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the vine

Heard around town

Winfrey eyeing 'Paradise' mini

Oprah Winfrey's Harpo Films is understood to have settled on Toni Morrison's 1998 novel "Paradise" as its **Winfrey** next telefilm adaptation for ABC. Sources stressed that deals are still in the process of being hammered out for the principals on the project, which is eyed as a four-hour



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'Wedding' reaches altar

Hits No. 1 at b.o. in third week; 'Stealth' crashes in 4th

"Charlie" scores big in int'l markets. Story on page 3.

By Brian Fuson

After being a bridesmaid to the top spot in its first two weeks of release, New Line Cinema's "Wedding Crashers" took its vows in first place this weekend with an estimated \$20.5 million.

The R-rated comedy, starring Owen Wilson and Vince Vaughn and helmed by David Dobkin, was off a scant 20% its third session and has garnered an estimated \$116.1 million to date.

In recent years only a handful of films have opened in a position other than the top spot before moving into first place in later weeks; "Wedding Crashers" joins a unique club that

includes New Line's "Elf," 20th Century Fox's "There's Something About Mary" and Buena Vista's "The Santa Clause."

But "Wedding Crashers" proved to be one of but a few bright spots this weekend at the

boxoffice as the session overall fell well short of the comparable frame last year, when Buena Vista's "The Village" debuted with \$50.7 million and the second-place film, Universal's

See **BOXOFFICE** on page 18

News Corp. still on track

Murdoch's heir a bit less apparent

By Diane Mermigas

CHICAGO — Even amid a flurry of speculation about the reasons for and consequences of Lachlan Murdoch's abrupt, perplexing departure as deputy chief operating officer of News Corp., a few things are clear.

Perhaps most important to

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shareholders is that News Corp., the only truly global media conglomerate, remains in the hands of chairman and chief executive officer Rupert Murdoch and his long-trusted lieutenant, president and chief operating officer Peter Chernin, who is the senior Murdoch's successor designate.

Chernin has been designated by Rupert Murdoch to take command in the event he no longer can function as chairman,

See **NEWS CORP.** on page 17

Tie-ins often sobering for liquor firms

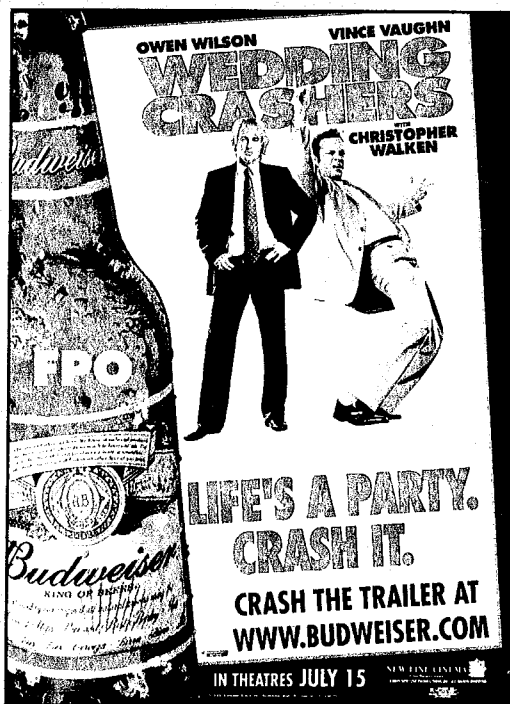
By Gail Schiller

For Budweiser, it looked like a match made in heaven. So America's top-selling beer tied the knot with "Wedding Crashers," paying a product placement fee to be featured in the New Line Cinema comedy and ponying up millions of dollars for its first major movie promotion in 14 years.

But then the Marin Institute, a prominent alcohol industry watchdog group, decided to do some wedding crashing of its own, alleging that even though the movie is rated R, the Budweiser tie-in encourages underage drinking because the movie's racy subject matter and its two stars — Owen Wilson and Vince Vaughn — appeal to adolescent males.

Responding to the criticism, Budweiser brewer Anheuser-Busch insists the movie is aimed at an adult audience and a "perfect fit" for the top-selling beer in the U.S. But the criticism underscores the fine line spirits and beer manufacturers must walk in trying to take advantage of the growing number of branded entertainment opportunities in film and television.

See **ALCOHOL** on page 13



SAG board OKs ani agreement

By Cynthia Littleton

SAG's national board gave the thumbs up to a new, three-year TV animation agreement as part of its summer plenary meeting this weekend.

A SAG spokesman said the three-year pact reached last month by guild negotiators with the Alliance of Motion Picture & Television Producers was overwhelming.

See **SAG** on page 19



Alcohol

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The constant scrutiny of their advertising practices by watchdog groups and government agencies — combined with network regulations as well as their own self-imposed advertising and placement regulations — make entertainment marketing a much more complicated task for liquor manufacturers than it is for other brands.

“Product placement is much more complicated than traditional advertising, especially for our industry,” said Chris Swonger, senior vp corporate affairs for Allied Domecq North America, which recently was acquired by Pernod Ricard. “Sometimes it’s in your full control and sometimes it’s not.”

Spirits and beer manufacturers already are facing class-action lawsuits in several states accusing them of marketing to underage youth. Coors, which came under fire for its tie-in with Miramax’s PG-13-rated “Scary Movie 3” in 2003, is named in some of the lawsuits along with Anheuser-Busch, Diageo, Bacardi USA, Brown-Forman, Miller Brewing Co. and Heineken USA, among others.

But despite the challenges, many spirits and beer brands are convinced the benefits outweigh the risks and are forging ahead with integration deals. According to Nielsen’s product placement tracking service, 102 network shows featured alcoholic beverages this past season for a total of 9,426 seconds, or 2.6 hours.

For spirits brands especially, placements on broadcast television can be extremely valuable because the networks do not accept their ads. “Product placement is the way that liquor brands choose to get their brands on network television because they’re not advertising on network television,” said Sarah Zeiler, director of public relations for the Sidney Frank Importing Co., which imports and markets German liqueur Jagermeister.

Many of the spirits placements on network still appear to be script-driven or orchestrated by product placement agencies, which are paid a retainer fee by brands. The five major broadcast networks said they do not accept paid spirits placements, though ABC, CBS and NBC do accept payment for beer placements on a case-by-case basis.

Alcohol marketing watchdog groups take issue with networks’ allowance of spirits placements in their shows, no matter what their origin. “The ban on spirits on broadcast is the broadcasters’ ban,” said David Jernigan, research director at the Center on Alcohol Marketing and Youth at Georgetown University. “If the networks are going to be consistent, they shouldn’t have placement from spirits companies, either.” The networks do air beer ads.

According to Nielsen’s Place Views service, the network shows with the most alcohol placements this past season, including background shots, were “Eve” with 1,625, CBS’ “Still Standing” with 851; CBS’ “Two and a Half Men,” with 727, Fox’s “That ’70s Show” with 667 and WB Network’s “What I Like About You” with 645. Three of the five — “Eve,” “’70s” and “What I Like About You” — tend to be popular with younger audiences.

The Distilled Spirits Council of the United States and the Beer Institute, the trade associations for the spirits and beer industries, recommend their members limit advertising and product placement to audiences where no more than 30% of the members are under the legal drinking age of 21.

Spirits brands also found another way onto network television this year after NASCAR, whose races air on NBC and Fox, lifted its ban on spirits sponsorships, leading to even more protests from watchdog groups.

Some spirits companies also circumvent the ban on network advertising by purchasing spots on network affiliates in local markets, though it costs them much more money that way.

Because of the challenges on network TV, many spirits companies are taking their money to cable. DISCUS said 85% of cable and network affiliate stations now accept spirits ads.

But despite the challenges posed by alcohol placements on television, TV is still a much less problematic platform than film because TV offers advertisers ratings and demographics data that give them a good idea of the makeup of the audience watching the program.

“TV is easier than film,” said Angelo Vassallo, vp marketing communications for Pernod Ricard, which owns Chivas Regal

and Seagram’s Gin. “We’re much more comfortable with the fact we know the nature of the audience and that the shows we pick are geared to an adult 25-plus audience. With movies, it’s hard to predict.”

But even so, demographics complications can arise in television placement. “The story line in a series may change so that it has a slightly younger skew to it,” said Jeffrey Moran, spokesman for the Absolut Spirits Co. “If you don’t pay that close attention to the story line and the script, you could have some problems because some young hip star may wind up on the show and then you could have a slightly younger audience that week.”

Most brands consider R-rated films safe for alcohol placements and promotions, especially after the FTC recommended in a 1999 report to Congress that alcohol manufacturers limit their film tie-ins to R-rated movies or those with mature themes.

But Vassallo said Pernod Ricard generally steers clear of movies because of the possibility of unexpected rating changes and the fact that many of today’s films are geared toward a younger audience, especially big-budget action movies.

And even when a studio or brand expects a film to be rated R, the Classification and Rating Administration can come back with a PG-13 rating instead. In certain cases, a studio might decide long after a placement deal is done to cut some adult footage from a movie and seek a more marketable PG-13 rating instead. In the case of “Scary Movie 3,” Coors claimed it expected the film to get an R rating just as the first two movies in the franchise did.

Then there are cases where no matter what the rating is, a movie winds up appealing to a younger audience than anticipated. Just before “Catwoman” opened in theaters last year, rumors swirled that the PG-13 film that had partnered with Allied Domecq’s Kahlua was skewing younger than expected. While Allied Domecq said it was assured by Warner Bros. Pictures that at least 70% of “Catwoman’s” audience was over the age of 21 and thus met DISCUS and its own marketing guidelines, the company decided to limit its future film tie-ins to R-rated movies because of the resulting criticism.

Indeed, watchdog groups question why so many superhero movies, which generally appeal to children, contain alcohol placements, among them “Spider-Man,” “Spider-Man 2,” “Hellboy” and “Batman Begins,” which all were rated PG-13. Other recent PG-13-rated movies to raise concerns over their alcoholic beverage placements are “Dodgeball: A True Underdog Story,” “Mr. & Mrs. Smith” and “XXX: State of the Union.”

Watchdog groups complain that alcohol placements in film and TV go largely unmonitored. The FTC acknowledged the agency does not look any more closely at alcohol placements than other placements unless a specific issue is brought to its attention. “They (alcohol brands) have self-regulatory practices in place that would go beyond what the government can mandate,” said Mary Engle, associate director for advertising practices at the FTC. “But our concern is whether any form of alcohol advertisement, including product placement, is unduly appealing to youth.”

As if government regulators, watchdog groups, network advertising bans and unexpected film-rating changes were not enough to worry about, spirits and beer brands also have to be on their guard to ensure that the creative community doesn’t depict their products in a negative light. Among the associations they try to avoid are drinking and driving, underage drinking and alcohol abuse.

Allied Domecq said that after it refused to grant permission to Miramax to feature Stolli vodka in “Bad Santa” because of the depiction of alcohol abuse by Billy Bob Thornton’s character, the filmmakers displayed a bottle without the Stolli trademark that still had the same appearance. “We let them know we weren’t happy about it,” Swonger said. Miramax declined comment.

Coincidentally, Budweiser’s one prominent placement in “Crashers” is a scene in which a depressed and heartbroken Wilson is drinking a Bud to drown his sorrows. ■

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Go to www.hollywoodreporter.com for more on the Budweiser-Marin Institute dispute.