

Majors battle Spanish fines

By JOHN HOPEWELL

MADRID

Hollywood studios have decided to get tough on Spain's allegations of price-fixing and collusion in release strategies.

The majors recently applied for suspension of the \$15 million joint fine that was slapped on them in May. Warner Sogefilms, a now-lapsed joint venture between Warner Bros. and Spain's Sogecable, said it had petitioned Spain's Audiencia Nacional — its court of appeal — to annul the judgment. Sony, BVI and UIP told *Variety* they'd followed suit. A Hispano Foxfilms source said the matter was with its lawyers.

The studios are ready to fight back.

"We absolutely refute with total conviction suggestions that we colluded with our competition on terms," says feisty UIP topper Stewart Till.

The dispute could idle on for years. The studios will make a formal appeal early next year, and the Audiencia's decision could come a year later.

If the studios lose, they can always turn to Spain's Supreme Court, whose rulings can take up to three years.

Hollywood does have a fighting chance. One of the suggestions made by Spain's antitrust court — that the studios should release blockbusters over the same weekend to foster true competition — seems positively bizarre.



Spanish exhibs boycotted "Scary Movie 4" in a protest in June.

The Tribunal's main case rests, however, on rentals charged by the studios for the 20 movies in Spain's top 25 that they released in 2002.

"Although no legal limitation or rulings exist over a maximum percentage which can be charged, during 2002, all the accused companies charged 60% for the first week on their most commercial films," the Tribune's 24-page resolution asserts.

For Till, this is just a case of a settled market. "In all trading, such as DVD and CD stores, a similar sort of product tends to command a similar sort of price," he says.

Spain's time-honored flat-fee bookings contrast with other territories, such as the U.K., where distributors negotiate rentals with exhibitors on

a cinema-by-cinema basis (although there's a growing trend toward negotiating flat-rate fees).

As the suspension makes its way through legal hoops, the studios may start to edge rentals up or down, according to exhibitors' strengths. If not, expect more trouble in Spain.

Spain's exhib sector has seen rampant concentration. Three of the largest loops, two strengthened by mergers — Abaco-Cinebox and Cinesa, along with Yelmo Cineplex — boycotted "Scary Movie 4" in a show of strength this June. And even conservative orgs such as Spain's antitrust Tribunal seem willing to lend Spain's cinema circuits their ear. So it's likely the battle will continue for some time to come.

Havel docu ready after 12-year slog

By WILL TIZARD

PRAGUE A new film revealing the private thoughts and back-room dealings of iconic Czech ex-president Vaclav Havel, who led the Velvet Revolution in 1989, is finally ready for viewing, says documaker Miroslav Janek.

The vet Czech journalist announced his commitment to finishing the 12-years-in-the-making film at the just-concluded Karlovy Vary Film Festival. Janek says the docu will show a side of Havel, who rose from a dissident playwright persecuted by the Communist regime to the first democratically elected president in four decades, that no one has yet seen.

"The material in it wasn't collected through official events," says Janek. Rather, he says, "Citizen Havel" focuses on intimate, behind-the-scenes moments — what Janek calls the scenes "in the background, in the closet," of one of the most widely covered presidencies of the 20th century.

As to whether Czech officials still in power might be embarrassed by some of the footage, Janek says, "It's possible. It's very unofficial."

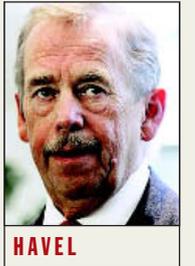
Pavel Koutecky started shooting footage for the film in 1992. The feature-length docu, slated for an October 2007 release, includes insights such as a frantic rush to organize dinner for a state visit from Jacques Chirac, producer Pavel Strnad says.

Koutecky died in April at age 49 after a fall from a Prague building. Details are still unclear, but most believe Koutecky lost his life while working on a new documentary about a man who climbs just such buildings.

Janek, who worked on "Powaqqatsi" while living in the U.S., is still reviewing the footage covering Havel's inner sanctum and quiet moments in the midst of the birth of democracy in the Czech Republic. "I don't want to make a sensational film," he says.

But neither will the pic be a stern political think piece. More likely it will be an insider's account of one of the world's most unexpected and soulful presidencies, run through with Havel's "natural touch of humor."

"Nobody really has an idea what it is to be a president — what kind of things he has to deal with," Janek says.



HAVEL

When auds call the shots

By PAMELA McCLINTOCK

Rarely does a day go by that an unfinished movie isn't being test-screened somewhere around the country. Harvey and Bob Weinstein love New Jersey. Steven Spielberg liked Dallas before he stopped test-screening his pics.

Closer to Hollywood, Long Beach and the San Fernando Valley are favorite locales, the idea being that people who live in and around Hollywood are too hip to the movie biz to give the sort of advice studio suits are looking for.

Nielsen NRG is the top dog in the test screening game, although OTX began gaining ground when Kevin Goetz ankled Nielsen to run OTX's screening division. (Studio suits love Goetz's ability to get the crowd going.)

Research screenings work like this: About 300 people fitting certain demos are recruited to watch the movie and fill out comment cards. They're asked about the ending and their favorite scenes. Are they confused about anything? How did they feel about the pacing?

Next, some of the questions are turned into percentages and weighted against a norm.

One of the most prized measurements is whether they would recommend the pic to friends.

Many times, the audience is filmed as they watch the movie, so that their reaction can be played back later alongside the pic on a split screen.

About 20 members of the aud are pre-selected to stay behind after the movie and participate in a focus group run by the likes of Goetz or his counterparts at OTX and NRG. Generally, the filmmaker, producers and studio suits sit three or four rows back and listen.

"I've done thousands of test screenings in 20 years. I've never seen a movie get worse as a result," Goetz says.

Then again, he's a little biased.

Studios testy over screening situation

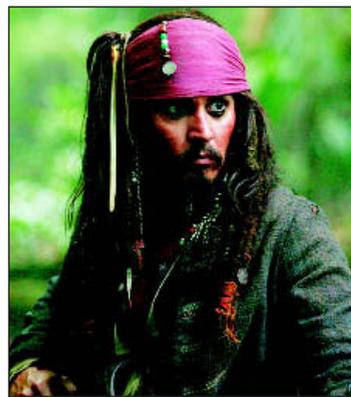
Continued from page 6

pushed back the release of "Cars" by a year after seeing the results of test screenings. After testing "The Break-Up," Universal decided to return to Chicago and reshoot a happier ending. That's why Vince Vaughn looks noticeably thinner in the latter part of the movie.

Many helmers, however, have come to despise the process, not only because of interference from studio execs but because of fears that a movie's content will leak on the Internet.

Last month, the plane flying Paramount execs back to Los Angeles had barely gotten off the runway in Minneapolis, where they had test-screened Oliver Stone's "World Trade Center," before a review was posted on the Web. The same thing happened when Martin Scorsese's upcoming "The Departed" was summarized on Ain't It Cool News, which also has reviewed the serial killer drama "Zodiac."

"When the site started 10 years ago, we definitely saw it as a way of invading the test-



Critics complained that "Pirates of the Caribbean: Dead Man's Chest" was too long.

screening process," says Drew "Moriarty" McSweeney, the West Coast editor of AICN. "I make no bones about that. We wanted to return the power to the filmmaker. I think it has worked to a huge degree."

Singer and Howard screened rough cuts of "Superman Returns" and "Da Vinci," respectively, during what's come to be known in Hollywood vernacular as a "friends & family" test screening.

Singer is said to have cut a

little over 15 minutes from "Superman" after showing the pic to a small cadre of trusted confidantes.

But even with those cuts, both pics weathered criticism that they were overlong, as did the "Pirates" sequel.

For their part, though, most studio execs would rather test, even if word leaks on the Internet.

"The cart shouldn't be leading the horse," says another marketing exec. "You can't freak out over the Internet and let it overshadow getting the movie where it needs to be. As an executive, you get too close to the project. And face it, a friend or family member can't be entirely objective."

The question now is whether filmmakers will have even more power in dictating whether they will allow future projects to be test-screened.

Why? Even though though "Pirates" and "Code" didn't go through testing — and the reviews may be proof of it — their box office performance doesn't seem to have suffered.