



APPLIES TO ACADEMIC YEAR 2015/2016

KLS 3630 The Movie Industry: Strategic and Economic Analysis

Programme

Bachelor of Arts Management (3. year)

Responsible for the course

Terje Gaustad

Department

Department of Communication and Culture

Term

According to study plan

ECTS Credits

7,5

Language of instruction

Norwegian

Introduction

More than perhaps any other industry, the movie industry is dependent on a balance and interplay between the creative and artistic aspects on the one hand and the economic and administrative aspects on the other. The industry is primarily project-based, and each movie project demands significant resources, which again places a high demand on economic and administrative competences. Yet, such competences are of little value unless they also preserve the artistic and creative processes that are the basis for the industry's value creation.

The course takes a primarily strategic and economic perspective of the industry and contains three main sections: First, the industry value configuration system and its institutional environment are analyzed to provide a sector overview over the players and their interactions. Attention is then turned on the markets, including the audience market, the markets between producers, distributors and retailers/outlets, as well as the industry labor markets. Finally, cash flow and financial project analysis is applied to create break-even estimates for specific films and to better understand the impact of and dependence on public subsidy, the risk-exposure of distributors, producers and investors, and so forth.

While focus is primarily on the Norwegian industry, it is emphasized how what is seen in Norway is a case of how the industry works internationally, only shaped by the particular institutional environment and market conditions under which

the Norwegian industry operates.

Learning outcome

Acquired knowledge

The student will gain knowledge of the movie industry value chain and organization, its economy and driving forces, as well as its institutional environment and history.

Acquired skills

The student will develop skills to (a) carry out basic analyses of film projects, (b) identify and analyze industry challenges, and (c) communicate his/her analyses and recommendations from a industry perspective through professional writing.

Reflection

The course will promote respect, understanding and tolerance for both the artistic and commercial values governing the movie industry and for the dilemmas and tensions that may arise between these sets of values.

Prerequisites

No particular prerequisites.

Compulsory reading

Books:

Finney, Angus, with Eugenio Triana. 2014. The international film business : a market guide beyond Hollywood. 2nd ed. Routledge. kap. 1-14

Hanche, Øivind, Gunnar Iversen, Nils Klevjer Aas. 2014. Bedre enn sitt rykte : en liten norsk filmhistorie. 3. utg. Norsk filminstitutt

Book extract:

Helgesen, Thorleif og Terje Gaustad. 2002. Medieøkonomi : strategier, markedsføring, medierettigheter. Stølen. Kap. 8

Collection of articles:

Gaustad, Terje. 2015. Artikkelsamling for KLS 3630 Filmbransjen. Handelshøyskolen BI

Recommended reading

Books:

Caves, Richard E. 2000. Creative industries : contracts between art and commerce. Harvard University Press

Eberts, Jake and Terry Lott. 1990. My indecision is final : the spectacular rise and fall of Goldcrest Films, the independent studio that challenged Hollywood. Atlantic Monthly Press. Utsolgt fra forlaget

Elberse, Anita. 2013. Blockbusters : hit-making, risk-taking, and the big business of entertainment. Henry Holt
Marich, Robert. 2013. Marketing to moviegoers : a handbook of strategies and tactics. 3rd ed. Southern Illinois University Press. Kap. 1-8

Puttnam, David. 1997. The undeclared war : the struggle for control of the world's film industry.

HarperCollinsPublisher. Utsolgt fra forlaget

Squire, Jason E. , ed. 2006. The Movie business book. 3rd ed. Open University Press

Course outline

- Historic and political perspective: The Norwegian, European and American Movie Business
- Business Structure and Organization
- The Production Sector
- The Distribution Sector
- The Exhibition Sector
- Key Economic Characteristics
- Movie marketing
- Transactions and Rights
- Product and Cash Flows
- Project Financing
- Financial Project Analysis

- Relationships to other Cultural Industries

Computer-based tools

None required

Learning process and workload

The course includes lectures, as well as case work, presentations and discussions in class. There will be 24 hours of lectures on course topics, and 12 hours will be used for case work, presentations and discussions in class.

Activity	Hours
Participation in lectures I (lectures)	24
Participation in lectures II (case-work and discussions)	12
Preparation	16
Case-assignments	20
Independent study	88
Exam	40
Total use of hours recommended	200

Use of hours

Lectures: 24 hours (classroom hours)

Seminar: case-discussions 12 hours (classroom hours)

Coursework: Review and feedback on required coursework 9 hours (local process)

Coursework requirements

The course has 4 assignments which are due before they are discussed in class, and 3 of 4 must be approved for a student to participate in the examination.

Examination

A term paper to be prepared over two weeks concludes the course. The term paper may be written individually or in groups of up to four students.

Examination code(s)

KLS 36301- Term paper, counts 100% to obtain final grade in KLS 3630 The Movie Industry: Strategic and Economic Analysis, 7,5 credits.

Examination support materials

All aids allowed for the take home exam.

Re-sit examination

A re-sit is held every term.

Students that have not passed the coursework requirements must retake the coursework at the next scheduled course.

Students that have not passed the exam or who wish to improve their grade must retake the exam in connection with the next scheduled exam.

Additional information