

The sketch above shows-in simplified form-just where and how Twentieth Century-Fox spent the \$2,000,000 which it cost to produce "Alexander's Ragtime Band." These sums were budgeted carefully in advance, and included such out-of-the-ordinary items as the cost of a coach

What IT COSTS

Despite all you hear about extravagance in Hollywood, the director has to follow a rigid budget. Here's a "breakdown" of a new film, showing where the dollars go

Alice Faye's voice and beauty contribute largely to "Alexander's Ragtime Band" . . . but her \$3500 weekly salary is only a small item of the \$2,000,000 production.

don't know about is the rigidity of a movie budget. Contrary to most of the stories you have heard about Hollywood, no director can bolster a weak sequence by hiring a thousand additional extras, or by building and blowing up a town that wasn't mentioned in the estimates.

That was yesterday's "genius." Today's genius is the man who can bring in a finished film within its budget and shooting schedule.

Many a picture is begun with an incomplete cast and an unfinished story. But the budget is never so uncertain. It is itemized down to the last prop boy and rented wig.

With a big production, especially a big tuneshow such as this one, preparation takes longer than the actual filming. Far in advance even of announcement of a picture, lawyers will be working to clear domestic and foreign rights to story, title and music.

Just to give you an idea, the single budget item, "Music Rights and Preparation," represents an expenditure of \$149,200. However, under that general heading on the 14-page cost sheet, "Rights and Clearances" is only one of more than 30 items which include various arrangers, directors, vocal and instrumental coaches (one to teach Tyrone Power how to hold a fiddle convincingly), copyists, librarians, cutters, musical proofreaders and the music sound track itself.

But that section does not include any payment to Irving Berlin. As composer, associate producer and owner of the title, he gets a lion's share of the allotment of \$330,800 which has been made to "Direction and Supervision."

Before this all becomes too complicated it had better be explained that the above and hereinafter mentioned figures are based on "unofficial" but probably accurate information (Copyright, 1938, by EveryWeek Magazine)

that the total cost of "Alexander's Ragtime Band" is \$2,000,000.

The recession brought a quick and official shushing to big-money talk in Hollywood, but despite this attitude, 20th-Fox, unafraid of its bankers, has been willing to release a percentage cost breakdown, obscure only in a few details, on one of its big pictures.

Evidence that the \$2,000,000 total is about right is checked by the way some of the more easily authenticated items work out. One of these is "Salaries of the Cast." The announced 15.44 per cent, applied to \$2,000,000, would be \$308,800.

Alice Faye receives about \$3500 a week. Tyrone Power may be put down for \$3000, Don Ameche for \$2750, and a dozen other principals at lesser amounts, perhaps averaging \$1000. Add those together and multiply by a 12-week shooting schedule and you still haven't got \$308,800. The difference points up one of the costly jokers in movie-making, and that is the salaries of idle contract players.

HERE'S the way a production budget is born:

All estimates originate from a script, and first comes the Story Breakdown. The estimating department reads the script and makes notes of everything in it that will cost money -each set, prop, player and song.

Meanwhile the assistant director has been reading a duplicate script, and has been trying to figure out what is called a Production Cross Plot. This is a big chart on which are shown all the players, all the sets, and all the days of shooting. The trick is to fit them one to another, especially so that the working days of each principal are grouped closely together.

The same idea goes with large groups of extras and chorus girls. The cross plot also must provide for a workable sequence of setbuilding. No picture has an unlimited amount of studio space. As if those problems were not hard enough, the assistant director also has to plan alternative indoor activity for every day of outdoor shooting. That saves expensive delays.

The wardrobe department studies a third script and works out a detailed description of the wardrobe and its cost necessary for each player. The set building and property departments likewise go through the story and plan and estimate everything they will have to supply for the production.

These calculations all are submitted at a budget meeting attended by executives. From this pow-wow emerges a Second Rough Estimate, and all the department heads immediately set to work refining it.

All the way along, too, until the Final Estimate is made, it gets more and more detailed and complicated. The extras, heretofore lumped, now must be split into \$10 and \$15a-day people. Location costs always are a tough problem. Scenario costs must be listed.

There are Action Props-anima's, airplanes, boats, trains-and Special Effects-snow, rain, fog and fire-to be arranged for and estimated.

The labor employment lists include scores of people you seldom hear of in connection with picture-making-greenerymen, whistlemen, fixturemen, set strikers (the men who tear down), livestock supervisors. For "Alexarder." approximately \$624,600 will be paid to some 2250 laborers and skilled workers directly employed on the picture. A larger amount will go into the pockets of the regular studio personnel of 5000, exclusive of players.

HERE are a few of the larger, previously unmentioned general classifications on the budget of "Alexander": Scenario costs, including salaries of all the writers who have worked on the story, many of them unproductively, are \$180,000. Hollywood extras will be richer by \$88,600, and the musicians, who are higherpaid but not so numerous, will receive \$72,600.

Of the \$213,200 assigned for set building and removing, \$45,000 has been spent on two of the 51 sets in the picture. These are the

Cliff House and the Century Theater. The wardrobe department receives the largest appropriation of any of the major studio departments, except for sets. The costumes will cost \$95,000. The film used in the cameras is setting 20th-Fox back \$73,400.

The insurance expense of \$63,800 goes mostly for workmen's compensation, social security and unemployment insurance fees, and for protection of the studio against damage suits.

The studio budget will cover "Alexander's Ragtime Band" only until scheduled production is finished, retakes made, and the final cutting and scoring accomplished. But the expense doesn't stop there. The picture must be printed, sold and distributed.

An additional 10 per cent of the total cost immediately will be appropriated for advertising. For a picture that may do a \$4,000,000 gross, this is very good business.



## By Paul Harrison

HOLLYWOOD

OME on an' hear, come on an' hear About Alexander's Two-Million-Dollar Ragtime Band . . . '

Almost nobody except the people who make them knows how or why motion pictures cost so much.

Even many of the banker-backers of the studios don't know. The cinematic wastes are dotted with the bleaching bones of financial geniuses who were sent out here to show the industry how better to manage its affairs.

The public doesn't know about movie costs because the Producers' Association strongly discourages issuance of statistics. Result is that exaggerated estimates get around, and in the long run some of these tend to corroborate the world's suspicions of Hollywood profligacy and

Another thing that people outside the colony