote and assist both inside and outside Malaysia, the development of the film industry.
6. To manage, control, maintain and operate places and equipment belonging to the Corporation.
7. Provide training facilities and control and supervise the implementation of training projects and programmes relating to the film industry.
8. Provide or assist in the provision of services, facilities and filming equipment to film producers, distributors and exhibitors.
9. Grant assistance but in no way to enable itself to participate in film production, directly or indirectly.
10. Participate in international events relating to the film industry and to hold, promote and participate in film festivals, exhibitions and seminars or in any activity of a similar nature both inside and outside Malaysia.
11. Establish institutions, centres, sub-centres and workshops for the undertaking of research and other activities necessary for or related to the development of the film industry.
12. To regulate and control the production, distribution and exhibition of films in Malaysia, and in relation thereof to provide for the issue of licences. The scope has been extended to cover short subject films, videotapes, video-discs and the recording and duplicating of videotapes.

FINAS has set up procedures and methods for application, renewals, cancellations of film licences, etc.

The table below presents the licence fees for films and video:

TABLE FOUR
LICENCE FEES FOR FILMS/VIDEO

Type of Activity	Licence Fee Films/Video		Deposit Films/Video
Production	M\$100	-	M\$1,000 M\$5,000
Distribution	M\$400	-	M\$1,000 M\$5,000
Exhibition	M\$100	-	M\$1,010 M\$5,000

In its effort to revive and promote the Malaysian film industry, FINAS has also launched a "Film Script Bank", which will accept scripts for feature films or documentaries in the National Language (Malay), English, Mandarin or Tamil from Malaysians or non-citizens provided they are originals.

Another effort to rejuvenate the local film industry is the Government agreement to channel the 25 per cent entertainment tax imposed on cinema tickets for local film productions to producers as incentive. This move is expected to raise the producers' profit margin which, if they had to depend solely on the usual distributors' standard agreement of the 50-50 deal (more often it was 60-40), would not justify the industry as their bowl of rice.

Normally, the standard agreement would have the producers end up
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with very little money.

To increase the standard of Malaysian film production, FINAS has become actively involved with the yearly Malaysian film festival.

FINAS is also actively involved in training personnel for the film industry at Merdeka Studio which is to be turned into a modern training and production complex by 1990.

6. DEVELOPMENT OF TALENT AND TECHNIQUES

Under Section 6(2)(b) of its Act FINAS is empowered "to provide training facilities and to control and supervise the implementation of training projects and programmes relating to the film industry."

In late 1985, FINAS received a Government directive through the Ministry of Trade and Industry to "study the feasibility of establishing a film academy which can train actors, producers, technicians and such like."

The response towards the formation of a Malaysian Film Academy was encouraging, especially from institutions of higher learning which are already offering courses on filming.

The Institut Teknologi MARA (ITM) formed a committee to prepare a concept paper on the establishment of a National Academy of Motion

pictures, Arts and Sciences (NAMPAS). It identified 16 fields in which formal training should be instituted to produce educated and professional film-makers. The fields of study include script-writing/film screenplay, directing, acting, financial planning, animation/graphics, editing, management and exhibition.²¹

The Malaysian Film Academy became a reality in January 1988. The primary objectives of the Academy include:

- i) To further upgrade already skilled manpower through training in two vital aspects of filming - artistic and technical.
- ii) To concentrate on research and developmental activities with regard to the film industry.
- iii) To upgrade expertise and skill among local film entrepreneurs.
- iv) To create activities which could consolidate and coordinate the film industry in the country while simultaneously giving a catalyst to those with potential.²²

In its efforts to provide better infrastructure facilities covering pre-and post production works, FINAS bought over Studio Merdeka which covers an area of 36,696 square meters in Ulu Kelang near Kuala Lumpur.

Studio Merdeka is being converted into a National Film and Video Training Centre. The complex scheduled for completion in 1990 will provide complete and ultra-modern facilities for training in film and video production, centred around two studios and post-

production facilities.

FINAS is in the process of looking for a suitable location to site the proposed Malaysian Movie Village. The village will house comprehensive equipment and facilities central to the production of films and video. Among the amenities to be incorporated are sound stages, a video post-production centre, dubbing facilities and film processing facilities.

Since 1983 FINAS has also been involved in organising short courses and workshops. It has conducted, either by itself or in cooperation with other agencies and centres, several training programmes and given out several scholarships especially for youths to upgrade knowledge and working experience in the film and video industries.

Two types of scholarships are given out, first in long-term training for professional and academic courses while the second is short-term training stints to upgrade efficiency. Both are tenable at local or overseas centres.

Further, three institutions of higher learning in Malaysia are offering some courses related to the film industry. The Communication Studies Centre of University Science Malaysia (USM) had introduced two subjects on filming i.e. film production and film studies. The School of Mass Communication, Institut Teknologi MARA (ITM) offers four film subjects, two of which are

similar to the USM courses, while the other two are film history and film study. The Communications Department of The National University of Malaysia (UKM) is offering one subject, "film documentary".

While the role of such institutions in up-grading training for the film industry is vital, the fruits of these institutions' efforts are yet to be seen.

Student enrolments in these courses are selective and minimal due to lack of production facilities and equipment. It is hoped that the newly-established Malaysian Film Academy could assist in producing graduates who could help the lethargic film industry in Malaysia.

7. MARKETING MALAYSIAN FILMS IN ASIA

Malaysian films are normally for domestic consumption. Occasionally, certain Malaysian films manage to penetrate into other markets where the people speak a similar language (Malay).

In the fifties and early sixties, Malaysian films especially those in which P. Ramlee acted were rather popular in Indonesia. However, today it is almost a one-way flow from Indonesia to Malaysia.

Malaysia now is flooded with movies not only from Hollywood and other Western countries but also from Asian countries, especially

India, Hongkong, Taiwan and Indonesia to cater for its multi-racial society. A number of Philippine movies are becoming popular in Sabah, where a substantial number of Filipinos live.

Malaysia does not have any restriction other than those imposed by the censorship board with regard to importation of foreign films. However, films with communist ideology, excessive violence and pomography in addition to those which offend the sensitivities of any Malaysian groups are usually banned.

One of the strategies to market Malaysian films to other Asian countries is by joint-venture. In feature film-making, there had been isolated cases of joint ventures such as the Malaysia-Indonesia tie-up, LOCENG MAUT (THE BELLS OF DEATH), Malaysia-Thailand co-production, VENDETTA and the Malaysia-Philippines ventures, MALAYSIA 5 and the latest joint venture by P.T. Garuda and Ariko Sdn. Bhd.

In 1988, the first joint venture between Malaysia-Pakistan was initiated. Under the deal, the Malaysian partner would enjoy sales and revenues from the ASEAN market plus one additional Asian market while the Pakistani shareholders would have the Pakistan, Sri Lanka and Bangladesh markets.

An ASEAN joint-venture film company has been set to try its fortune in the challenging international market with a coterie of motion pictures geared towards satisfying demanding foreign

tastes. The company, Regal Film Productions Sdn. Bhd. based in Kuala Lumpur is a compendium of Regal films Inc. of the Philippines, Motion Picture Marketing Ptd. Ltd. of Singapore and Aries Motion Pictures of Malaysia.

Recently, Malaysia has also become a location for international feature films. Some example of international films shot in Malaysia include "FAREWELL TO THE KING, AIR AMERICA, BURMESE DAYS, BAT 21", etc. There has been renewed interest, especially from Hollywood-based producers for location shooting in Malaysia.

FINAS is also trying to promote Malaysia as a paradise for movie makers. In its small booklet it promises "Malaysian film crews are industrious, helpful and friendly". Any movies shot in the tropics..... could have been shot in Malaysia".

Malaysia is not only promoting the use of its vast land for movie locations but also welcomes any move for joint productions or even setting up of studios and other ancillary facilities.

Modern film and video equipment are quite readily available in Malaysia and rental of such equipment is tax-free. Equipment not available locally can easily be acquired from Hong Kong, Australia, Singapore or even from the United States.

7.1 Film Investment in Malaysia

The Promotion of Investments Act 1986 stipulates the various incentives given by the Malaysian authorities for foreign investors.

Besides film and video production there are other related avenues whereby investments in the film industry can be made in Malaysia.

These include:

- 1) Expansion/modernisation of film and video production
- 2) Post-production for film and video
- 3) Expansion/modernisation of post-production for film and video.

In the manufacturing sector, the production of photographic, cinematographic, video and optical goods/components are promoted.

These include:

1. All types of cameras and accessories
2. All types of projectors
3. Sound recorders and reproducers
4. Lenses
5. Unexposed films
6. Binoculars
7. Telescopes, magnifying glasses and microscopes
8. Cinematographic and video equipment
9. Any other photography apparatus and accessories.

Incentives for the film industry and the manufacturing sector are designed to grant relief from taxes in various forms. the principal incentive given is Pioneer Status which provides tax relief, for a period of five years, from income tax of 40%, development tax of 5% and excess profits tax of 3%. The tax relief period may be extended for a further five years for a company which fulfils certain criteria as determined by the Ministry of Trade and Industry. In the case of other incentives, the benefits are in the form of allowances given. These incentives are of great benefit to foreign investors and make Malaysia a lucrative place for investment.

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NOTES

1. Paper presented at the Seminar on Asian Films: Survival or Revival, Singapore, January 24-26, 1988
2. Head, School of Mass Communication, Institut Teknologi MARA, Malaysia and AMIC Country Representative for Malaysia.
3. "Malaysian films" in this paper mainly refers to feature-type films produced in Malaysia by local companies alone or through joint-ventures with foreign organizations.
4. Zulkifli Hj. Ahmad, "Eksplotasi Terhadap Bintang Filem" (1938-74), Percetakan Asian, 19173, p. 13.
5. FINAS; A Guide To film and Video Industries in Malaysia, October 1982, p.3.
6. Ibid, p.3.
7. Ibid, p.3
8. "Malaysian Film Academy" by Baharuddin Latiff, in FINAS Bulletin (Bil 8.1986), p.5
9. Ibid, p.5.
10. FINAS, A guide To Film and Video Industries in Malaysia p.4.
11. MALAYSIA YEAR BOOK 1986, Ministry of Information Malaysia p. 326

12. "The Cinema Industry - An Observation" in BULLETIN FINAS, No: 2/1986, p.12
13. See Section 21 (1) National Film Corporation Act of Malaysia, 1981 (Act 244)
14. "FINAS To Clamp Down On Unlicensed Film/Video Dealers" by Baharudin Latif in BULLETIN FINAS, (Bil: 2/1986) p.10.

15. Kamarul Ariffin "Marketing of Local Films: Present and Future, Problems and Answers" - A Paper Presented at the Sixth Malaysian Film Festival in Kuala Lumpur, December 1986.
16. "The Cinema Industry..." pg. 12.
17. FINAS: A Guide to Film and Video Industries in Malaysia, p. 12.
18. Ibid. p.7.
19. Ibid, p. 7.
20. BULLETIN FINAS (Bil: 4/1987), p.3
21. "Malaysian Film Academy" by Baharudin Latif in BULLETIN FINAS, (Bil. 3/1986); p.5.
22. Ibid, p. 15
23. FINAS: A Guide To Film and Video Industries in Malaysia, p. 4
24. Ibid, p.11