Universal: Blueprint for the Television Age

If any Hollywood studio was prepared for the coming media age, it was Universal. With its long-standing dual agenda of low-cost formula pictures and A-class productions via outside independents, Universal had been gearing up all along for TV and the New Hollywood. No one at Universal quite realized this at the time, of course, and certainly not when the new age was first upon them. Universal was simply another company struggling to survive in a rapidly changing industry, with no better sense than any other studio of what the postwar conditions and the emergence of commercial television might bring. But during the decade-long transformation of the film industry in the 1950s, the various studio powers gradually, inexorably, came round to Universal’s mode of operation. Universal itself was the most stable and consistent production company during this period of flux and confusion, and by the time the media industries began to restabilize in the early 1960s, Universal found itself in an unprecedented position of strength. After a half-century as a second-rate Hollywood power, Universal quite suddenly emerged as the indisposable leader in both television and movie production.

Universal’s steadiness during the 1950s and its success in the early 1960s were the result not of any accurate forecasting of the industry’s direction but of economic necessity. Universal sustained its strategy of low-budget in-house production and high-grade outside deals because that was all the chronically weak studio could afford to do. From all
indications, Universal would have pursued much the same course as
its chief competitors after the war, had it had the adequate resources,
personnel, and financial leverage. The clearest indication of Universal's
general uncertainty about postwar conditions and its impulse to
adjust its production and market strategy came in 1946, with yet an-
other of its ill-advised forays into first-run feature production. In Au-
 gust 1946, as the war boom was peaking, J. Cheever Cowdin and Nate
Blumberg merged Universal with International Pictures, a modest in-
dependent company that specialized in prestige productions. The
merger gave the studio a new management team in Leo Spitz and
William Goetz, International's founder and chief executive, who up-
graded in-house production at Universal City and increased the stu-
dio's reliance on outside producers for top features.

Universal already had contracts with independent filmmakers like
Walter Wanger, Fritz Lang, and Mark Hellinger, who leased studio
space and distributed through Universal on what were essentially co-
productions. Now similar deals were cut with Ben Hecht, Garson
Kanin, Sam Wood, Douglas Fairbanks, Jr., and others. Straight distri-
bution arrangements also were made with a few British producers,
notably Arthur Rank and Alexander Korda. In terms of Universal's own
production operations, Spitz and Goetz eliminated subfeatures and set
all features at a minimum of seventy minutes in length. Universal still
turned out double-bill fare, but the quantity of low-grade features was
scaled back along with the overall output. Universal and Columbia had
averaged fifty releases per year during the war—roughly twice the
output of the five majors. Columbia maintained this pace into the
1950s, but Universal cut its annual output to thirty-five pictures.

The results of the Universal-International merger were critically fa-
vorable but commercially disastrous. For the first time in a decade,
Universal pictures were on ten-best lists and were contenders for major
Oscars. Not since Deanna Durbin's initial rise in 1937–38 had any
Universal release been nominated for best picture, best director, best
actor, or best actress. Then from 1946 through 1948, Universal scored
ten nominations in these categories. All ten came via outside producers
or imports, and seven went to nominees who never set foot on the
Universal City lot—including Laurence Olivier, who directed and
starred in Hamlet, which won Oscars for best actor and best picture of
1948. By then it was evident that Universal could ill afford the high
cost of critical prestige. The company had gone into a tailspin imme-
diately after the merger, falling from record profits of $4.6 million in
1946 to a net loss of $3.2 million in 1948.

So it was back to basics at Universal in the late 1940s, back to low-
cost formula jobs designed for the subsequent-run market. And it was
back to the old management regime as well. The deals with outside producers were phased out, along with the management team of Spitz and Goetz—though the two did remain at Universal City. Production was now under the authority of longtime plant manager Edward Muhl, who in his two decades with the studio had seen Junior Laemmle, Charles Rogers, and Cliff Work come and go. Indeed, Muhl must have had a sense of déjà vu when Hamlet won the Academy Award for best picture of 1948. The last time Universal had won the best-picture Oscar was in 1931, for Junior Laemmle’s production of All Quiet on the Western Front, and it, too, had represented a market strategy that the studio had just abandoned in favor of low-cost formula pictures. Muhl had supported the move back in the early 1930s, since it meant relying on the studio’s own resources and accepting its limitations, and he felt the same way in the late 1940s. No more would Universal bank on imports or outside producers to milk the first-run market, which grew more competitive and uncertain by the month after the Paramount decree in May 1948. That Supreme Court ruling not only dis-integrated the majors, but also removed all constraints and studio controls over the movie marketplace, thus opening the first-run market to all comers. Soon there was a backlash effect as escalating rental prices for top features began forcing the smaller exhibitors to settle for second-rate product—which Universal now planned to supply. Revenues would be steady but modest, and neither Blumberg nor Muhl expected to be celebrating on Oscar night. They were right on both scores. Profits held through the 1950s, and Universal was the only active company among the Big Eight to go through the entire decade without even a nomination for best picture.

The initial impetus for Universal’s retrenchment plan came with the unexpected emergence of Abbott and Costello. The comeback started in February 1948 with a project tentatively entitled “The Brain of Frankenstein.” It was another Abbott and Costello genre parody, one that in its own unassuming way was rather innovative—a bit of generic recombination designed not only to give the duo a much-needed boost, but also to revive the horror formula and reverse the decline of its two key stars, Bela Lugosi and Lon Chaney, Jr. There were no serious hopes for the horror genre, of course, which seemed rather antiquated after Hiroshima and the birth of the Atomic Age. But Muhl was convinced that Abbott and Costello had plenty of mileage left in them, even though the comedy team had fallen from the exhibitors’ poll in 1945 and been sliding ever since. After the war, Universal tried them in a costume picture, then in a sequel to Buck Privates, and even in a fantasy in which they were introduced separately and teamed up half-
way through the story. None of these worked, so producer Robert Arthur got together with writer John Grant, who had collaborated on Abbott and Costello’s initial hits, and the two worked out the idea for the horror-comedy.

In “The Brain of Frankenstein,” the duo played railroad porters whose freight includes the encased forms of Dracula, the Wolf Man, and Frankenstein’s monster. Abbott and Costello were their usual bumbling selves, while Lugosi and Chaney did straightforward horrific versions of their signature roles. The result was an oddly appealing mix of genre conventions and viewer reactions, melding the studio’s two most familiar and stimulating formulas to create something truly unique—and something distinctly cost-effective as well. Arthur and company cranked out the picture in six weeks on a budget of $760,000, with Abbott and Costello’s salaries the only heavy line item on the budget. The picture closed in March, and before its summer release it was retitled Abbott and Costello Meet Frankenstein to play up the comedy angle. Despite poor reviews the picture was a huge hit, and Abbott and Costello surged to number three in the 1948 exhibitors’ poll. Not surprisingly, the hit was reformulated the following year in Abbott and Costello Meet the Killer (Boris Karloff)—another melding of stars and genres that gave the studio another low-cost, high-yield hit. It also enabled Abbott and Costello to retain third place, behind Hope and Crosby, on the exhibitors’ poll. The “Abbott and Costello Meet…” formula held up into the 1950s, and so did the duo’s marquee value. By then Dean Martin and Jerry Lewis had burst to stardom, pushing the public’s fascination with buddy-buddy comedy teams to a new extreme. In 1951 six of the nation’s eight most popular stars were Abbott and Costello, Hope and Crosby, and Martin and Lewis.

The comeback of Abbott and Costello initiated an upswing for Universal which continued through 1949 and into the fifties. In fact, while the rest of the Big Eight saw their net revenues decline during the early-to-mid-1950s, Universal’s income climbed steadily. The $3.2 million loss in 1948 was reduced to just over a million in 1949, and then the studio was back in the profit column for the next eight years. The surge marked a return to the Carl Laemmle era, with Universal exploiting its own resources, disdainful A-class production, and supplying subsequent-run houses with a steady diet of formula pictures and low-brow family fare. Besides Abbott and Costello, Universal’s biggest stars in 1949–50 were a hick family and a talking mule, whose pictures were reformulated with ruthless economy and redundancy—and which, more than anything else being produced in Hollywood at the time, set the tone for the dominant “programming” strategy on commercial television.
Lobby card for Abbott and Costello Meet Frankenstein makes graphically clear the studio’s effort to meld two established Universal formulas whose popularity was waning in the late 1940s.

Universal’s top hit of 1949 was Ma and Pa Kettle, a cut-rate farce that recast the postwar baby/family/housing boom in comic-surrealist terms. The unlikely hit starred the cantankerous Marjorie Main as Ma Kettle and Percy Kilbride as her put-upon husband. The Kettles were first introduced in The Egg and I, a 1947 screwball romance starring Claudette Colbert and Fred MacMurray as city slickers who move to the farm (a comic situation that was reworked for TV in the 1960s as Green Acres). When The Egg and I grossed $5.75 million, Universal tried a low-grade spin-off by bringing only the Kettles back for a sequel. Ma and Pa Kettle reversed the urban-rural dynamic of the earlier picture, as Pa’s slogan for a tobacco company wins the Kettles and their fifteen unkempt offspring a modern home. The result was another hit. Ma and Pa Kettle took in $2.5 million at the box office, nearly ten times its production cost, initiating a series that ran through nine installments during the 1950s. It also inspired a crop of rural sitcoms on TV a decade later, notably The Real McCoys and The Beverly Hillbillies.
An even more unlikely series was sired in 1949 by Francis the Talking Mule, who wisecracked his way through seven pictures in seven years and earned millions for Universal. This series was also reworked into a barnyard sitcom for TV called Mr. Ed, which was produced and directed for CBS by longtime Universal staffer Arthur Lubin. Unlike the Kettle series, which was grafted from a successful first-run release, Francis the Talking Mule was a low-grade operation from the start. It was based on a popular novel about an inept Army lieutenant, played by Donald O'Connor, who is lost behind enemy lines during the Burma campaign. He is saved by an Army mule and winds up playing straight man to the mule’s running commentary on Army life, modern warfare, military intelligence, and life in general. Francis was budgeted at $580,000 on a thirty-day schedule, and the producer-director team of Robert Arthur and Arthur Lubin was a logical choice, considering their track record with low-cost comedy pictures in general and the Abbott and Costello pictures of 1941–42 in particular.

Francis was essentially another buddy-buddy service comedy in the tradition of Abbott and Costello’s early hits, only this time a jackass instead of Lou Costello was delivering the punch lines. Francis was “played” by Chill Wills, an experienced character actor and bit player who actually had a minor role in the original as an army sergeant. When Lubin and Arthur ran into trouble finding the right voice for Francis, they decided to test Wills, who had a distinctive gravel-voiced drawl. The effect was perfect—Chill Wills transformed Francis into a four-legged Will Rogers. Arthur convinced Muhl to pull Wills from the picture, reshoot his scenes with another actor, and pay him an additional $2,500 to record the Francis dialogue during postproduction. The dubbing was done in July 1949 and by September Francis was ready to preview. The previews went so well that before the picture was even released, Blumberg and Muhl had a sequel in the works.

The Francis, Ma and Pa Kettle, and Abbott and Costello pictures were produced by Robert Arthur, one of the five unit producers who dominated studio operations at Universal City during the 1950s. The others were Aaron Rosenberg, Ross Hunter, William Alland, and Albert Zugsmith, who along with Arthur accounted for over half (53 percent) of Universal’s total output from 1952 to 1959. All five were genre specialists, and each had an appreciation for the efficiency and economy of formula production that came with the job at Universal. Robert Arthur handled most of the comedies along with the series jobs. Rosenberg did the more ambitious projects, most of which were outdoor adventures shot on location in color. Ross Hunter did the bigger in-house projects and served as a mentor to Rock Hudson as his star rose throughout the decade. Hunter also produced many of director Doug-
las Sirk’s stylized romantic melodramas, several of which—notably Magnificent Obsession and Imitation of Life—were remakes of John Stahl’s 1930s weepies. William Alland, who generally worked with director Jack Arnold, concentrated on low-budget westerns and science fiction films. Their westerns were eminently forgettable, but the sci-fi films included some of the studio’s more interesting and timely efforts: It Came from Outer Space, The Creature from the Black Lagoon, and This Island Earth. These sci-fi films tapped into two long-standing Universal traditions, the horror genre and the old Flash Gordon and Buck Rogers serials—though Alland and Arnold infused them with a contemporary fascination with nuclear destruction and atomic radiation. Albert Zugsmith was the most flexible and least genre-bound of Universal’s unit producers; he was a troubleshooter who took on a range of projects and produced a number of memorable films—from a modest sci-fi masterpiece like The Incredible Shrinking Man to Douglas Sirk’s manic melodrama Written on the Wind, to Orson Welles’s noir thriller, Touch of Evil.

Universal’s heavy reliance on contract producers for its top productions during the 1950s was somewhat ironic, considering its earlier arrangements with free-lancers like Wanger, Hellinger, and Lang. Indeed, Universal had paved the way for the kind of outside deals that were becoming commonplace in Hollywood, as the other studios steadily shifted away from active production in favor of financing-and-distribution deals with independent producers, which generally involved the leasing of studio facilities as well. These deals were diminishing the studios’ authority and fragmenting the overall power structure in the industry—they were the clearest sign of a burgeoning New Hollywood, free from absolute studio control. At first glance, Universal’s disdain for outside producer deals seemed to indicate an effort to maintain the Old Hollywood, with its base of studio power and authority. But in fact Universal cut an unprecedented outside deal in the early 1950s that signaled an even more severe fragmentation of the industry’s power structure. The deal was with James Stewart, who did a succession of pictures for Universal which made millions for the studio and made Stewart the biggest star in Hollywood.

The chief architect and key figure in the Stewart deal was not the star but his agent, Lew Wasserman of MCA. Not surprisingly, both stars and agents were becoming more powerful in 1950s Hollywood, as studios shifted to a picture-by-picture operation and as free-lance status became routine for top industry talent. Not only did films have to be sold to exhibitors and audiences on their own merits, but often enough the initial project was financed and produced on its perceived worth.
and market potential. The most reliable gauge of any project's market value, especially in the competitive and volatile first-run market, was the marquee value of its star. In fact, as studios increasingly went to outside deals, coproductions and the like, the "bankable" status of a star became more than just a figurative term. Banks, too, were adopting a picture-by-picture mentality, financing individual projects rather than a studio's annual output or a production company at large. Invariably, such picture deals were built around individual stars and were packaged by talent agents. In fact, if any institution now had a long-term stake in a star's career, it was more likely to be a talent agency like MCA than a movie studio.

Music Corporation of America (MCA) had been created by Jules Stein back in the mid-1920s to handle bookings and promotion for Chicago-area bands. Stein steadily expanded his business and by the early 1940s MCA was becoming a force in Hollywood, thanks largely to Stein's protégé, Lew Wasserman, who joined MCA in 1936 at age twenty-two. By 1950 MCA was the dominant agency in Hollywood and Wasserman its most important agent—he was, as Stein put it, "the student who surpassed the teacher." Like Myron Selznick, Wasserman reveled in his ability to dicker with studio bosses and jack up his clients' salaries. It was Wasserman, for instance, who convinced Jack Warner to increase the salaries of Errol Flynn and Bette Davis after the war, when their careers were fading. And as these and scores of other contract stars went free-lance in the 1940s and 1950s, it was Wasserman who shaped their careers and packaged their talents. Thus he surpassed Myron Selznick and moved into David's bailiwick, playing agent and packager and even producer. By the early 1950s MCA had more talent under contract than any studio, and Wasserman was putting together more projects and star vehicles than any filmmaker or studio executive in Hollywood.

Of the countless free-lance deals that Wasserman engineered during the early 1950s, the Stewart-Universal deal was perhaps the most important. Like so many stars at the time, Stewart was looking for a degree of independence and control over his career, and also a way to avoid huge tax payments and thus to maximize his annual income. And as the profit potential of Hollywood's big pictures went up, Wasserman was looking for ways to tie his clients' income to the market performance of their pictures. Stewart's asking price by 1950 was $200,000 per picture, which was a considerable sum but hardly reflected his real value to a movie that grossed four or five million. Wasserman came up with the idea of having Stewart forgo an up-front salary on his pictures in lieu of a percentage of the net profits—in Stewart's case, a full 50 percent. These deferred payments would be tied to the economic life
span of a film. Thus Stewart’s income could be spread over two or three years, or even more if the film was sold to television. This strategy made good sense given the changing industry and marketplace, and it made especially good sense to Universal. The deal enabled the studio to produce top-star vehicles without paying a star-level salary up front, and payments could be avoided altogether if the picture failed to turn a profit.

The Stewart-Universal deal resulted in a string of hits during the 1950s, including Winchester ’73, Harvey, Bend of the River, The Far Country, The Glenn Miller Story, and Thunder Bay, which were as close to first-run releases as anything in Universal’s schedule. Many were done in Technicolor and wide-screen and were shot on location, and thus they could compete with the lavish spectacles that the other studios were releasing. Stewart’s Universal pictures gave a sizable boost to his own marquee value as well as his annual income. In fact, for several years running he was both the highest paid and the most bankable star in Hollywood. Stewart first cracked the exhibitors’ poll in 1950, and in 1955 he was named the industry’s top box-office star. But significantly enough, Stewart was by no means a Universal “house” star at the time. He had a nonexclusive agreement with the

*James Stewart, Universal’s top star in the early 1950s, looks over the menu in the studio commissary with Shelley Winters, his costar in Winchester ’73.*
studio, and some of his best work in the mid-1950s was done with Alfred Hitchcock at Paramount—through an elaborate deal also arranged by Lew Wasserman. What’s more, Wasserman persuaded Universal to let Stewart take Anthony Mann with him to do a few of their distinctive westerns for other studios: The Naked Spur for MGM in 1952 and The Man from Laramie for Columbia in 1955.

The Stewart deal was the most obvious manifestation at Universal of the fragmentation and shifting power relations in Hollywood during the early 1950s. An equally important behind-the-scenes development was a change in the ownership and management at Universal. In 1950 J. Cheever Cowdin retired as board chairman, and after he left there was considerable maneuvering for control of Universal both inside and outside the company. In 1951 Milton Rackmil, president of Decca Records, began buying Universal stock, including the holdings of Spitz and Goetz, who no longer fit into the studio’s plans. Rackmil gained majority control in 1952, making Universal a subsidiary in Decca’s entertainment conglomerate. He replaced Blumberg in New York, while Spitz and Goetz were replaced at Universal City by Ed Muhl.

While the James Stewart deal had signaled the newfound clout of stars and talent agencies in the early 1950s, the Decca takeover indicated the importance of diversification. Significantly enough, before the 1950s it had been the integrated majors that were most concerned about diversifying their media interests—and that had the finances and the power to even consider it. All of the majors had certain arrangements with electronics and broadcasting companies dating back to the rise of network radio and talking pictures in the late 1920s. Indeed, RKO’s birth in 1928 represented an effort by RCA to expand its media interests beyond its radio subsidiary, NBC. The rise of television brought new opportunities for diversification, and again the majors led the way. Paramount and Warner Bros. were particularly aggressive in their efforts to exploit the emergent medium, with plans to buy TV stations in major markets and to develop video projection systems for their theaters so as to reduce the costs and complexity of film distribution. These plans were dashed by the Supreme Court’s 1948 Paramount decree. Theater projection was clearly off the agenda after the Supreme Court ordered the majors to divest themselves of their theater holdings, and the government also undercut the studios’ efforts to buy television stations. Regulation of commercial TV was in the hands of the Federal Communications Commission (FCC), which had the authority to deny station licenses to anyone charged with monopoly or antitrust practices. The FCC informed the Hollywood majors that it would block any of their efforts to reintegrate via TV station ownership,
nor would it approve cross-ownership between studios and networks. The majors could supply television programs, of course, but they had no desire to play a game they could not control. So they abandoned their plans to diversify into commercial television altogether, and soon they were regarding the medium in competitive rather than cooperative terms.

With the majors out of the television scene, Hollywood’s general courtship of the burgeoning industry actually intensified. Lesser studios and producers were eager to supply TV programming, and their more modest and cost-efficient operations were actually better suited to the demands and constraints of the new medium. TV had an enormous appetite for product, and the concerns about production values were minimal. So low-budget studios like Republic and Hal Roach Studios quickly retooled for “telefilm” production in the late 1940s, and they also began selling or leasing their old features and shorts for TV showings. Roach’s was among the first converted movie companies to actually get a TV series on the air. A subsidiary, Hal Roach Television Corporation, was set up to produce Fireside Theater, which debuted on NBC in April 1949. This was an “anthology drama” modeled after successful TV series like Kraft Television Theatre and Studio One—live shows done in New York which presented a different hour-long drama each week. The obvious and important difference was that the Hal Roach series was shot on film in Hollywood rather than live from New York, and thus it could be shown at any time after production. (Videotape, which would allow for delayed broadcast of video productions, was still in the research-and-development stage and was not introduced until 1956–57.) Given the state of video production techniques circa 1950, Roach’s telefilm dramas also had superior production values. But the dramas themselves were modest efforts. Each half-hour installment usually included two fifteen-minute vignettes that were produced in two or three days with the same speed and economy that had characterized Roach’s two-reel comedy shorts starring Our Gang and Laurel and Hardy.

Hollywood’s two major minors were equally interested in telefilm production, although they took a somewhat more cautious approach. Both Universal and Columbia set up subsidiaries in New York City in the late 1940s to produce TV advertisements. Universal moved its subsidiary to Los Angeles in 1949, but continued producing only TV ads. That same year Columbia created Screen Gems, a Hollywood-based telefilm company designed to produce entertainment programming. Screen Gems started actual TV series production in 1951, and by then the telefilm competition in Hollywood was rather intense. In September 1951 Broadcasting magazine, a television trade journal, reported
that there were seventy-five independent telefilm companies in the L.A. area. Twenty-five of these had sold a total of forty series to the TV networks for the 1951–52 season, at an average cost of $15,000 per episode—and this in an era when movie budgets routinely surpassed a million dollars and B-movie costs were generally in the $250,000 range. In January 1952 Variety reported "the gradual but definite stabilization" of Hollywood-based telefilm production. According to Variety, "the 80-odd vidfilm companies existing in these parts in early 1951 have boiled down to around 20 financially stable outfits."

Those stable outfits included companies that would ascend to positions of considerable power in the next few years, although they barely qualified as B-movie units at the time. Perhaps the best example of such a company was Desilu Productions, which came virtually out of nowhere in the early 1950s and by 1957 had bought RKO and was producing far more hours of filmed entertainment than any of the established studio powers. The motivating force behind Desilu was Desi Arnaz, who represented a new breed of studio executive in 1950s Hollywood, although Desilu itself was something of a throwback to the B-movie factories of old. I Love Lucy and Desilu got started when, in 1949, CBS asked Lucille Ball to bring her popular CBS radio series, My Favorite Wife, to television. Ball was interested, but she refused to work in New York or to costar with anyone but her husband, Desi Arnaz. The deal stalled, so Arnaz decided to create Desilu and produce the series himself. Working out of a Hollywood rental facility, General Services Studio, Arnaz did a pilot for I Love Lucy that convinced CBS and a sponsor, Philip Morris, to back the series. They signed Desilu to deliver thirty-nine episodes of Lucy in 1951–52 on a budget of $24,500 per episode.

Premiering in September 1951, I Love Lucy was TV’s first runaway hit series and the technical and narrative prototype for TV’s foundation genre, the situation comedy. For director of cinematography, Arnaz had hired Karl Freund, who was sufficiently intrigued by the challenge of doing a respectable half-hour of film on such a demanding schedule and limited budget that he came out of semiretirement to do the series. CBS wanted a live audience and agreed to put up $50,000 to renovate a General Services sound stage so that it would seat some three hundred spectators. Arnaz and Freund worked out a system whereby each episode could be performed almost as a stage play—in a single evening, in continuity, and in front of an audience—while it was filmed by three cameras running at once. Later the processed film was run through three interlocked editing machines. This obviously cut the time, effort, and expense of both production and editing, and indeed it proved efficient enough to bring the series in on time and only about
Desi Arnaz, the moving force behind Desilu, represented a new breed of studio mogul in 1950s Hollywood.

$250 per episode over budget. All thirty-nine episodes were produced for $965,000, well below the going rate for a single first-run feature at the time. And though the results may have been subpar by feature filmmaking standards, they were vastly superior to the live video productions of the era. Besides the superior quality of the filmed series relative to video, this process also resulted in a tangible product that could be rebroadcast with no loss of quality. (Video, conversely, could only be rebroadcast via kinescope, a crude method of simply filming a video image.) At a point when the TV industry was just discovering the tremendous value of reruns, this made the telefilm series that much more attractive.

*I Love Lucy* was phenomenally popular, consistently drawing some two-thirds of the viewing audience and setting one milestone after another in TV's early years. In April 1952, for example, *Lucy* became the first show to reach ten million U.S. households and to be seen by at least thirty million viewers. When *I Love Lucy* hit, Arnaz immediately went to work on another telefilm series, *Our Miss Brooks*, which was adapted from a popular radio sitcom starring Eve Arden. The show debuted in October 1952 and gave Desilu another solid hit. By the following season Desilu had signed production contracts with several
star-producers, including Danny Thomas, Loretta Young, Ray Bolger, and Jack Benny. Because of the growing production commitments, Arnaz moved Desilu out of the General Services facility and leased six sound stages in L.A.’s Motion Picture Center, each of which was renovated to accommodate a studio audience. Desilu continued to turn out its own series as well, which by 1955 included another sitcom, *December Bride*; a crime drama, *The Lineup*; and a western, *The Life and Legend of Wyatt Earp*. By then the company’s annual output was approaching 350 half-hour episodes—far beyond what any Hollywood movie studio was turning out, and at only a fraction of the cost.

**Nineteen** fifty-five, a watershed year in filmmaking history, marked the end of the majors’ resistance to active television production and thus the beginning of a full-scale transformation and recolonization of Hollywood. The process had already begun, of course, but not until the big movie studios threw in did Hollywood really embrace the TV industry. The turnaround actually happened fairly quickly—in fact, early in 1955 it looked as if the networks and the major Hollywood powers were still very much at odds. *Fortune* magazine ran a piece in February, “The Comeback of the Movies,” which expressed the conventional wisdom at the time regarding the big studios’ market fix and their attitude to TV. *Fortune* noted the tremendous success of recent blockbuster movies and also of such recent technological developments as CinemaScope, Cinerama, and 3-D. The six-year decline in theater attendance finally seemed to have bottomed out at roughly forty-five million per week—barely half the mid-1940s total, but sufficient to keep the industry moving. Net revenues were up as well, with the combined profits of Hollywood’s seven leading movie companies jumping from $23 million in 1953 to $34.6 million in 1954. From *Fortune’s* perspective, the studios’ success intensified their resolve to combat television. It was also suggested that among Hollywood’s power brokers, only Universal’s Milton Rackmil had an interest in TV series production. The closing paragraph of the article asserted: “Rackmil is perfectly honest when he says that he never thought of television as a threat to the movies, but his brother executives in the pictures felt differently. Their present scorn of television is the best evidence of their fear of it.”

The *Fortune* piece was misleading for two important reasons. For one thing, Rackmil and Universal had no real plans to get into TV series production, even though the studio’s formula and series fare provided a virtual blueprint for telefilm production. And for another, Rackmil’s “brother executives” were by now well past feelings of fear or scorn regarding the TV industry. There was no longer any denying
that television was an idea whose time had come. The medium’s penetration of American domestic life had already reached 67 percent—fully two-thirds of all the homes in the United States had TV sets—and this figure would continue rising as the cost of television sets declined and as both transmission and reception of broadcast signals improved. The quality of the programming also was improving. In fact, when the Fortune piece appeared in February 1955, the big studios were still gauging the impact of three crucial events that had occurred back in October 1954. On October 3, Screen Gems premiered its most promising series yet, Father Knows Best, a domestic comedy-drama built around former MGM star Robert Young. Three weeks later on Sunday the twenty-fourth, David Selznick made TV history with his production, “Light’s Diamond Jubilee,” a two-hour spectacular celebrating the seventy-fifth birthday of Edison’s invention of the light bulb. Selznick’s production, which aired simultaneously on all the networks, drew the largest audience in TV’s brief history. Then three nights later, Walt Disney Studio premiered its flagship series, Disneyland.

All three events helped shake the Hollywood powers out of their complacency, but Disneyland’s impact was unquestionably the most pronounced. The show was an instant hit, and in early 1955 its popularity was peaking with the second and third installments of Disney’s Davy Crockett saga. Like all of the weekly Disneyland segments, these were designed to promote one area of the recently completed theme park—in this case, Frontierland. The movie bosses were impressed by the general quality of Disneyland, and also with the framework it provided for recycling old product. But more than anything else, what impressed them was the promotional angle. They saw Disneyland as a sustained advertisement for the studio, the new amusement park, and the upcoming Disney films.

The Disney series proved to be something of a catalyst. Three of the majors—Warners, Fox, and MGM—started planning series of their own for the following season. Warner Brothers Presents, The 20th Century-Fox Hour, and MGM Parade all premiered in the fall of 1955, and they had two significant factors in common: They rehearsed previous studio hits, and they actively promoted both the studio and its upcoming releases. MGM Parade provided a weekly behind-the-scenes glimpse of the studio and the moviemaking process. There were occasional excerpts from classic Metro pictures, but the emphasis was on the current output. The 20th Century-Fox Hour was basically an anthology drama that presented condensed, scaled-down remakes of earlier Fox hits. Warner Brothers Presents also relied on classic studio releases for its subject matter, but with a very different approach—and that difference proved crucial. Warners adapted three of its old films.
Casablanca, Kings Row, and Cheyenne, into ongoing series with continuing characters, rotating each week from exotic romance and intrigue (Casablanca) to small-town melodrama (Kings Row) to the Old West (Cheyenne).

The Fox, Metro, and Warners series were major disappointments for all involved—for the studios, the networks, the sponsors, and the public. Somehow the self-promotion that was working so well for Disney simply didn’t play for the other studios. The success of Disneyland was due largely to the appeal of the park itself, of course, which was quickly becoming a national institution. But the other studios’ rehashed classics, studio tours, and endless promotion only turned off viewers—who promptly turned off their sets. Sponsors, too, were unhappy with the studios’ self-promotion, since it diluted the strength of their own “commercial interruptions.” So after that first season, at the behest of both the networks and sponsors, all three shows were revamped. But only Warners was willing to abandon the self-promotional format altogether and go with straightforward series production.

This was a tough decision for Jack Warner, because as he’d said in October 1955, the studio went into telefilm production “chiefly and only to secure advertisements through television” for its big-budget features. But that attitude quickly changed, as TV proved unfavorable as a means of pitching feature films, and also as the high-stakes movie market and the telefilm market came into clearer focus. Warner and his fellow studio bosses were increasingly concerned about their loss of control over the changing movie industry, with its wide-open markets and rising budgets, its free-lance talent and packaging agents, its outside deals and location shoots. These and other factors signaled the end not only of the studio system at large—that is, the integrated system of production, distribution, and exhibition—but also the end of the efficient, regulated, studio-based mode of production.

Telefilm series production was clearly one way to keep the studio system alive, at least where the production facilities themselves were concerned. Outfits like Desilu and Screen Gems were proving that TV series could be cranked out efficiently and profitably—that for studios like Warners or Fox or MGM they could serve much the same purpose as the 1930s-era B-movie unit. The constraints and product demands were severe; indeed, ABC had paid Warners only $86,000 for each hour-long episode in 1955–56. But if Warners and the other studios increased and further standardized telefilm production, they could stabilize studio operations and offset the rising costs of feature filmmaking. Television was also providing the Hollywood studios with a short-term boost in operating revenue after 1955, as they unloaded their pre-1948 features for programming fodder. All of the studios had
opened their vaults by early 1958, with Paramount scoring the last and the richest deal when it leased 750 features to MCA for $50 million. Variety reported in October 1958 that some 9,200 features had been sold or leased to TV syndication companies. The feature film libraries of the TV stations in New York City alone contained 4,800 titles in 1958, and it was estimated that 25 percent of all sponsored television programming that year was made up of Hollywood movies.

By late 1958 all the studios had unloaded sizable portions of their vaults, and all but one had gone into TV series production. That one notable and most ironic exception was Universal, without question the movie studio best disposed to TV series production in terms of both production process and type of product. Universal had been leasing its facilities to telefilm producers for years, most notably Revue Productions, a subsidiary of MCA. Both Rackmil and Muhl were as eager as ever to make the leap into telefilm production themselves, but the company simply lacked the capital to produce TV series of its own. This was a major frustration for an old-timer like Ed Muhl, who stood by while the other studios adopted the series strategy for their telefilm productions that Universal had been refining for decades—and that Universal now had running to near perfection with its genre units and its Kettle and Francis series.

Universal finally did move into telefilm production in 1959, though scarcely by its own volition or on its own terms. In February 1959 MCA bought the studio itself, Universal City, from Decca Records. At the same time Jules Stein initiated a takeover of Decca and Universal Pictures, which he expected to take at least a year or two. For the time being, he was content simply to secure Universal City, since MCA sorely needed a studio facility for Revue Productions. The telefilm company had grown rapidly, and by 1958 Revue was producing one-third of NBC's prime-time schedule—eight-and-one-half hours of programming per week. Universal City gave MCA-Revue a centralized production facility, and it gave Lew Wasserman a suitable base for his ever expanding West Coast operations. Wasserman was now generally considered the most powerful man in Hollywood, and MCA was considered a model of diversification. The two judgments were not unrelated. Largely through Wasserman's machinations and his stable of clients, MCA had its fingers in as many pies as the Hollywood entertainment industry could bake—from movies and TV to publishing and pop music.

The MCA takeover of Universal City left Universal Pictures flush with capital and looking to a much brighter future—albeit one that the company could scarcely determine or control. Universal Pictures was
still independent and separate from MCA, at least in a technical sense, with Rackmil and Muhl running the company and leasing studio production space from MCA. Some of Universal’s top talent stayed on and a few of its established units and star-genre formulations remained intact, but feature output was cut by 50 percent—from thirty-five features in 1958 to only eighteen in 1959 and in the ensuing years. While output was reduced, budgets were jacked up to a point where even an Audie Murphy western or a sci-fi thriller was starting to look respectable. And unit producer Ross Hunter’s pictures were now in another league altogether, judging from such 1959 releases as *Imitation of Life* and *Pillow Talk*. The former was a lavish remake of John Stahl’s 1934 weepie that was among the biggest hits of the year, grossing over $6 million. *Pillow Talk* was an equally slick romantic comedy that teamed Rock Hudson and Doris Day, the top two box-office stars in the industry.

The unit-produced genre pictures, like the telefilm series, had their roots in the old Universal City factory system, but another production just after the MCA deal indicated how genuinely independent top-feature production was becoming even at Universal. The picture was *Spartacus*, a $12 million spectacular that went into production in early 1959 and finally was released in late 1960. This was an unprecedented production by Universal’s standards, and its packaging was equally unconventional—though it was very much in line with current blockbusters like *Ben-Hur* and *Cleopatra*. *Spartacus* was a European co-production put together by an outside producer, Edward Lewis, and directed by maverick free-lancer Stanley Kubrick. Much of the film was shot in Spain, and several in its international all-star cast owned a piece of the production. The picture was a sizable gamble—though not as sizable as *Cleopatra*, the Fox production that was driving that company to the verge of bankruptcy. In Universal’s case the gamble paid off. *Spartacus* was a worldwide success, amassing net profits of over $14 million on its international release. As happened with so many projects after the takeover, though, Universal served as no more than the nominal producer, providing production facilities, personnel, and distribution. Thus *Spartacus* was by no means a “Universal picture” in any traditional sense.

There were precious few of those as the decade wore on and Universal fell in step with the other studios, turning out costly and distinctive pictures, most of them outside productions for an increasingly competitive and unstable movie market. Before long the clearest vestige of the old Universal operation was in telefilm production, with series like *The Virginian*, *Leave It to Beaver*, and *The Jack Benny Show* rolling off the Revue assembly line. Indeed, the facilities and personnel at
Universal City were so well suited to telefilm-series production that within two to three years of the initial MCA takeover, Universal was the most productive and profitable studio in Hollywood. Profits had started climbing as soon as MCA bought the studio facility in 1959, and in 1962, the year MCA completed the Decca-Universal buyout, studio profits jumped from a 1961 record high of $7.5 million to $12.7 million. That total, which included both feature and telefilm production, made Universal the unquestioned leader in the film industry. After a half-century as a second-rate power, Universal was quite literally in a class by itself among the Hollywood studios.

But Universal wasn’t really a movie studio anymore—none of them were in this age of diversification and conglomeration. Universal’s alliance with MCA-Revue ensured its continued dominance in Hollywood, but it also signaled a fragmentation of the film industry and the loss of studio control over the system at large. The TV networks had a lock on programming control, and independent filmmakers and packaging agents were calling the shots on most movie production. The studios were still key players, to be sure. They had the best production facilities in the business and, even more important, they still controlled film distribution and thus had considerable power over the movie marketplace. But the “studio system” that Universal and the others had built and maintained for decades was all but gone. The studios would survive—as production plants, as distribution companies, as familiar trademarks—but the studio era had ended, and with it Hollywood’s classical age.