

Apple and Amazon 'committed' to big screen, says theaters boss

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Michael O'Leary, chief of the National Association of Theater Owners, is confident people will return to movie houses.

Movie theater owners are confident that previously streaming-focused tech giants Apple and Amazon are now "committed" to putting their films on the big screen—even if Netflix still declines to—their trade body's new president told AFP.

This week's CinemaCon event in Las Vegas, where owners of multiplex chains and arthouse screens gather annually, took place in an optimistic mood, after three nervous years blighted by the pandemic and the rapid rise of streaming.

Back in those dark days, some 2,000 US theaters were forced to close forever, while even traditional Hollywood studios like Warner and Disney were skipping theaters and putting major films on HBO Max and Disney+ streaming first.

But since big screens reopened, even Apple and Amazon have pivoted to giving movies like "Air," "Napoleon" and "Killers of the Flower Moon" extended runs in theaters.

The two tech giants reportedly each plan to spend \$1 billion per year on movies headed first for the big screen.

"I think their commitment to the theatrical experience is amazing," said Michael O'Leary, who takes over the National Association of Theater Owners (NATO) this week.

"We're excited to see where it goes. We're confident that they're committed to this enterprise."

According to O'Leary, there has been a recognition that movies that are released in theaters first will eventually be more successful on streaming.

"People are aware of what's playing in the theaters, and they're more likely to watch something on a [streaming service](#) that played in the [theater](#)," he said.

It is an argument theater owners have been pushing for years, but the pandemic offered a "crash course in whether or not a purely streaming

model would work," he said.

The industry's drive to boost subscriber numbers at any cost—a hallmark of the so-called "streaming wars"—has recently dissipated, with investors and markets demanding more focus now on making money.

"There's been a recognition not just in the marketplace, but also on Wall Street, that you have to have elements that allow you to make profit," said O'Leary.

"And theatrical space is one of those places you can do that."

Wind in the sails

This week, Sony showed footage from Ridley Scott's upcoming historical epic "Napoleon," and Paramount gave CinemaCon audiences a sneak look at Martin Scorsese's "Killers of the Flower Moon," starring Leonardo DiCaprio.

Both films were made by Apple, but will be released in theaters by Sony and Paramount respectively.

Amazon recently gave "Air," a sports drama from Ben Affleck, a wide theatrical release, having originally planned to put it straight onto Prime Video streaming.

Still, the industry faces urgent challenges ahead.

One noticeable holdout from theaters is Netflix.

Although Netflix last year gave "Glass Onion: A Knives Out Mystery" its biggest ever theatrical launch, the movie still only played on around 600 screens.

Netflix spends around \$17 billion on [original content](#) per year—far more than Amazon or Apple, and most of its films never reach theaters at all.

"If a company decides that they don't want to do that, that's their decision. I don't agree with it, but we wish them well," said O'Leary.

"I don't believe it's a problem. I think that the wind is in the sails of theatrical exhibition."

Meanwhile, some of the world's biggest movie theater chains remain in dire financial straits. Cineworld last year filed for bankruptcy, and heavily indebted AMC has had to sell shares to raise cash.

O'Leary blamed global economic conditions and the effects of the pandemic.

"The difficulties that have arisen did not occur overnight, and they won't necessarily be solved overnight," he said.

"It's certainly not a time to be gloating," he added.

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