**National Company Case Study**

Throughout this essay I will be looking at a National Production Company. I will be delving into the history of the company, content, sources of income, regulations, distribution/audience and competitors.

The company that I have chosen to look at is Universal Pictures. My reason for choosing this company is I have always had an interest in the film industry and Universal Pictures have produced some of my favourite films, I would also like to work for Universal one day in the future.



**History**

Universal Pictures is an America film studio, owned by Comcast through one of their subsidiaries NBCUniversal and it is known to be one of Hollywood’s ‘Big Six’ film studios. They have studios in California and London, as well as Distribution and other corporate offices in New York. A German man named Carl Laemmle, as well as Mark Dintenfass, Charles O. Baumann, Adam Kessel, Pat Powers, William Swanson, David Horsley, Robert H. Cochrane and Jules Brulatour funded the company in 1912.

Universal studios have produced some of the most well known films, 6 of the films include: Jaws (1975), E.T the Extra-Terrestrial (1982), Jurassic Park (1993), Despicable Me 2 (2013), Furious 7 (2015) and Jurassic World (2015) all achieved major box office records, with the first three, (which were directed by Steven Spielberg) all becoming the highest-grossing film at the time of its initial release *(Universal Pictures. 2017).*

**Leadership Team**

Universal Pictures is run by 17 Senior Executives, which is comprised by 4 Women and 13 men. The list below shows their names and Job Title *(Universal Pictures. 2017)*

* Ron Meyer – Vice Chairman
* Jeff Shell – Chairman
* Donna Langley – Chairman
* Nick Carpou – President, Domestic Theatrical Distribution
* Duncan Clark – President, Distribution
* Peter Cramer – President, Production
* Rowan Conn – Chief Financial Officer
* Eddie Cunningham – President , Universal Pictures Worldwide Home Entertainment
* Lissa Freed – Global Head of Human Resources
* Cindy Gardner – Executive Vice President, Global Communications
* Josh Goldstine – President, Worldwide Marketing
* Jimmy Horowitz – President
* Vince Klaseus – President, Universal Brand Development
* Peter Kujawski – Chairman, Focus Features
* Peter Levinsohn – President & Chief Distribution Officer
* Michael Moses – Co-President, Worldwide Marketing
* Clarissa Weirick – General Counsel

**Most Popular Film List**

For over a century Universal Pictures have created and distributed hundreds of theatrical and non-theatrical filmed entertainment. Below is a list of some of their most well known films *(Movie Insider. 2010-2017).*

* Back to the Future (1985)
* Jurassic Park (1993)
* Jurassic Park: The Lost World (1997)
* Jurassic Park 3 (2001)
* Red Dragon (2002)
* 2 Fast 2 Furious (2003)
* Love Actually (2003)
* Dawn of the Dead (2004)
* Van Helsing (2004)
* King Kong (2005)
* Children of Men (2006)
* Dead Silence (2007)
* Hellboy 2: The Golden Army (2008)
* Mamma Mia (2008)
* Drag Me To Hell (2009)
* Inglorious Bastards (2009)
* Despicable Me (2010)
* Bridesmaids (2011)
* The Thing (remake) (2011)
* Pitch Perfect (2012)
* Les Miserables (2012)
* The Purge (2013)
* Despicable Me 2 (2013)
* Lucy (2014)
* As Above, So Below (2014)
* Unfriended (2015)
* Jurassic World (2015)
* Krampus (2015)
* Bridget Jones’s Baby (2016)
* Split (2017)
* Fifty Shades Darker (2017)
* Get Out (2017)

The majority of this list was well received by the public, however some of the films received bad ratings from critics.

**Revenue and Sources of Income**

As well as having highly successful film studios in California and London, Universal also have 4 highly successful themes parks, 3 of the four themes parks are called Universal Studios and are located in Orlando, California and Japan. Each of the theme parks offers thrill rides, shows and entertainment. Although 3 of the theme parks are called Universal Studios they each offer a different variety of rides and attractions *(Kelly, C. 2017).*

In the first quarter of 2017 (January – March) Universal’s revenue climbed by **14.7%,** nearly **$7.9 billion**. This included adjusted earnings increasing by **24.4%** to **$2 billion**. With standout performers including the Film Production Unit and the companies theme parks sector *(James, M. 2017)*.

Universal’s film unit generated **$1.98 billion** in revenue within the first quarter of 2017, with the studios adjusted earnings climbing by **120%** to **$368 million**, this was achieved through strong performances from films such as:

* Get Out (2017)

Which had a budget of **$5,000,000** and a total worldwide box office gross of **$229,517,424**

* Fifty Shades Darker (2017)

Which had a budget of **$55,000,000** and a total worldwide box office gross of **$376,860,515**

* Sing (2017)

Which had a budget of **$75,000,000** and a total worldwide box office gross of **$631,808,057**

*(Anon. 2017).*

2017 also seen the attendance at the Universal parks in Orlando, California and Japan jump by **9%** to **$1.12 billion**, making the adjusted earnings climb by **6%** to **$397 Million**. This was achieved through visitors flocking to Universal Studios California’s Harry Potter attraction *(James, M. 2017)*.

**Tobacco Regulations**

In 2007 Universal Pictures implemented a policy regarding the advertising of tobacco related products in any youth-related films produced by the company. This applies to all of their youth-related films with age ratings of G, PG or PG-13. Under this policy certain smoking related scenes may be permitted only if it has a substantial reason or meaning within the film.

Universal reserve the right to implement a health warning within their content, whether it be in the credits, DVD packing or marketing materials, if and when a smoking incident is permitted within a youth-rated film.

In addition, Universal makes no advertising deals or product placement deals with tobacco companies for any of their films, regardless of age rating *(Universal Pictures. 2007).*

**Distribution and Audience**

**Distribution** - The international marketing sector of Universal Pictures is known as UPI/Universal Pictures International. They cover distribution of movies throughout the United Kingdom, Spain, Italy, Germany, Switzerland, the Netherlands, France, Russia, Korea, Australia, Mexico, India and China. UPI distributes and markets all of Universal Pictures films through its local office, by creating campaigns and release strategies that respond respectively to the culture and marketing behavior of all of the countries that they cover.

In other parts of the world, UPI will work along side Sony and Paramount in the distribution of all three companies’ films *(NBCUniversal. 2017).*

**Audience** – from the beginning Universal Pictures was producing films for an older audience and achieved success with films such as To Kill a Mockingbird (1962), The Deer Hunter (1978), Schindler’s List (1993), Red Dragon (2002), etc. However in 2007 Universal began an all-audience family film business with Illumination Entertainment. The first film they produce together was 3D animated CGI blockbuster Despicable Me, which was one of the highest grossing and most profitable pictures of 2010.

As well as providing content for all ages within the film industry, Universal also provide entertainment for those that prefer theatre to film, with their live stage production of Wicked and 10-time Tony Award winning Billy Elliot the Musical, being the most popular stage productions to hit the West-End and Broadway *(CrunchBase Staff. 2016).*

**Competitors**

Within the Film Industry Universal has 4 main competitors, the companies in which Universal competes with are as follows *(Benaim, S. 2013)*:

* Columbia Pictures (Sony)
* Warner Brothers (Time Warner)
* Buena Vista (Walt Disney Company)
* 20th Century Fox (News Corporation)

In 2016 Universal was the 4th highest grossing studio in the worldwide box office. The worldwide box office ratings for 2016 were as follows *(Tartaglione, N. 2017):*

* Disney – Total Gross = $7,605M
* Warner Bros – Total Gross = $4,930M
* 20th Century Fox – Total Gross = $4,490M
* Universal – Total Gross = $3,314M
* Sony – Total Gross = $2,158M
* Paramount – Total Gross = $1,760M
* Lionsgate – Total Gross = $1,543M

**Conclusion**

In conclusionit is clear that Universal are one of the biggest and highest grossing film studios in the world, this is seen through the success of their films and theme parks. We can also see that while they may be only the 4th highest grossing studio of 2016, this may have been caused by Brexit and the changing of currency values. From the information above it is also clear that Universal care about their target audiences and in doing so have put regulations in place so as not to promote smoking or tobacco products to children.

Doing the research into Universal Pictures has allowed me fully consider a possible career within this company, as well as seeing how well the company does compared to the mega production companies such as Disney.

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