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Contemporary Understandings of Cinema Closure

Accounting for Closure: Taxes, Levies and the Local Press

In 1962, John Spanos studied the dramatic decline in cinema attendance and concluded that it was television that was responsible. According to Spanos, there were three phases of decline. In the first, prior to 1955, the majority of television sets were owned by higher-income groups that were not a core cinema audience, and therefore it was the second phase, between 1955 and 1958, that was most decisive. During this phase, working-class families had begun to acquire television sets and he argues that not only were these families a core cinema audience, but that they also tended to have larger families and 'an age composition which led to high cinema scores'.¹ In short, they had more family members aged between fifteen and twenty-four. In the third phase, however, he claims that the impact was much less severe. Although televisions were selling at roughly the same rate as that between 1955 and 1958, after 1958, the families that acquired these new sets not only tended to have smaller families, but also to have members that were older.

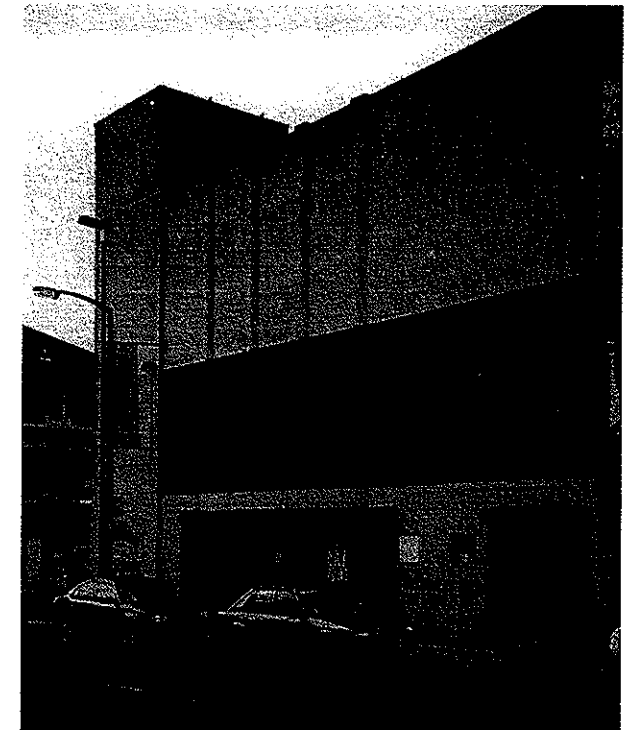
While competition from television has been a popular explanation for the decline of cinema in the post-war period, as we shall see, this explanation has been severely contested by current research. Moreover, within the period itself, it only emerged as an explanation relatively late in the day. From our analysis of local papers, it was clear that in the 1950s the decline of cinema was attributed to a number of factors, and that it was only at the very end of the decade that the blame shifted towards television. For most of the 1950s the main complaint was against the various taxes and levies placed upon cinema. In 1955, for example, the secretary of the Nottinghamshire and Derby Cinematograph Exhibitors' Association (CEA) was reported as saying that the main problem facing cinemas was the 'high rate of entertainment tax',² while an article in the *Guardian Journal* (GJ) claimed that the entertainment tax was five times as high as it had been before the war.³ Certainly, for much of the 1950s, it was the entertainment tax which concerned most exhibitors, and they campaigned against it most vigorously. The reason for this can clearly be seen when one looks at the figures involved.

In the early 1950s, the industry was paying approximately 35 per cent of the gross box-office takings in entertainment tax. Although this had fallen by 1957, after its reduction by the government, it still stood at 29.9 per cent and at 18.7 per cent a year later in 1958.⁴ It was eventually abolished after intense campaigning, but not before it had effectively pushed up ticket prices. In June 1956, the average price of cinema seats in Nottingham was increased from around 3d to 5d, and the explanation for this rise was

the Chancellor's refusal to reduce the entertainment tax.⁵ This 60 per cent increase eroded the cinema industry's claims to being among the cheapest forms of entertainment, and it was particularly hard on the small, local cinemas whose main attraction was their cheapness. However, the removal of the tax did not help many cinemas. By that time, the cinemas that had most needed the reduction had already closed.

The entertainment tax was not the only financial burden that was being imposed on the exhibitors, and there were two further financial demands. The first was the British Film Production Levy, which had started as a voluntary fund from box-office takings in the period of high entertainment tax. Although it was small compared to the entertainment tax, it was gradually increased as the entertainment tax was reduced. An article in the GJ, after the entertainment tax had been reduced to 30 per cent in 1957, noted that the amount paid to the Production Fund had increased from £2.5 million to between £3.5 and £5 million.⁶ Thus, although the reduction in tax would save cinemas approximately £6.5 million, the increased contribution to the British Film Production Fund meant that there was in fact only £5.25 million left over which had to be shared among 4,000 cinemas,⁷ and again this largely helped the larger cinemas with over 8,000 patrons a week which charged middling prices. The levy remained after the entertainment tax had been removed altogether and, in 1968, £4.2 million was still being paid to the fund.⁸

The Windsor today,
Hartley Road: a victim
of taxation?



The second financial demand was the Sunday Levy, although it received far less attention in the local press. After the war, the local prohibition on Sunday opening had ended, but local authorities were still able to impose a levy of their own choosing on venues that opened on the Sabbath. This levy was donated to charities and, in 1956, a letter to the GJ from the Nottingham and Derby Branch of the CEA explained that it affected cinemas in Nottingham particularly badly. It noted that the Watch Committee not only refused to set the levy at the minimum amount but had also collected over £30,000 that it was as yet unable to decide how to spend:

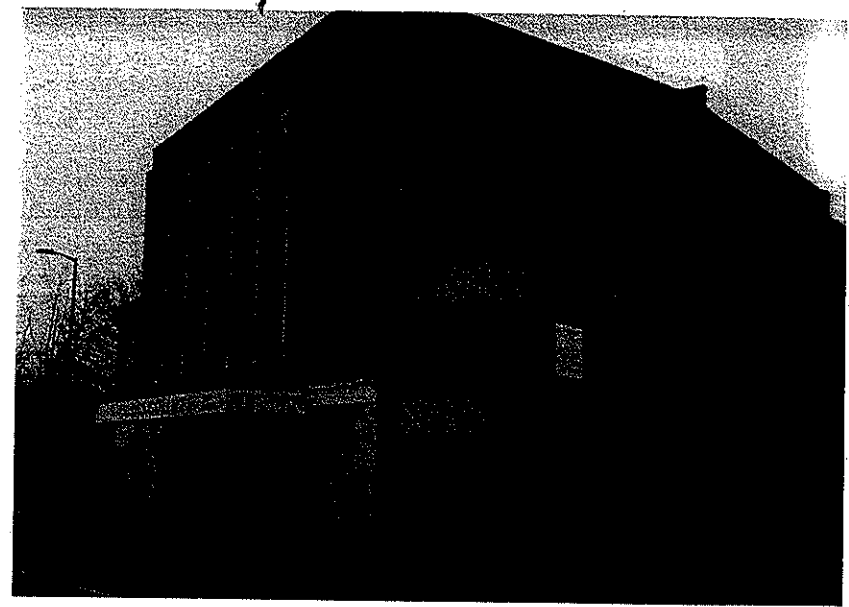
Last week, a national newspaper published a letter written by a local exhibitor, who states that he is prepared to sell his modern cinema for any industrial purpose. This man, like others, is being forced out of business by heavy Entertainment Tax. At the same time, he had also paid a few hundred pounds towards that £30,000.⁹

For the CEA, the committee's insistence on setting the levy at a higher rate than in other regions was 'an outstanding indication of legislation at its worst'.¹⁰

Other Threats: Age of the Cinema, Operating Costs and the Shortage of Films

Another reason given for cinema closure was that many of the buildings were now considered inadequate and out of date. While cinemas in the 1930s had been seen as places of modernity and luxury, these same buildings had changed in meaning. During the war and its aftermath there had been a ban on inessential building, which included cinemas, and by the 1950s many cinemas were either in disrepair or just seemed old and out of date. The age and discomfort of the Netherfield Cosy and the Palace at Bulwell were therefore cited as the reason for their closure in the same week in April 1955: 'Both these houses were built in the days of silent films. After showing pictures for 30 years they are now out of date by modern standards.'¹¹ This reason was also used to explain the decline in theatre attendance. The chair of the trustees of the Nottingham Playhouse, for example, believed that the only way to get people away from the television was to give them theatres that they would want to go to regardless of the play that was being shown. He maintained that people wanted to go to exciting new theatres, and if Nottingham was to have a repertory theatre, it needed to have an adequate building.¹² He also noted that the Playhouse was one of the five or six top theatres in the country, but its building was the worst: it was housed in what had once been Pringle's Picture Palace, which again demonstrates how perceptions of cinema buildings had changed.

However, it was not just a matter of perception. In the 1930s, some cinemas had closed because they could not be adapted to sound and, in the 1950s, cinemas that could not adapt to the new technologies of this period faced a similar fate. Hollywood, in a bid to compete with the supposed threat of television in the United States, introduced a range of technologies that were designed to emphasise the superiority of cinema over television by stressing the spectacle of cinema: forms such as widescreen and CinemaScope. Unfortunately, in some cinemas, the proscenium arch meant that the screen necessary



The Cavendish today, Wells Road: 'out of date by modern standards'

for CinemaScope could not be accommodated. This was the case with both the Roxy in Daybrook and the Capitol.¹³ As the NEP put it, 'The introduction of sound, colour, cinemascope and cinerama had put the small cinema owner at a tremendous disadvantage.'¹⁴ The key problem was therefore the size of these cinemas rather than simply their age. As we have seen, the cinemas built before World War I were generally far smaller than those built in the late 1920s and 1930s and smaller cinemas were also more likely to close because they could not compete.

However, there are other reasons which suggest that the age of cinemas cannot be seen as a principal reason for their closure. During the period, some of the older cinemas were 'extensively re-decorated' and modernised, but closed none the less. The Boulevard in Hyson Green, one of Nottingham's first purpose-built cinemas, and the Beeston Palladium, which had been built for silent films, were both examples. Despite having been renovated, they were both forced to close. On the other hand, the Scala and the Hippodrome, which were both far older than either of these two cinemas and had been converted from theatres, had still not closed by the end of the 1960s. By 1971, however, even the Hippodrome (by then the Gaumont) was considered out of date and it was claimed that if it was reopened as a venue for other types of entertainment, 'it would have to be modernised on a large scale'.¹⁵ By the 1970s, the meaning of what was 'up-to-date' had changed: a cinema was now seen as 'old fashioned' if it could not be converted into a multi-screen.

However, neither the age of the cinema nor its inability to adapt to new technologies was ever seen as being responsible for a cinema's closure itself: the entertainment tax

was usually seen as far more important. For example, the manager of the circuit that owned the Netherfield Cosy and the Palace at Bulwell maintained that the main reason for their closure was due to the entertainment tax, rather than the limitations of the buildings.

The remaining reasons the local press gave for cinema closure were the increasingly high operating costs, the lack of films available, and other demands upon the location. In the first case, it was argued that the post-war period saw an escalation in the operating costs that seriously threatened profitability. The manager of one of the largest Nottingham cinemas, for example, claimed that by the mid-1950s cinema running costs were three times what they had been in 1939. Fuel and power prices had risen due to high taxation and workers' wages had increased in proportion.¹⁶ Again this problem was particularly acute for the smaller cinemas and, in a NEP article announcing the closure of the Boulevard, Hyson Green, the manager explained that, like many other smaller cinemas, they 'were finding it impossible to carry on with wages and all other overheads constantly rising'.¹⁷

A shortage of films created competition between cinemas. The Odeon (formerly the Ritz) tended to get films first



Another manager believed that one of the main problems facing the cinema industry was that the quality of films available was not good enough, and that patterns of cinemagoing were changing: 'People today are shopping for their films ... They are only going for a particular film.' He continued to explain that the cinema industry 'has given us superlatives, but failed to live up to them. What has been hailed as a great film often squeaked like an old mouse.'¹⁸ However, it was not the quality of the films that was the primary problem, but rather the quantity. The 'shortage of film' was, for example, given as another reason for closing the Rank-owned Gaumont. The problem here was also that the three-screen Odeon, Rank's premier cinema in Nottingham, got the key films first, but it was also a more general phenomenon. As film audiences fell, fewer films were made; as fewer films were made, competition for films increased between cinemas; as competition increased, some cinemas were forced out of business; as some cinemas were forced out of business, audiences fell; and so a vicious cycle was established.¹⁹

However, not all cinema closures were blamed on the above trends. Some cinemas claimed that they were not closing due to falling attendance, but rather that the building's lease had expired or that they had been offered incentives to sell the property. In 1962, for example, the director of the Highbury in Bulwell maintained that the cinema's closure was not due to bad business but that a generous offer had been made for the building by the Co-op.²⁰ However, it is doubtful that the cinema would have accepted the offer if it had been doing well.

The Perceived Threat of Television

As a result, it was only quite late in the day that the papers started to see television as the main threat to cinema. Indeed, it was only once the entertainment tax was removed that television started to be seen as a major problem. In 1961, for example, the sale of six cinemas from the Levin's Circuit was blamed on the combined factors of television, crippling costs and the late removal of the entertainment tax.²¹ The cost of cinemagoing was also seen as a major contributing factor. Once the initial investment had been made, television was relatively cheap: there were no food or transportation costs; no need for a babysitter; and the whole family could watch it together at no extra cost. As a Mrs Dorothy Jackson commented in a letter to the *TV Times*, 'To go to the cinema where I live, to see a decent film, costs £1.25, including bus fares. What we get from ITV in one week would add up to much more.'²² However, as this quote makes clear, it was not television *per se* that was seen as the threat, but rather commercial television, which began in 1954. Rank's chairman, for example, already believed that this was the case as early as 1956 when he stated:

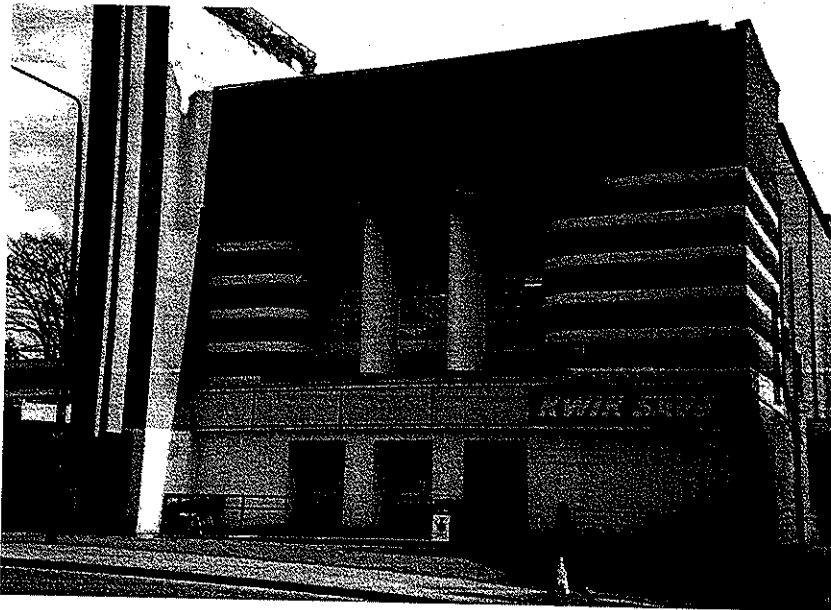
having regard to the impact of commercial television during the year, which extended its coverage from London and South to Midlands and Northern counties – it is not surprising that cinema attendances have declined and that profits from exhibition are lower.²³

He was correct to be more afraid of commercial television than of the BBC. It had overtaken the BBC in the ratings within two years of its launch, probably because, unlike the

BBC, it did not have the educational, highbrow image which alienated so many of the cinema audience. However, commercial television also spurred the BBC into making 'exceptional efforts ... with the result that our theatres and cinemas have to meet additional competition, not only from an ITV that can hardly be described as youthful and struggling, but of a hotted-up BBC as well'.²⁴

There were also a further four reasons why television was seen as the main threat by the beginning of the 1960s. First, there was the reduction in the price of televisions. In 1956, the GJ reported that tax on television tubes and radio valves had been reduced which meant that television prices fell. For a 21-inch television, the new price for a cathode ray was £26 8s 6d (plus purchase tax), which was a reduction of £5 10s 1d.²⁵ Second, after 1960, the number of films on television increased. The four main film trade organisations had introduced a levy of a quarter of a penny on cinema seats, which was used to fund the Film Industry Defence Organisation (FIDO), an organisation that aimed both to persuade film producers not to sell their films to television and to buy the rights to classic films.²⁶ However, by 1960, this initiative had failed, and the number of films on television began to increase dramatically.

The third reason that television was seen as a threat was the introduction of colour TV which, the industry believed, would remove one of the central advantages of cinema over television – its spectacle. This was the reason given for the closure of the Windsor in 1963,²⁷ but it seems highly unlikely that colour television would have had any effect on cinema attendance at this time. Colour television was not introduced until 1967, and



Television was only used as an explanation for the decline of cinema from the late 1950s onwards. The Metropole today

even then most programmes were still shown in black and white. Indeed, in 1971, in a letter to the *Radio Times*, P. Pascoe complained about this problem, and made special mention of its relation to sport. In reply, it was explained that the BBC often had to depend on sports coverage from countries that did not yet have colour television, and that many 'excellent and entertaining feature films were made in black-and-white. Their intrinsic quality is sufficient to claim a place for them in the schedules'. The response also claimed that about 90 per cent of programmes were broadcast in colour and that this percentage was increasing.²⁸ The reference to colour television in relation to the closure of the Windsor was therefore probably due to the fact that colour television was a 'hot topic' at the time, and the main reason for the closure of the Windsor was actually the expiration of its ground lease.

The fourth and final reason that television was supposed to present a threat to the cinema was due to its sports programming. Since sport was largely seen as a male interest, and men had greater purchasing power, sports programming was used as an incentive for men to buy a TV and, as we will see, these decisions caused considerable tension in some families. Sport had always been a rival to the cinema as far as male audiences were concerned, but the decision to televise sport on Saturday nights was considered to be particularly damaging. The general secretary of the National Association of Theatrical and Cine Employees sent a telegram to the Football League asking them to abandon their proposed agreement with ATV. In this message, he claimed that Saturday night football matches would dramatically affect attendance at provincial cinemas, many of which depended on their Saturday night takings. The telegram also claimed that these televised matches would hit the whole of the cinema industry and might lead to a complete breakdown in British film production. However, in 1956, both the ATV and the BBC offers were rejected by the Football League, which feared that the televised sport would both lead to a decline in gate takings and adversely affect minor sports which would not get televised.²⁹ However, this decision was soon reversed and, until the 1970s, only sports-related programmes could be televised on Saturday mornings and early afternoons.³⁰

Conclusion

As we have seen, for much of the 1950s, the decline in cinema attendance was largely blamed on the high taxation the industry faced in the form of the entertainment tax, which was compounded by other factors relating to the condition of the film industry itself. It was only towards the end of the 1950s that television was seen as a major threat. The meaning of television, however, was itself related to wider changes that were taking place in British society during the 1950s. The 'age of affluence' altered many people's leisure habits and these changes are the subject of the following chapter.

Notes

1. Spanos, 1962, p. 22.
2. NEN, 29 April 1955.
3. GJ, 26 June 1956.

4. *Board of Trade Journal*, 22 August 1958, p. 388.
5. GJ, 26 June 1956.
6. GJ, 25 April 1957.
7. GJ, 18 April 1957.
8. *Board of Trade Journal*, 16 July 1969, p. 158.
9. GJ, 10 July 1956.
10. *Ibid.*
11. NEP, 29 April 1955.
12. NEP, 19 October 1959.
13. They both still managed to show films in CinemaScope but, as Hornsey pointed out, a screen of 15 by 20 did not show the technology or the cinema off to their best advantage: Hornsey, 1994, p. 9.
14. NEP, 10 February 1957.
15. NEP, 6 January 1971.
16. GJ, 26 June 1956.
17. NEP, 21 May 1956.
18. NEP, 22 October 1959.
19. See Spanos, 1962.
20. GJ, 2 March 1962.
21. GJ, 26 August 1961.
22. *TV Times*, 22 July 1971, p. 45.
23. NEP, 12 September 1956.
24. GJ, 16 April 1959.
25. GJ, 30 June 1956.
26. Buscombe, 1991, p. 202.
27. NEP, 9 March 1963.
28. *Radio Times*, 11 March 1971, p. 57.
29. GJ, 21 July 1956.
30. *TV Times*, 21 January 1971, p. 53.

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Locality, Affluence and Urban Decay

Beyond the Threat of Television

As we have seen, television was only introduced as an explanation for the decline of cinema at a relatively late stage after the most significant decline in cinema attendance and, consequently, many critics have suggested other reasons for the post-war fate of cinema. For example, as Docherty, Morrison and Tracey put it, television was not the guilty party but, on the contrary, it 'was framed; the real culprits were Elvis Presley, expresso coffee, the Town and Country Planning Act of 1947 and the sclerosis of the British exhibition industry'.¹ That is, they claim that cinema attendance was threatened by the development of new forms of entertainment, particularly for the young, and most importantly by the removal of large sections of the population from town centres to new suburban developments:

The Town and Country Planning Act of 1947 completely transformed the conditions for a successful film industry. The Act led to the clearing of slums, the growth of new towns, the rebuilding of city centres and, crucially, the resiting of large sections of the working class. Between 1931 and the 1970s the inner cities lost around one-third of their population while the number of people living around the edges of the cities grew by around one quarter ... The population which sustained the cinema in the inner cities moved out.²

Docherty, Morrison and Tracey argue that this problem was compounded by a miscalculation on the part of the film industry, which 'believed that its fight was with an alternative technology for delivering moving pictures', the television, and therefore 'struck back at the technological level' by offering bigger and better spectacle, rather than by 're-siting the cinemas and following the audience to the new housing estates'.³

There is some local evidence to support this case. When St Ann's was cleared and many people were dispatched to out-of-town estates, the local cinemas in the area lost their patrons. The loss of audiences due to slum clearance was also identified as the reason for the closure of the Orion, Alfreton Road, although the entertainment tax and rising overheads were also mentioned. According to the circuit spokesman: 'the cinema was in a slum area with houses coming down and the regular patrons leaving for other districts'.⁴ The exodus to the suburbs was also given as the reason for the fall in the membership of the Mechanics Institute.⁵

However, the problem was not simply supposed to be geographical relocation. The move to the suburbs also involved a change in domestic routines. It took longer for those