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MOTION PICTURE, BROADCASTING AND RECORDED SOUND DIVISION

PARAMOUNT PICTURES CORPORATION Preservation Statement February 12, 1993

Paramount Pictures

NATIONAL PRESERVATION BOARD HEARINGS of the LIBRARY OF CONGRESS

Los Angeles, California

326



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A Paramount Communications Company

I am Phil Murphy, Vice President of Operations for The Television Group at Paramount Pictures Corporation, the motion picture and television arm of Paramount Communications, Inc.

We appreciate the opportunity to testify today before the National Film Preservation Board of the Library of Congress. Paramount has a deep commitment to preserving our motion picture and television heritage and applauds the effort of the Library, pursuant to the National Film Preservation Act, to study and report on this subject.

Paramount Pictures adopted a world-wide preservation commitment many years ago. Our visual heritage includes many of the major film makers of this century and the corporation recognized its obligations of archival continuance early on.

Almost ten years ago, the studio started refurbishing the original architecture of the Hollywood lot. Buildings were renamed after such notables from the Paramount past as Sturges, DeMille, Lubitsch, Wilder, Adolph Zukor, B.P. Schulberg and Hal Wallis. The studio was later honored by the Los Angeles Conservancy for its efforts to preserve its historic buildings.

Our efforts in motion picture film "asset protection" were the results of a major management commitment that gave Paramount the industry's most comprehensive preservation program, and established the Paramount Preservation Standard (one to which all preservationists can refer.)

In 1987, Paramount's top management formed a working group to determine the most effective means of assuring that the studio's vast library would be preserved for future generations. The group determined that an Asset Protection Program would have to encompass:

One - a computerized data base utilizing barcode technology to identify all film and tape elements, their condition, storage location and movement tracking.

Two - a programmed method of inspection and evaluation, repair, replacement or restoration, proper secured storage with authorized access and a prioritized system of identifying elements that needed attention before deterioration destroyed the element.

Three - a philosophy of "protection by separation" to ensure that all elements were not stored in the same physical location thereby precluding the total loss of a title. This translated into a goal of being able to produce a high quality commercially acceptable product from at least two diverse geographic locations.

Our own self-imposed criteria for full protection is to maintain the original camera negative in our Los Angeles Archive at forty degrees fahrenheit, 25% relative humidity. We also inspect and repair, as needed, an interpositive for the Los Angeles Archive and inspect and repair a

February 12, 1993

Page 1

three-strip separation protection YCM to be located in our East Coast underground vault, also at forty degrees fahrenheit, 25% relative humidity. Split-track magnetic audio is also stored at the bi-coastal locations.

Even in the rare instance when market potential does not warrant manufacture of material following inspections, we still position the existing material in our environmental vaults to arrest further deterioration. By so doing, we protect everything.

The preservation project took on a life of its own as concurrent assignments proceeded on a scheduled basis. A gifted in-house computer programmer developed the necessary software and system configurations to enable the world-wide inventory to commence. We visited each major underground storage site in the U.S. to choose a second home for Paramount elements. Outside vendors were chosen to handle the huge volume of element inspection, evaluation, and repair or replacement and all information was continuously fed into the database.

While the preservation progress of commercial titles proceeded at an active pace, Paramount continued to nurture the "historic stars" of its past. The 1957 Fred Astaire - Audrey Hepburn **Funny Face** was restored for the 1990 AFI Los Angeles Film Festival. Original nitrate elements of the 1912 **Queen Elizabeth**, 1914 **The Squaw Man** and the 1923 **The Covered Wagon** were transferred to safety film at Paramount's expense, and the original elements were then loaned to public archives to complement their collections, including the Museum of Modern Art, the UCLA Archive, the Library of Congress and the Academy of Motion Picture Arts and Sciences Film Archive. Several hundred other films, such as **Barbarella, Escape from Alcatraz, Greatest Show on Earth, Gunfight at the OK Corral, Harlow, Is Paris Burning?, Lady Sings the Blues, Mahogany, Out of Towners, Paint Your Wagon, Romeo and Juliet, Samson and Delilah, Shane, Ten Commandments and True Grit were fully or partially restored.**

The "protection by separation" goal took a major step forward in January, 1989 when the first trailer-truck-full of Paramount elements was shipped to the custom constructed "deep mine" vaults in the Eastern U.S., a site shared by such noteworthy institutions as the U.S. Patent Office, the F.B.I., and the Library of Congress. These vaults were constructed under Paramount direction and to our specifications of temperature, relative humidity, fire suppression and validated security access. Almost at the same time, Paramount Communications Inc. authorized the construction of a 40,000 sq. ft. Archive Building on our Hollywood lot to house all Los Angeles Basin original materials, which at that time, were spread among several outside storage facilities, laboratories and on-lot storage modules. The Archive would hold original elements of Paramount titles on film and tape, and an editing complex for the staff that created ancillary market versions of Paramount theatrical titles and who were the prime users of the vault material.

February 12, 1993

The Archive Building was a true fast-track project. After the January, 1989 approval, Paramount's in-house Planning and Development Department coordinated the needs of the building with the size restrictions placed on the site by governmental agencies. The building's environmental, fire suppressant and security systems were custom designed. Ground was broken in September and the building was completed in July, 1990. The first weekend in August, we moved over 70,000 magnetic items into the building over a 36 hour period. Film elements followed shortly thereafter.

The third leg of the "protection by separation" scheme was installed in 1991 with the completion of an environmentally controlled storage facility in London, England to house Paramount's European elements. All three facilities are tied into a personal computer network which now includes prime vendors and some 100 users around the world. Any movement plus editor and product notes about any item in the database is available to all in our corporation who need the information regarding the three-quarter million items worldwide now in our database. This freeflow of information contrasts greatly with the typical "fiefdom" approach where individuals hoard information they need on file cards, lined pads, binders or the worst case of all, in their memories.

The major preservation work is done. We cannot know what future technology will require. Whatever the demand, we feel confident that by protecting the original film elements, we have retained all the creativity the original artists intended to capture and that we will be able to respond to any needs with the resolution, aspect ratio and quality inherent in the original.

Paramount has, for the past four years, transferred feature films onto digital videotape for distribution into electronic markets. But even the upcoming digital high definition television system cannot totally capture the image which is stored on the original film. We're often asked after people tour our Los Angeles Archive - "Now that you've transferred the film to videotape, why do you need to keep the film?" The answer can be summarized by saying the resolution of video technology continues to grow, but still cannot efficiently come close to the image quality residing on the 35mm motion picture film.

Our entire archival project succeeded because it had the motivated support of our top management, who never backed off or down from the changing requirements. It was and is the philosophy of our company that Paramount itself have total preservation responsibility for the material we own. While independent and public archival institutions are also important to maintaining the history of motion pictures, we cannot subrogate our responsibilities to their needs or activities. This is not to say there isn't room for cooperation. We have and continue to work with other institutions to assist in important preservation work. We loan material, we finance, we share technological data. Indeed, as we proceeded with the Archive, we were encouraging other studios, archives, libraries, and preservationists to monitor our progress and share in the information we uncovered. The imprecise science of preservation is fairly new and

February 12, 1993

Page 3

we hired outside consultants to provide known technical information about film preservation which was unavailable through industry organizations.

During this archival adventure, we have found many inherent economic incentives to protect one's library. Film preservation need not be a philanthropic endeavor. There is a huge worldwide market for all films; be it from domestic basic and pay cable, the privatization of television in Europe and Latin America or the hoped-for advent of better worldwide copyright protection, our product is constantly in demand. With many new technologies poised for home introduction, our product will remain in demand well beyond our lifetimes.

This demand, though, is for high quality state-of-the-art renderings of our features and series product. Distorted, color faded or blurry 16mm prints and 3/4" tapes no longer sell. Our preservation efforts allow us to utilize pristine film elements to produce the latest digital videotapes for our customers.

The other economic advantage of our archival efforts is that all of our film elements last five to ten times longer than they did before they were housed in proper environmental conditions. This added life more than covers our annual storage costs and is dramatically cheaper than continually replicating deteriorating film elements whose lives were shortened by improper storage.

In the future, archival film storage may be replaced by digital computer storage to an image resolution equivalent to 35mm film. However, although such digitalization technology exists today, two significant problems exist. First, the process is exceedingly slow and more importantly the amount of digital data in each frame of film is so great that no practical storage technologies have yet to be invented. A full film transfer to a film-equivalent digital domain with its essence stored on computer tape would cost at least 10 times as much as producing protection separations. However, digitalization of film may be an alternative to film archiving in the not too distant future.

There is a great need for the Library of Congress and Congress to focus on the parts of our American visual heritage which do not naturally fall under someone's ownership. We speak here of that great collection of public domain material, much of it on nitrate film. Those titles are called "orphans" because they have no protectors, no organization with the wherewithal to transfer the material to safety film, to assure future generations will have the opportunity to view what the early part of our century looked like on motion picture film.

It is our suggestion that a National Preservation Policy address this great collection of material before time, its greatest enemy, takes it away from us, forever. We have all heard the tragic figure that half the films produced before 1950 are gone - lost, deteriorated, destroyed. The other half is only partially protected. Recently, Paramount at our own expense in cooperation

February 12, 1993

Page 4

with the UCLA Archive, transferred a 1927 version of Mary Pickford's Tess of the Storm Country from nitrate to safety film. We were surprised to find it was the only theatrical copy of that title in existence. And we were shocked to think it may have been lost forever.

It is gratifying that the United States Congress recognizes the need to preserve our visual cultural heritage. It is likewise impressive to know that the Librarian of Congress is marshalling the effort. We offer our cooperation and our expertise. As for Paramount, we will continue to protect and preserve our visual heritage with total commitment and dedication.

February 12, 1993

331