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My Life... A Sony Product

Abstract

Sony Corporation's purchase of Columbia Pictures studio in 1989 has long been the subject of media industry speculation concerning potential clashes between Japanese corporate oversight and Hollywood production cultures. This essay examines Sony Pictures Entertainment in a wider context, as a more typical example of multinational media conglomeratization whose Japan-centered ownership nevertheless renders it an anomaly among major Hollywood studios. Sony's constant pursuit of hardware/software "synergies" has altered its characteristics over the years, and now seems most visible as "synergistic text," a form of product placement that brands the studio as a visible consumer choice. Although Sony intended to make a difference in Hollywood by merging native hardware with exclusively-owned software, it realized an alternative difference: a unique opportunity to market itself within cinematic text.

Introduction

In November 1993, a little over four years after Sony Corporation purchased Columbia Pictures, Columbia released *My Life*, a drama about terminal illness. In the film, a Los Angeles public relations agent named Bob Jones (Michael Keaton) is stricken with an advanced form of cancer while his wife (Nicole Kidman) is several months pregnant. Knowing he will die before his son grows up, Bob videotapes his daily routine and dictates life lessons to his future son (Fig. 1). The camera accompanies Bob in the bathroom, in the car, and on a long-distance visit to his estranged relatives. All the while, he addresses the camera as if it were the face of his child. The film adopts the camera's point of view at regular intervals, as if positioning the viewer in the future perspective of Bob's son watching the footage of his (by then) deceased father. The film ends with Bob's death, envisioned as a roller-coaster ride into a blinding white light (Fig. 2) that dissolves into a playback image on the family TV of Bob reading Dr. Seuss to the camera. The shot zooms out to reveal his son sitting in the living room, grown to a toddler's age, watching and listening. The light of transcendence into death has merged with the videographic recording light, preserving Bob in image form even as he departs his physical form. In technological terms, Bob has cheated death.

Bob's camera is a Sony 8mm Hi-Fi Stereo Precision model, a detail that would be trivial if the camera were not so omnipresent and thematically tied to the film narrative. But Sony's presence in *My Life* goes beyond product placement. Bob's

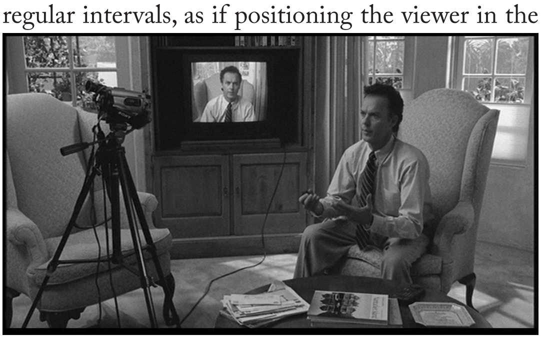

Fig.1: Bob addressing the camera as a father to a future child.

Fig. 2: Death as a visionary flash of white light.

Mike Dillon, editor, Spectator 35:1 (Spring 2015): 31-40.

near-obsessive use of the camera is a fantasy of a corporate mission accomplished. In the world of the film, Sony technology can give life to its consumers, not in biological terms but in imagistic terms. Bob chooses, and trusts, Sony to deliver his virtual presence in his physical absence. Sony provides the media hardware (recording and playback technology) that can turn our lives into media software (recorded and played-back images).

As audience members familiar with Hollywood studio films, we are well aware of product placement. The motives for product placement occupy an intersection of art and commerce: the desire to achieve verisimilitude in the *mise-en-scène* along with the financial benefits of displaying branded products. In most cases, the underlying promotional agreement is between the onscreen product manufacturer and the film production company or distributor. In the case of *My Life*, however, the production company and the onscreen product manufacturer are one and the same. Alone among all other major studios, Sony Pictures Entertainment (SPE) has the ability to brand *itself* on the screen. Such a unique corporate position raises the question of how Sony, ever since its purchase of Columbia Pictures, has altered traditional practices of product placement.

My Life illustrates a type of synergy that characterizes Sony's mission in purchasing Columbia Pictures: to use the cinematic "software" of entertainment to sell the electronic "hardware" of video technology. The Sony camera enables Bob to achieve a kind of immortality. With Sony hardware, Bob creates a form of videographic after-life, and with the camera (and Sony logo) on constant display, the film's audiences are shown the means to immortalize themselves. The Sony logo did not need such prominent placement on the screen to make the film profitable.[1] But the film's potential profitability no doubt motivated Sony's insistence on exploiting the film's premise to foreground the company brand.

Brand display was not Sony's original vision for creating unprecedented hardware/software synergies in Hollywood. Sony desired market dominance through product bundling – by forcing consumers to watch Sony-produced (and -owned) intellectual properties on Sony-manufactured playback devices.[2] However, conditions of the industry, and of the marketplace at the time, prevented such synergies from being realized. What emerged, instead, in terms of making a difference in Hollywood, was a practice of self-branding along the lines of *My Life*: a unique opportunity to display Sony hardware *within* Sony software.

This essay examines Sony's corporate mission of synergy in three sections. First, I will place Sony's buyout of Columbia within the context of industrial trends of the 1980s and 1990s. Sony was not the only Japanese company to pursue a worldwide consumer market share through the vehicle of Hollywood cinema, though Sony became the most popular symbol of Hollywood's openness to Japanese financing at that time. Sony's original mandate for hardware/software synergies set it apart from the other major studios—that is, until Matsushita's purchase of MCA-Universal in 1990. Sony's Japanese identity also distinguished it from its new Hollywood peers, and many commentators in the US, concerned over trade deficits and other Japanese investments in American real estate, perceived the buyout as a threat. The most notorious example of alarmism in the mass media was the October 9, 1989, cover of *Newsweek* that featured the Columbia lady logo dressed in a kimono, accompanied by

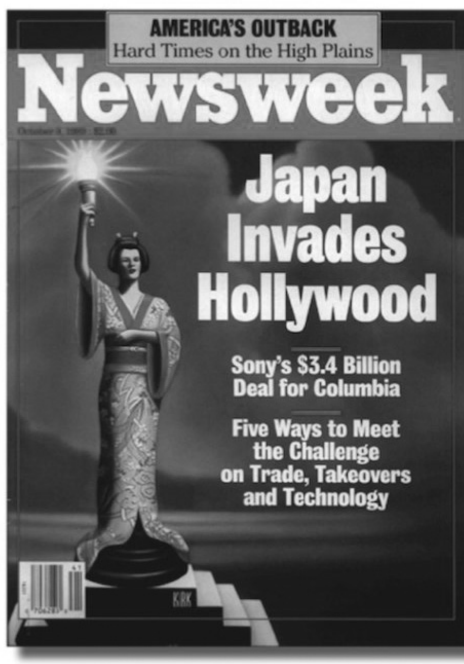

Fig. 3: Cover of *Newsweek* magazine, 9 October, 1989.

the headline "Japan Invades Hollywood." (Fig. 3)[3] But in its multinational, multimedia structure, the new Sony-Columbia configuration followed, rather than departed from, the intensifying globalization of the Hollywood industry.

Secondly, this essay explains how common problems associated with the accelerating development of global Hollywood forced Sony to abandon its original concept of synergy. Beginning in the early 1990s, Sony's efforts to achieve profitability and increasing market share placed it in a position of conformity within the industry. Instead of revolutionizing the Hollywood industry with successful merges of electronic hardware and entertainment software, Sony adjusted to standard industry practices by keeping its consumer technology division separate from its film, television, and music divisions. Thirdly, this essay argues that, in spite of Sony's conformity to global Hollywood production cultures, it has achieved a unique form of synergy (among the major studios) in its ability to present Sony-branded products within its own films. I define the appearance of Sony consumer hardware in the *mise-en-scène* of Sony-produced motion pictures as a form of "synergistic text": a vision of consumerism that places Sony technology in the hands of onscreen characters. Sony has indeed made a difference in Hollywood, though that difference took time to emerge, and does not correspond to its original corporate vision of hardware/software synergies.

Transnational Hollywood Values

My Life serves as a useful illustration of both Sony's original vision of synergy (as of 1989) as well as that vision's transmuted, present-day form. Within the film we see Bob as the ideal Sony customer, using Sony's patented 8mm digital video camera to record and play back images of himself. That video format could not migrate to other media technology manufactured by JVC or Toshiba. If Bob's recorded life were a commercially-released movie produced by Sony, under the company's original mandate for corporate synergy, only Sony hardware could play that software. Bob is a loyal customer: the family TV, on which Bob's son watches his father reading Dr. Seuss, is also a Sony (Fig. 4). But the marketplace for video technology in the 1980s and 1990s was

Fig. 4: Bob immortal as a video image on the family TV—a Sony product.

not receptive to Sony's initial plans for synergy. As it remains, *My Life* illustrates Sony's more current and (I would argue) successful merging of hardware and software: using the software of cinematic text to foreground the company's branded hardware.

How was Sony's concept of synergy formulated, and how did its implementation fail? Sony did not pioneer large-scale Japanese investments in Hollywood. Its purchase of Columbia in 1989 was only one high point among several investment schemes between Hollywood and Japanese investors throughout the 1980s and 1990s. The emergence of the video market in the 1980s was a test of Hollywood's adaptability to new formats and an assertion of the powerful role of Japanese investors and consumer hardware manufacturers in the production, distribution, and exhibition of Hollywood films. In 1984, the Supreme Court ruled against Universal and Disney in their lawsuit against Sony, indemnifying Sony from claims of copyright infringement against American owners of VCRs.[4]

The growing demand for Hollywood films in video markets outside of the United States in the 1980s, particularly in Japan, was significant and measurable. In 1988, the US reported net exports of movies, home videos, and pay-per-view cable TV at $2.5 billion, an increase of 32% from the previous year.[5] Japanese admissions and box office numbers had dropped in 1985, and in the ensuing decade, the number of exhibited foreign films exceeded that of domestic films, even as the number of screens declined steadily from 2,300 in 1981 to 1,800 in 1991.[6] These figures provide a partial illustration of a mutual interest among American and Japanese film producers in the appeal of Hollywood films to an emerging "world market." On the American side, audience size had not grown substantially enough to offset the rising costs of motion picture production in the 1980s.[7] With American theatrical audience admissions unable to cover Hollywood financing on their own, and with the decline of Japanese theatrical audiences, producers in both countries saw the benefits of a more transnational Hollywood cinema. Japanese investments in Hollywood were not only attractive, but necessary.

Sony's rationale in purchasing an entire Hollywood studio went beyond a desire to assume control over products that circulated widely in the Japanese market. Control of a studio created opportunities for "synergy" (*sōjōkōka* or *shinajī* in Japanese): securing the rights to film and television content (the software) that could be bundled with Sony's consumer video products (the hardware). As a manufacturer of electronic media devices for the global market, Sony considered Hollywood films a vehicle for expanding its multinational corporate brand. Hollywood—geographically and culturally—represented a market and a production site of "American" (i.e., global) entertainment. By investing in the industry, Sony was not unlike Toyota or Nissan in setting up production sites for automobiles in the United States. With Japanese backing, American labor could supply the world with Japanese products indistinguishable from those produced under all-American ownership, with one significant difference: the products had to be tied to media formats patented by Sony.

Undaunted by the size of the Columbia purchase—$3.4 billion plus $1.2 billion in outstanding debts—Sony recognized (as did all the studios) the importance of sheer size in adapting to worldwide market conditions. With the deregulation of broadcasting in Europe and new markets developing in Eastern Europe, China, and of course Japan, multimedia companies had to merge and enlarge in order to survive, effecting a sweeping industry-wide change from 1985 to 1990.[8] As *The Economist* observed in reaction to the Sony-Columbia deal, television deregulation around the globe made film libraries like Columbia's "worth a fortune."[9] Sony adopted Hollywood-coded entertainment as a "universal" model to which it could attach its own native products as well as its capital. Such business activity speaks to the transnational values of Hollywood that incentivize foreign investments and thereby accelerate the transnationalization of the entire industry.

Changing Motives

As it turned out, Sony's proclaimed desire to make a difference in Hollywood via hardware/software synergies went unfulfilled. The enormity of concern in the American popular press in 1989 about the long-term effects of the Sony-Columbia deal was a reaction to the enormity of the investment and Sony's Japanese identity. American government regulations forbade a foreign company from owning US television stations because of "the potential for spreading propaganda."[10] Sony had to endure hyperbolic American media characterizations of the company as a Japanese threat to American culture, even though, at the time of the deal, 66% of its products sold outside of Japan, and nearly every Sony TV that sold in the US had been manufactured in the US.[11] What seems most odd about the critiques of the Sony buyout is the underlying notion that Hollywood was a site of authentically-American cultural production that would be under threat from overseers of a "foreign" culture. As the industry as a whole was accelerating the globalization of its corporate structure, the design of its products followed suit. Hollywood studios of the 1980s actively promoted substantial production budgets, star power, and high-concept premises to attract audiences beyond America's borders. A late-1990 *Time* magazine article listed the reasons why Hollywood films were so globally marketable: "Scale, spectacle, technical excellence… [a] style of the outrageous, a gift for vulgarity […] driving plots, story lines and narratives […] strength of character, self-reliance, a certain coarseness, a restless energy."[12] Those design elements, combined with a powerful global distribution network and the cultural advantages of producing in English, established a national product "without peer on the international stage." Only aircraft manufacturing surpassed Hollywood on the list of American industries with a trade surplus in the late 1980s.[13] Sony's intentions were not to disturb this overarching industrial model; rather, their intentions were to capitalize on that model, to assist in its perpetuity.

When SPE struggled financially through the early 1990s (as did all the studios), mass-media rhetoric about the deals shifted in the United States from concern over the Japanese companies' power of propaganda to a strange ambivalence over their mistakes and failures.[14] Sony finally had problems that the industry could understand, even empathize with. Its persistence in maintaining ownership of the studio, however, baffled some industry commentators. Sony seemed willing to tolerate massive short-term losses and excessive spending with the expectation that their investment would pay off in the long term. Synergy, as Sony defined it at the time, supposedly guaranteed long-term success.[15] Needing an American CEO to manage the studios, Sony entrusted Mickey Schulhof (chief of Sony's US operations) with hiring production heads. Schulhof chose Peter Guber and Jon Peters, whose 1989 *Batman* for Warner Bros. was precisely the kind of film Sony wanted as a profitable franchise. Guber and Peters's notorious overspending added another $1 billion to Columbia's purchase price.[16] Japan's recession, a slump in hardware sales, and the rising yen led Sony's Tokyo executives to pressure Columbia into making more hits at reduced costs, just as every studio at the time was attempting to do.[17] Instead, Columbia poured its resources into bloated flops like *The Last Action Hero* and *Geronimo: An American Legend* (both 1993). Nearly all of Columbia's films in 1993 lost money, and in 1994 the studio ranked last among all other majors in market share.[18] Paralyzed by poor returns, resignations, and ever-rising costs, Sony announced a $2.7 billion write-off in late November 1994—one of the largest ever for a Japanese organization.[19] As its stock plummeted, Sony further announced half-year losses of $3 billion after taxes in 1994. Analysts noted that, when adding debt and severance packages to Sony's Columbia expenses, the total price of the studio amounted to $7 billion, or roughly twenty-two times the studio's annual cash flow.[20]

In November of 1994, Sony also saw the retirement of chairman Morita Akio, who was confined to a wheelchair after suffering a stroke the previous year.[21] During Morita's convalescence, acting chairman Ōga Norio almost immediately announced an organizational reform that consolidated Sony's nineteen production divisions and eight sales divisions into eight large divisions, giving the president of each division—as well as Ōga himself—more autonomy to make decisions.[22] Ōga selected Idei Noboyuki, a former marketing executive, as the new Sony president. As a software enthusiast and not a hardware engineer, Idei represented a changing corporate philosophy that equated business growth in the entertainment industry with intellectual property rights. There emerged a strategy to reject failed notions of hardware-software synergy in order to compete with the other studios *as a studio*, and not as a purveyor of visionary merges of movies and playback machines. Dismissing Schulhof in December 1995, Idei shifted control of SPE back to Japan, flattening the US operation so its executives now reported directly to Tokyo.[23] Profits rose sharply under Idei's management, though they were largely concentrated in Sony's music division and its growing market share in the video game industry—not in the film division.[24]

The future of Sony, as it transpired, did not hinge upon the success or failure of its attempts to marry hardware and software in manufactured bundles, or on exclusivity deals that allowed its video library to play only on Sony-branded products. What has emerged during the last twenty years of Sony ownership of Columbia is a different kind of synergy, one that married the hardware company to the cinematic *text* of its software. Sony's stubbornness in retaining a troubled and expensive asset may prove an ultimate failure, but the failure would not be due to its troubles in the 1990s. Its difficulties adjusting to a globalizing market were common in the film industry, and remain so. What is perhaps most remarkable about Sony-Columbia from 1989 to the present, and what may designate its continuing presence in the industry a success, is how unremarkable and typical their films appear alongside films of the other four major studios. And yet SPE retains an advantage every other studio lacks: the ability to market its brand openly, and convincingly, in the *mise-en-scène* of its films. The most reliable method of distinguishing an SPE film from, say, a Warner Bros. film in the new millennium is the prominence of Sony, the brand, as the choice of the films' characters.

Fig. 5: Climactic birth scene in *My Life*: dramatic family moment as photo op.

The Synergistic Text

We can adjust the meaning of the word synergy to examine Sony films as producing a kind of synergistic vision of its market presence. *My Life*, for example, may not represent Sony's original model for synergy—it can be viewed on media hardware other than Sony's—but the display of Sony hardware in the film's *mise-en-scène* suggests an alternative model: the commitment of a film's protagonist to a company brand. Bob is a product of Sony video recording technology in three senses. He is the leading character of a Sony-produced film; his character represents the ideal Sony customer; and his image on Sony-produced media grants him a virtual afterlife. Camera in hand, and as a played-back image on his son's (Sony) TV, Bob educates and entertains both his son and the film's audience. In the course of the film, we learn how to take old reel-to-reel home movies and record them on (Sony) video for the next generation. We learn that we can take a (Sony) camera to weddings, to family reunions, even to witness the births of our children. *My Life* focuses on these extraordinary "life moments" as things we need to preserve, and it shows us the means for preserving them. The image of Bob clutching the camera to his chest while kissing his wife on the forehead, as she smiles with their newborn infant nestled in her arms—with all three of their faces mere inches from the camera's recording lens—may well be the greatest Sony ad ever made (Fig. 5).

My Life's version of product placement has stronger thematic force than the more casual display of Sony hardware in recent Sony films like *Skyfall* and *The Amazing Spider-Man* (both 2012). That is not to say, however, that Sony's presence in the latest installments of the James Bond and Spider-Man franchises is a *mere* presence. Characters in the films use the technology to advance the plot and to achieve their goals. Hovering over Vaio laptops, watching Sony TVs, and manipulating Sony cameras, the films' characters endorse Sony as both hardware manufacturer and entertainment provider. Theirs is a silent endorsement; to crow the benefits and superiority of Sony technology within the film's dialogue would destroy the illusion of characters simply choosing Sony and not having it chosen for them.

At times the presence of Sony in its recent films has a jarring effect, though not resulting in the desecration of the brand. David Fincher's *The Social Network* (2010) and *The Girl With the Dragon Tattoo* (2011), both Sony films, demonstrate the terrifying power of media technology for communication and surveillance, respectively. Sony computers in those films have an even greater thematic significance than in *Skyfall* or *Spider-Man*. While advancing the plots of Fincher's films, the presence of consumer hardware suggests an unregulated system of data transfer that threatens our collective society and individual privacy. Sony's willingness to brand itself onto products used by the films' characters to subvert laws and social mores signals a corporate message that it is the user, and not the technology itself, that assumes responsibility for the product's use or misuse.[24] Sony's presence in the 2008 documentary *Standard Operating Procedure* (distributed by Sony Pictures Classics), Errol Morris's exploration of the Abu Ghraib prison photographs, did not sell the Sony brand so much as it contributed to the authenticity of Morris's presentation of facts. Knowing that staged re-enactments of grotesque photo ops in the prison would require Sony-branded props, Morris reports that he approached a Sony executive with the idea of "inverse product placement": Sony paying him *not* to mention the fact that the guards at Abu Ghraib used Sony cameras.[26] The eeriness of the re-enactments staged by Morris is not diminished by the integration of the familiar block-lettering of Sony's logo. The logo's presence may not produce a "corporate vision" in marketing terms, but it does represent, at times to a disturbing degree, the presence of branded technology in our lives (Figs. 6 and 7). We are Sony customers watching Sony customers, and not all of those customers are model citizens.

As the only film studio with its corporate brand also visible on consumer hardware, Sony has the unique advantage of selling itself openly—and with some measure of authenticity—in contemporary Hollywood cinema. Its biggest rivals, such as Apple and Samsung, have a high degree of visibility but appear as ancillary advertisers, selling themselves through a studio product rather than selling the studio itself. For other studios to foreground their own brands, characters must appear where a studio product could conceivably be on display: at a movie theater, video store, or in a living room or bedroom with a TV and perhaps a well-stocked shelf of studio-branded videos nearby. Sony has not avoided these clunkier methods: the 1991 film *The Fisher King*, produced by Columbia-TriStar, has several scenes set in a video store that, miraculously, carries only Columbia-TriStar films. Sony can sell itself through its studio subsidiaries and, at the same time, plaster its own logo on cinematic props.

In *My Life,* when Bob turns on his Sony camcorder and points it at himself, he is simultaneously in control of technology and submissive to it. As a consumer, Bob chooses Sony. As a producer, he dispenses "universal" (fatherly)

Figs. 6 and 7: The synergistic text: Sony-branded props in *My Life* (Fig. 6) and *Standard Operating Procedure* (Fig. 7).

wisdom in the hopes that his son will consume it (via Sony hardware). Sony itself has the same relationship to Hollywood: it is a user and an object, no less so, or more so, than the other studios, but for the fact that it can plant itself prominently in the *mise-en-scène* of its films. The Hollywood brand is what drew Sony the investor; it is the Sony brand that draws (it is hoped) the Sony customer.

Conclusion

A January, 2013 article in *Variety* contemplated the state of SPE in fatalistic terms. Brian Wieser, an analyst at Pivotal Research Group, argued that Sony should sell SPE to CBS Corp. (a deal that seemed possible at the time, though not as of this essay) in order to dispense itself of a perpetually troubled asset. "The Japanese parent company of SPE has never bridged a significant cultural gap with its US-centered operations," he wrote. "Its attempts to impose product and content synergies have been a source of significant distraction."[27] Wieser seems to be taking a long view of Sony that recalls its original mission of corporate synergy that failed to produce any significant results. Sony's shifting motives and practices in the 1990s notwithstanding, Wieser's long view also reproduces a boilerplate US-Japan binary circa 1989: the dreaded "cultural gap" between East and West that so many feared would result in compromised Hollywood visions. If Sony does sell SPE to a US-based conglomerate, it may suggest that, in the long run, despite an experiment of twenty-five-plus years of non-US oversight, the power centers of Hollywood naturally reside in the States. But in the meantime, Sony remains a stubborn anomaly, pursuing a vision quest of marrying its native hardware (itself in fierce competition with its multinational rivals) with Hollywood-produced entertainment software.

At the time of the Sony-Columbia deal, commenters in the US and Japan were quick to argue that Sony could not possibly succeed because it did not have a proper creative-industry background. Japanese filmmakers in particular denigrated Sony's knowledge of Hollywood, and of filmmaking in general. Endō Takeo, manager of new business development at Shōchiku studio in Japan, dismissed the Sony deal because Sony management was not comprised of "film people," unlike himself and others at Shōchiku who were seeking co-production partners outside of Japan.[28] But at the time Sony bought Columbia, it was already a "film company" in two senses: it manufactured blank film for recording purposes and media hardware for playback purposes. Columbia Pictures was a third iteration, a production site of feature films that played, internationally, on consumer hardware. Matsushita was also a film company when it bought MCA in 1990, as was Toshiba when it invested in Time Warner Inc. in 1991.[29] All of this activity, far from exemplifying an outsider's expansion into a foreign culture, was contained within "Hollywood"—just as Sony hardware contains Bob—and served to transnationalize Hollywood as an industry, as a community, and as an idea.

Sony failed to make a difference in Hollywood in terms of altering the direction of the industry to conform all entertainment software to Sony-produced consumer hardware. What the company found as one distinguishing characteristic was the adoption of a common and long-held Hollywood practice to suit its own purposes: the integration of its corporate brand into its cinematic images. Like Bob in *My Life*, Sony desires immortality through its screen presence. Even if industry and market conditions forced the studio to re-organize in the 1990s, it did not result in the death of the company, or even the death of any one division of the company. Rather, the company consolidated its power—centered in Tokyo—and pursued alternate methods of corporate synergies. The current Sony logo, which includes the slogan "make believe," represents its altered direction and its unique corporate mission: a dual commitment to visual storytelling and direct marketing to its audience.

Fig. 8: Sony's current logo.

Ken Provencher received his PhD in 2013 from the USC School of Cinematic Arts. His dissertation analyzes industrial and textual connections between Japan and Hollywood cinema in the 1980s and 1990s. He has published essays and reviews in *The Velvet Light Trap*, *Film Quarterly*, *Film International*, and the *International Dictionary of Films and Filmmakers*.

Notes

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1 The $18 million-budgeted *My Life*, which grossed $28 million in the US, was a minor exception to the dismal performance of Sony's feature film division in 1993.
2 Sony Chairman Morita Akio felt that if Sony owned a library of films during the Betamax-VHS videocassette format wars, it could have been victorious. The popularity of Sony's video Walkman and 8-millimeter video cameras in the 1980s made the possibility of bundling pre-made playback content with the devices that much more enticing. See John Nathan, *Sony: A Private Life* (Boston: Mariner Books, 2001), 183-184.
3 The Japanese press was not immune to aggressive hyperbole: a 1991 issue of *Baado* framed Japanese investments as a "counterattack" (*gyakushū*) against a Hollywood system that previously had fleeced investment groups in the late 1980s. See Fukuwara Kiyoshi, "Hariuddo ni kazaana wo akero!" [Open a vent in Hollywood!] *Baado* 1(7), 9 September, 1991: 100-103.
4 For a detailed account of the Universal vs. Sony case, see James Lardner, *Fast Forward: Hollywood, the Japanese, and the Onslaught of the VCR* (New York: W.W. Norton & Company, Inc., 1987).
5 In 1985, 319 Japanese films were released in Japan, compared to 264 foreign films. In 1990, those figures reversed dramatically: 239 Japanese films vs. 465 foreign films. Those numbers closed slightly in 1995, with 289 Japanese films and 321 foreign films

released, but the trend of foreign films over domestic films remained, and would so until 2006. Figures provided by the Motion Picture Producers Association of Japan, Inc. (EIRIN), cited in *Nihon eiga no kokusai bijinesu* [International Business of Japanese Film] (Tokyo: Kinema Junpō Sha Co., Ltd., 2009), 182-183.

6 Ibid. As Yoshiharu Tezuka points out, not all the "foreign" titles imported into Japan during the 1980s were Hollywood products, but a mix of Hollywood films, European art-house films, and American independent productions. Tezuka sees the European composition of many of the imports as a symptom of a sort of Japanese cultural elitism that ranked European works higher in terms of "foreign" value, unlike American products that Japan had already appropriated as "low" culture. See Tezuka, *Japanese Cinema Goes Global: Filmworkers' Journeys* (Hong Kong: Hong Kong University Press, 2012), 81.

7 From 1980 to 1990, the average production budget of a Hollywood studio film increased 186% from $9 million to $26.8 million; parallel costs for advertising increased 169%, from $4.3 million to $11.6 million. See Jeanie Kasindorf, "Payback Time," *New York*, 27 January 1992, 34-40. Meanwhile, according to the Motion Picture Association of America, the average US admission fee rose from $3.55 in 1985 to $4.23 in 1990. The number of admissions (ticket purchases) also rose modestly, from 1.056 billion in 1985 to 1.188 billion in 1990. Clearly, these admissions stats do not correspond to a more-than-doubling of production and marketing costs throughout the decade. See the MPAA's 2002 report on the worldwide theatrical market at http://www.stop-runaway-production.com/wp-content/uploads/2009/07/2002-MPAA-Market-Stats-60-pages.pdf, accessed 3 June, 2014.

8 Richard Stevenson, "In Hollywood, Big Just Gets Bigger," *New York Times*, 14 October, 1990.

9 "Who ya gonna call? (the merger of Sony and Columbia)," *Economist*, 30 September, 1989.

10 "Special Report: Foreign Owners from Walkman to Showman," *Time*, 9 October, 1989.

11 "Sony's buying Columbia fits penchant for things American," *Chicago Sun-Times*, 8 October, 1989.

12 Carl Bernstein, "The Leisure Empire," *Time*, 24 December, 1990.

13 Paul Farhi, "Foreigners Can't Replicate U.S. Entertainment Success, So They Buy It," *Washington Post*, 5 November, 1989.

14 In a dramatic rhetorical reversal from its "invasion" angle of October 1989, *Newsweek* reported mismanagement at Sony-Columbia in a 14 October, 1991, article titled "Sweet Smell of Excess." The article quoted one Hollywood executive on Columbia's box office bombs: "This is our revenge for Pearl Harbor."

15 SPE represented only 7% of Sony's total revenue as of late 1995, but with such a large library of content—more than 3,000 motion pictures and 35,000 hours of television—it made sense to hold on to the division at a time of great market expansion and advances in communication technology. See Jeffrey A. Trachtenberg and Eben Shapiro, "Sony Resignation Brings Speculation About Possible Suitors for Movie Unit," *Wall Street Journal*, 7 December, 1995, A3, A11.

16 Accounts of Guber and Peters's irresponsibility at the expense of a seemingly hapless Sony management include Bill Emmott, "How Japan Got Mugged in Hollywood," *New York Times*, 26 November, 1993; Barbara Rudolph, et al, "So Many Dreams So Many Losses," *Time*, 28 November, 1994; and Phil Reeves, "Welcome to Tinseltown, Mr. Morita," *Independent* (London), 10 April, 1994.

17 Sydney Finkelstein, "Why Smart Executives Fail: Four Case Histories of How People Learn the Wrong Lessons From History," *Business History* 48, no. 2 (April 2006): 153-170.

18 Marc Peyser, "Sony Gets a Brand New Action Hero," *Newsweek*, 12 September, 1994.

19 Nathan, *Sony: A Private Life*, 238.

20 Christopher Reed and Kevin Rafferty, "Dangerous Yen for Hollywood," *Guardian,* 1 December, 1994.

21 Japanese names are presented here with the family name first, given name second.

22 Matsuzaka Takeshi, "'Post-Morita' Sony; Collective leadership," *Nikkei Weekly*, 24 January, 1994.

23 Andrew Pollack, "A Stunning Leap to the Top at Sony," *New York Times*, 23 March, 1995; and John Greenwald et al, "Goodbye to a Prodigal Son," *Time*, 18 December, 1995.

24 Inoue Yasuhiro, "Hard and Soft Mega-Media Conglomeration: Has Sony Strategy Created Synergies?" *Keio Communication Review* 25 (2003): 39-56.

25 In an interview, Fincher explained that everything in *Tattoo* had to be "pre-iPhone" (i.e., pre-2007) to match the technological capabilities of the characters in the novels on which the films are based. The protagonist Lisbeth could have a MacBook or a Vaio (with Sony asserting its own preference), but not an iPhone. See Steve Weintraub, "Exclusive David Fincher Interview!", *Collider.com*, 30 December, 2010, http://collider.com/david-fincher-interview-social-network-girl-with-dragon-tattoo, accessed 29 May, 2014.

26 Morris did not say he would be willing to remove Sony's presence from the film, only that he was curious how much Sony would pay him to remove it. Somewhat facetiously, he considered this "a really good idea." See Errol Morris, "Lecture: Chicago Humanities Festival," *ErrolMorris.com*, http://www.errolmorris.com/content/lecture/chicago.html, accessed 29 May, 2014.

27 Andrew Wallenstein, "Analyst: CBS-Sony Pictures merger a good fit for both," *Variety*, 22 January, 2013, http://variety.com/2013/tv/news/analyst-cbs-sony-pictures-merger-a-good-fit-for-both-1118064962/, accessed May 28, 2014.

28 Frank Segers, "Sony Buyout a Yawner to Nippon Film Honchos," *Variety*, 18 October, 1989.

29 The large-scale pact in late 1991 between Toshiba, the C. Itoh trading company, and the recently merged Time Warner, Inc. was as follows: the Japanese companies paid $500 million apiece for about 12.5% of Time Warner's movie, cable, and HBO programming operations. With this deal, Time Warner reduced the enormous corporate debt created by its 1989 merger and gave Toshiba and C. Itoh the rights to content that could drive the development and sales of HDTV, satellite, and cable licenses in Japan. Politically, the deal was controversial: earlier in 1991, Toshiba was the target of attacks by the US Congress for selling classified American technology to the Soviet Union in 1987, resulting in the resignation of Toshiba's leadership and US

government sanctions against the company that hurt its exports. Even though Toshiba and C. Itoh were careful to express no interest in Time Warner's print division and left management to an American subsidiary, the size of the deal and the political risk it engendered illustrates the degree to which Japanese electronics and media companies felt that Hollywood products were crucial to their success in Japan. See Colin Nickerson, "Time Warner gets Japanese as partners," *Boston Globe*, 30 October, 1991; John Greenwald, "A $1 Billion Pacific Alliance," *Time*, 11 November, 1991; Garth Alexander, "Toshiba Cryptic on TWI Rumors." *Variety*, 16 May, 1991; David E. Sanger, "Toshiba Rewrites a Hollywood Script," *New York Times,* 9 October, 1991; and "H'Wood-Japanese Alliance Bashed by House Chair," *Variety*, 4 October, 1991.