

Film Industry In The Philippines

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Ninety years have elapsed since the Lumiere cinematograph was first introduced in Manila in 1897 shortly before the Filipinos revolted against ^{the} 350-year colonizer, Spain. In February of 1986, the Philippines gained worldwide attention in yet another kind of revolution: the unique and now famous People Power revolution to end an unpopular dictatorship. In that span of ninety years, the history of Philippine cinema has been characterized by the proverbial peaks and valleys closely corresponding to the country's political and economic fortunes. Today, with the nation still reeling from an unprecedented economic low and an uncertain political future, the state of the Filipino film industry is indeed at a crossroad between survival and revival.

The following sketch would help us picture the current status of the country's film industry.

The Philippines ranks seventh among film producing countries in the world, its annual production ranging anywhere from 150 to 200 locally produced full-length feature films. In 1971 it attained the highest number of 251. The National Film Archives reported a total of one hundred fifty one (151) original Filipino feature films for 1986, then taking a slight dive at one hundred thirty nine (139) in 1987.

There are about forty film production outfits currently listed which produce films for exhibition in some 1,100 theatres all over the country as fare for an average daily audience of about 1.3 million. Watching a first-run movie in an air-conditioned theatre in Manila fetches a minimum P8.00 (40 US cents) from a moviegoer. There are twelve motion picture guilds, two film producers' associations (PMPPA and IMPIDAP) and a movie workers' foundation (MOWELFUND). With the cessation of the Manila International Film Festival in 1983, there is currently only one major film festival held on a national scale, the annual Metro Manila Film Festival from December 25 to January 1.

The Film Academy of the Philippines, the umbrella organization of the film guilds, reports that up to 1982, the movie business was a three billion peso industry employing more than 75,000 workers with close to half a million dependents. Taxes paid by the industry to both national and local governments amounted to nearly one billion pesos annually.

A typical production budget for a commercial film that runs a shooting schedule of from four to six weeks is shown below:

Cast/Performers.....	P1,325,000.
Production Staff.....	450,000.
Raw materials.....	300,000.
B & W processing.....	35,000.
Film Equipment (rented).....	25,000.
Color processing.....	100,000.
Catering.....	65,000.
Gas and Transportation.....	40,000.
Optical titles.....	50,000.
Specific tax.....	35,000.
Promotions/publicity.....	500,000.
Miscellaneous.....	75,000.
TOTAL	<u>3,000,000.</u>

Raw materials are purchased normally from the United States, Japan or Hongkong.

From the above table we can derive a number of inherent problems encountered by the average movie producer. Out of his initial capital outlay of P3 million (average), he has to realize triple that amount (P8-9 million) at the tills in order to merely break even. This is mainly brought about by an excessive number (17 in all) and amount (as much as 42% of gross) of taxes levied upon the production by the government. Thus the total financial outlay runs:

Taxes.....	40%
Production....	30%
Distribution & exhibition.	30%

This problem has not been corrected until now, making the Filipino film industry the most highly taxed in the world.

On the production level, the biggest chunk in the budget pie goes to talent fees paid to the "stars" and the rest of the cast. What determines the success of a movie at the box office is still largely attributed to who's-in-it rather than what's-it-all-about. Thus there is a mad competition among the major production outfits to engage and contract the services of actors who are considered "hot" at the moment. Among the six or seven hot properties (the progression of their titles runs from a lowly star, to superstar, to megastar, to....), the present range of their fees is anywhere from P600,000 to P2 million per movie. Being able to hire any one of them is considered a great reduction of the business risks.

The other huge chunk of the budget is allocated to publicity and promotions (half a million pesos), another big factor which can make or unmake a venture. The producer would be wise to invest a good one-sixth of the budget for press releases and write-ups, television plugs, huge billboards, movie trailers, etc. in order to weather the competition not only with local pictures but with foreign releases as well. Despite attempts by lawmakers to limit the importation of foreign releases, they still command a good sixty percent of the total market. A sad commentary is that only around 35 out of 150 local movies stand a chance of making a profit. Percentagewise, 25% make profit, 25% break even and 50% do not get their original investment.

For most investors, capturing the Metro Manila audience before their movies make an 8-10 month, 250-350 theater tour of the provinces is a good sign that at least 40% of their investment has been recovered. Metropolitan Manila becomes a reliable barometer of his fortune. However in order to be able to get their initial return-on-investment in the capital region, producers must be able to convince the theatre owners and operators who belong to two major associations--the Metro Manila Theatre Association and the Greater Manila Theatre Association) that their movies are worth booking. Three main factors will merit their assent: 1) their personal influence 2) the impressiveness

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of the cast and 3) the amount and impact of their promotions and publicity. Furthermore, they also have to contend with the influx of potential blockbusters from Hollywood, Europe and Hongkong.

Because of the stiffness of the competition in booking alone, smaller film companies either fold up overnight or resort to making smaller-budgeted films (P800,000 or less) that are laced with explicit sex scenes ("bombas") or are produced in a less amount of time (2-3 weeks). These same companies opt to skip their exhibition in Manila's big moviehouses and proceed posthaste to the smaller "fringe" theaters and to the provinces. They hope to at least get their investment back by avoiding the highly syndicated theater owners and operators and the prohibitive expense of hiring box-office stars and of media promotion.

AUDIENCE AND MOVIE TRENDS

Moviegoers in the Philippines may be categorized into two general classes based on preference: 1) the lower-income group (or as movie director Avellana coined it, the "bakya" or wooden clogs group) who prefer to watch Tagalog movies; and 2) the higher to middle-income group (or the "class" group) who like to watch Hollywood flicks ranging from Superman and E.T. to Chuck Norris movies. However, there is now a growing number of people who alternately shift preferences between English and Tagalog movies, depending on their mood when they consult the movie page. The nationalistic fervor in the '70s and '80s may have produced repercussions that have influenced the moviegoing habits of most Filipinos. Moreover, every Filipino is naturally bilingual even trilingual, a sociological phenomenon which may perhaps explain his preferential moods.

In Metro Manila, seven out of ten persons watch movies on a regular basis. What sort of movies do they go for? According to a recent survey by the Philippine Survey and Research Centre, the choice of fare among local films are as follows: 1) comedies 2) sex films 3) soap operas and 4) action or martial arts films. Among foreign films, detective, thriller and fantasy films are the preferences.

Current trends in viewership and film material are dictated not only by popular taste but also by censorship laws and policies. In the last five years or so, there have been three agencies--one replacing the other successively--created and commissioned with the task of censorship. The latest is the Movie and Television Review and Classification Board (MTRCB). Of late, it has been plagued with controversies resulting from inconsistencies in the implementation of its rules and policies, especially regarding classification, and the dearth of qualified reviewers.

Except for a few "socially relevant" films, these trends tend to reflect the opposite of economic and political realities now pervading the country. They have changed little in the last eight or ten years. Filipino films still follow the mold of what the Filipino scholar Hosillos describes as "bred as a transplant, adaptation or imitation of foreign movies from industrialised countries....it still has to liberate itself from consumerism for

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it to grow as art..." People will still go to movies to laugh, to live out their sexual fantasies, wallow in their misery or be swashbuckling heroes for two illusive hours. Or as Father Nick Cruz, SJ adds, "In a life where problems of inflation, unemployment, rising prices of gas and foodstuff rear their ugly heads, realism is an intruder."

But the picture is not all that grim. A Filipino movie producer, Espiridion Laxa, claims that new producers are born every year to replace the losers or to try their share of luck in this glamorous industry. The nation's economy has lately shown signs of recovery based on a 5.6% increase of its GNP rating last year. If the economic indicators presage well for the country as a whole, then the film industry cannot be too far behind.

Economic impediments notwithstanding, what makes the future not as bleak as it seems to be is the wealth of talent in the country. Filipino film directors such as Brocka, Bernal, de Leon and Romero have made waves in the international film scene. These filmmakers ushered in the so-called "Golden Age" of Philippine cinema in the 1970s. On yet another front, young independent filmmakers like Kidlat Tahimik, Deocampo and Red, shunning the banes of commercialism, have made similar waves overseas. The rising number of screenwriters is an indication that producers are starting to realize their worth in creating good films. Box office figures in the last four years demonstrate that foreign films no longer threaten local films on their own turf.

ADDITIONAL NOTES ON DISTRIBUTION

Distribution of both foreign and local films is not limited to regular theatre circuits as we have earlier described. Television networks serve as a secondary outlet. There are five major television networks, namely: ABS-CBN, People's Television (government-subsidised), GMA, RPN (equipped with domestic satellite facilities) and IBC. In the latest surveys measuring TV viewership, the top three spots were consistently garnered by re-runs of old Filipino movies (Regal Presents, FPJ sa GMA, etc.) indicating a trend that TV audiences welcome the convenience of viewing their favorite films in their homes. To prevent unnecessary competition between theatre outlets and television, an agreement has been struck between movie producers and TV stations not to show any picture until one year after its first theatre engagement.

This development has caused some major film companies to rethink and assess the potential of television as a major and not merely a secondary outlet for their productions. In fact, three outfits, Regal, Viva and Seiko have gone into production of sitcoms and drama series, even using their contract stars. Six female superstars (Maricel Soriano, Vilma Santos, Nora Aunor, Snooky Serna, Alma Moreno and Sharon Cuneta) have their own weekly musical variety shows on television as alternative or complement to their work in the movies. Whether this is just a temporary phenomenon brought about by an ailing film industry is a subject worth discussing.

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A third outlet is the video shop which has become both bane and boon to the industry. Bane because of unchecked video piracy in spite of the existence of the Videogram Regulatory Board (VRB), a government body tasked "to regulate the industry and curb video piracy." Video pirates manage to get hold of copies of foreign and local films without paying royalty to the owners and sadly, before these are shown in theatres. Sadder is the fact that they also avoid paying taxes to the government.

The Philippines adopts the NTSC system of transmission and there is a ratio of 9 to one, Beta versus VHS format. Per capita, the number of VCRs and players in the country is still relatively lower as compared to, say, Japan and Korea. A great majority of VCR owners belong to the upper income classes, who in turn are a minority among the moviegoing public. These are the same people who cater to foreign English-language films anyway, and would therefore affect foreign imports more than the local ones. Still, the problem may escalate if it is not arrested.

The video outlet is a boon in that there is a potentially rich market, not only locally, but overseas as well, where there are 2.5 million Filipino expatriates--notably in the United States, London, Rome, the Middle East, Hongkong, Singapore and Japan. Local producers make video copies of their films and send them to contacts and distributors abroad, hoping to widen their market by plying these tapes as palliatives to their homesick countrymen.

A potential fourth outlet is cable television but this has not yet established any palpable foothold in the Philippines.

THE IMPACT OF NEW MEDIA

Although the Philippines still has a long way to catch up on a lot of technical developments and the impact of new media, specifically video technology, on the film industry does not indicate a critical take-over, nevertheless, it has made initial inroads into the industry. A good number of advertising production outfits have abandoned film for video. At least one major film director, Mike de Leon, has opted to go into video production. Film schools, saddled with problems of acquisition of film cameras, purchase of film stock and processing of film, have tolerated even encouraged students to use the more economical and accessible video camera and cassette for class projects. Short film festivals are held alongside video work exhibits. And so on.

The greater impact is not so much on the choice of format and equipment as on the dwindling number of the film specialists. A good number of directors, producers, production personnel, other artists and craftsmen who used to be exclusively engaged in the film industry, has now shifted to television and/or video production. At best, they shuttle from one medium to the other. A case in point is that film superstars, actors and directors are television superstars, actors and directors as well. Movie producers now entertain the possibility of diversifying into TV and

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video production. One may call it a peaceful coexistence for now but the competition as to which media will ultimately prevail is after all worldwide. At least in the Philippines, films still command a larger audience gathered at any one place at any one time, an advantage which a video showing has not yet achieved. The magic of the big silver screen has not waned perceptibly and it is too early to worry about holograms and fifth-generation computer chips.

To perpetuate the existence of the film industry, remedial measures have centered around economic survival. Solve the ills of the national economy and we solve the problems of industries including the film industry. The concurrent and overlapping problems of poor popular taste, excessive taxation, oppressive censorship, competitive media and dominance of foreign films, problems which Filipino scholar Nicanor Tiongson cited, all hinge upon the recovery and resurgence of the national economy.

PROFESSIONALIZATION OF THE INDUSTRY AND DEVELOPMENT OF TALENT AND TECHN666S

Before the 1970s, filmmakers and production staff invariably learned their craft at the school of hard knocks. Without going through formal schooling, most would-be directors, designers, production assistants, cinematographers, electricians, etc. underwent apprenticeship with major studios or attached themselves to persons already accomplished in their line of work.

Today, professionalization of the industry has become more sophisticated and structured. The twelve guilds that compose the Film Academy of the Philippines include aggregations of actors, directors, screenwriters, cinematographers, editors, production designers, production managers, sound technicians and producers. These guilds conduct periodic meetings and workshops aside from banding together for representation and economic protection.

Film education takes on a more formal structure through schools and universities. In 1981, the country's premiere university, the University of the Philippines, pioneered and still is the only school in the country to offer a degree course leading to a baccalaureate in film. The film program is under the supervision of the Institute of Mass Communication and offers basic film courses such as film theory, history and criticism, photography, directing, performance and acting, editing, scriptwriting and cinematography. Presently, there are 120 film majors enrolled at U.P. There are other colleges and universities, most notably Ateneo de Manila and De La Salle University that offer film courses alongside other communication subjects that lead to a Communication Arts degree.

Other non-degree granting institutes include the Mowelfund Film Institute and the Actors Workshop Foundation. The former is the production and filmmaking arm of the Movie Workers Welfare Foundation which was established primarily to provide financial benefits to workers in the industry. It has since diversified to offer regular workshops in filmmaking, video production, photography and acting. It has become a strong force in the relatively new field of independent filmmaking and has sent scholars abroad.

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The Actors Workshop Foundation conducts highly personalised formal acting courses for professional and amateur actors aspiring to develop and improve their craft.

While these schools and other institutions provide the necessary training and education in film, they are also in need of basic resources and facilities. At the University of the Philippines particularly, there is a pressing need to upgrade their equipment and facilities to meet the requirements of an increasing enrolment of film students. Film instructors are recruited from the ranks of industry practitioners and academicians who have specialised in certain aspects of film and film production. However a lot of the faculty can only be engaged part-time since their full-time involvement is still in the more lucrative practice of the profession. Most of the present crop of directors and film critics have gone abroad, particularly the United States, to take up formal studies or attend short-term courses in film.

These institutions are young and their impact in providing talent and techniques and technical knowhow to the industry may not as yet be felt.

As incentives to continue honing their craft and to excel in their profession, there are award-giving bodies such as the FAMAS, Urian, Film Academy, Catholic Mass Media and STAR awards that periodically give recognition to talent and craftsmanship. The more confident practitioners go to film festivals abroad hoping to learn the latest trends and/or win prizes for their efforts, or for enterprising producers, to crash into the international market

THE REGIONAL AND INTERNATIONAL MARKET

The export-import profile of the industry presents quite a lopsided picture, with the importation of foreign films by far being the dominant. Foreign films outnumber local films two to one (2:1) among those exhibited annually in the country.

Balancing the picture may take some time. A fuller and rigid implementation of the law limiting the number of importations is clearly the solution. A bill has been passed in the Senate proposing a 10% tax ^{reduction to} for local pictures, ^{to} which could prove to be a big help considering that the present taxation on local movies is 40%. This could also conceivably spur local producers to improve the quality of their films and eventually qualify for the bigger world market.

A middle-of-the-road solution is the co-production scheme. Of five films for international release shot in the Philippines, "four are wholly financed by a foreign producer. The fifth is what we commonly know as a co-production venture." (Santiago in Filipino Film Review) This means that a local counterpart producer finances the cost of production incurred in the country such as local talents, food catering, rentals, laboratory and local post-production costs. The foreign producer takes care of the other expenses incurred outside the Philippines. Each deal then goes into specific terms regarding the division of profits.

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Under this scheme, only one film a year has been produced, the latest one with the People's Republic of China ("The King and the Emperor"), which took three years to write in two languages. But this is too negligible even insignificant a factor in affecting the total picture. The greater benefit goes to Filipino actors and crew. Lately, Philippine locations, crew and actors have been used by three major Hollywood productions : Hamburger Hill, Platoon and Missing in Action III. In early 1988, around 90 actors, 6,000 supernumeraries and an entirely Filipino crew will be engaged by an Australian production outfit to film the story of the People Power Revolution for worldwide television. Productions such as this are clearly a source of additional income for actors and workers and a chance to work in a highly budgeted, technically advanced production.

The cost of importation can be as high as P500,000 (US\$25,000) as in the case of Rambo IV but profits derived from foreign top-grossers like this can range from P600,000 - P1 million. The better business sense, but an injustice to the local industry, is to import rather than to export.

There are however a few film exporters who try to defy the odds. Entertainment Philippines, Inc., the export arm of the defunct Experimental Cinema of the Philippines (ECP) has been privatized and has since been engaged in location filming services, co-production and promotion of Filipino "quality" films. For instance, copies of films such as Himala and Oro, Plata, Mata have been bought in Germany. Another film exporter is Roadshow Presentation which specializes in action films, dubbing them into Chinese, Japanese and English.

Filipinos, being multilingual, are a rich source of dubbing talents for international releases. The present rates (1987) for dubbing into English, reckoned per film loop, is from P30 - 45 (S1.50 - 2.25).

The Los Angeles, Cannes, Milan and Berlin Film Festivals have been good but inadequate outlets to promote and market Filipino films. The Manila International Film Festival of '82 and '83 started off with a big flourish but soon fizzled out because of economic difficulties. Not a few film aficionados regarded the MIFF as an auspicious start of an Oriental counterpart, together with the Tokyo International Film Festival, of the many film festivals in Europe and the U.S. The revival of an Asian Festival will not only foster the exchange of films between East and West but also among Asian neighbours. Geographical and cultural considerations favor a film exchange in the region first before selling our products in the West.

In concluding, it might be appropriate to echo the question posed in this seminar. Filipino films : survival or revival? It is a vicious cycle. One has to revive in order to survive and

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films have to survive in order to be revived and resuscitated.
The Filipino film industry cannot do otherwise.

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