



### A Before you read

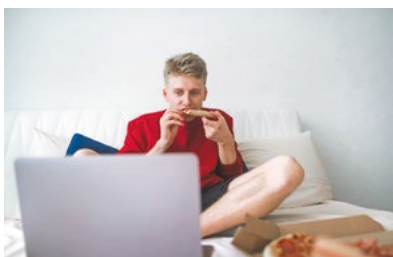
When you think of the phrase 'Hollywood movie' what comes into your mind? What recent examples of major Hollywood movies can you think of? How important is this type of entertainment for you? If you watch Hollywood movies, how and when do you typically watch them?

### B Reading

2024 was a challenging year for the mainstream US movie industry – as were 2023, 2022, 2021 and 2020. Earnings are still significantly down compared with 2019, the last year before the COVID-19 pandemic. Several very expensive movies have been financial disasters and the threat from streaming services has never been stronger. This newsletter looks at the current state of Hollywood, and the challenges it faces for the future.

#### The pandemic and video streaming

During the pandemic, cinemas (or 'movie theaters' in US English) were closed for several months, and afterwards the number of people going to the cinema did not return to previous levels. In the US in 2024, box office revenue (i.e. the money made by selling cinema tickets) was still 23% lower than in 2019, and the situation was similar in many other countries. This cannot simply be explained by people still feeling afraid that they will catch COVID if they go to the cinema: After all, restaurant attendance in the US and elsewhere has returned to near pre-pandemic levels. Cinema-going habits may have changed permanently.



Of course, going to the cinema is not the only way to see a film. Video streaming services such as Netflix, Amazon Prime Video, Disney+, HBO and Hulu have been growing ever since market leader Netflix began streaming in 2007. Almost all Hollywood movies end up on one of the video streaming services, typically to buy or rent first, and then a few months later to watch at no extra cost. Some films are released simultaneously in cinemas and on video streaming. This generates income for

the Hollywood movie industry too, but new films face a lot of competition from the video streaming companies' own TV series. Some of these are made to similar standards to major films, with famous film stars, huge budgets and amazing special effects. *Game of Thrones*, *Stranger Things* and *Squid Game* – to name only three – have been just as much major media events as big Hollywood movie releases.

## Of streaming, strikes and sequel fatigue: Recent developments in American cinema

The big streaming services have also made their own films. *Killers of the Flower Moon* (2023) was a major award-winning film with a famous director and big stars, and it was first shown in cinemas in the US.

However, it was financed by Apple TV+, and only released on that streaming service in the rest of the world.

In comparison with going to the cinema, video streaming offers a hugely greater choice and is usually much cheaper. Furthermore, you can do it when you want, where you want, how you want – watch the first half of a film on your TV in your living room, watch the next quarter on your tablet in bed, and then catch the end on your phone on the bus to work the next morning.

A big attraction of the cinema is that it is a more immersive experience than watching a film on a small screen. However, TVs with giant screens and impressive sound systems have become more affordable in recent years and can also offer an immersive experience. Having said all that, box office revenue remains a healthy source of profit for many films, especially big, expensive ‘event’ films. As an example, 2023’s smash hit *Barbie* made around \$1.4 billion from box office, \$200 million from streaming and \$150 million from DVD/Blu-ray sales (which are still popular in some countries). Nevertheless, the challenge from streaming services is not going to go away, and seems likely to increase. The Hollywood movie studios will no doubt be looking for new ways to attract audiences to their films both in cinemas and on streaming platforms.

### AI and the actor’s and writers’ strikes

For three months in the second half of 2023, Hollywood’s actors went on strike. This came soon after the start of a Hollywood writers’ strike, which lasted for five months. Both the actors and the writers felt they deserved better pay – especially when their film work is shown on video streaming services. Both were also demanding protection from losing work to AI. The actors were extremely worried about movie studios using AI versions of their physical appearances and voices without permission. The writers were concerned about the use of AI to write scripts. The two



The Writers Guild of America protests for higher wages

sides eventually came to an agreement in both cases, but the strikes cost the studios billions of dollars on account of delayed films, cancelled programming and lost wages. In response to this issue, in September 2024, the state of California (in which most of the US movie and TV industry is located) passed a new law to protect actors and performers from the use of digital versions of themselves without their permission.

This may just be the beginning of a conflict between media companies in general – who want to keep their costs as low as possible – and creative professionals who argue that without them there would be no media, and that AI just copies and rearranges work done by humans. It seems there will need to be lasting agreements on ways to make sure that AI does not reduce the quality of future entertainment by putting talented people out of work, or by preventing them from entering the industry in the first place.

In addition, AI may eventually threaten the movie industry itself. As AI becomes ever-more sophisticated, the time may arrive when anyone with access to an AI can create a whole movie in minutes, with no writers, actors or directors required. It may be much harder to come to agreements or pass laws to prevent that from happening.

## Quality issues

There have certainly been some fresh, innovative Hollywood films recently. Cultural changes have forced the industry to become broader and more diverse: Compare the most recent Academy Awards ceremony ('the Oscars') with one from a few years ago. A lot of new talent has arrived, and that has perhaps reduced the influence of some of the most famous producers and directors.

There have also been a lot of remakes (new versions of classic films), prequels, sequels, spin-offs (films based on characters taken from other films) and further adventures for established superhero characters. It can seem that for every innovative success such as *Barbie*, there has been a sequel like *Indiana Jones* and the *Dial of Destiny* (2023), the fifth Indiana Jones movie, which lost \$130 million. 2024's *Joker: Folie à Deux*, a sequel to a spin-off featuring a character from the Batman universe, annoyed critics, confused viewers and looks likely to be remembered as another expensive and embarrassing failure.

There have been disasters and disappointments since the very start of the movie industry, but there do seem to have been a lot of both in recent years. An increasingly widely-held opinion is that Hollywood's habit of doing 'more of the same' is not producing enough films that people actually want to see.

## Hollywood is not the film industry

So far, this article has talked about 'Hollywood', but of course that is not a synonym for the worldwide film industry. It is not even the world's biggest film industry – that is India's, in terms of the number of films produced. The rise of streaming has meant that people can very easily try films from all around the world – and may find they like what they see. Ever-increasing globalisation has also perhaps led more people to look a little wider when it comes to choosing their entertainment.

Films made in languages other than English have always been popular in their countries of origin and many have been highly praised by critics worldwide. However, they have not often become international successes



Director Jia Ling and actors of the film *YOLO* at the Shanghai Cinema Roadshow

– until recently. *Emilia Perez* is a 2024 French-made Spanish-language musical about a trans woman which was nominated for 10 Golden Globes (major US movie and TV awards) and won four, including best film musical or comedy. 2024's ninth highest-earning film worldwide was *YOLO*, a Chinese comedy-drama about women's boxing. Non-English language shows from the video streaming services have been very successful too: The Korean-language dystopian survival thriller *Squid Game* was Netflix's most-watched show of 2021.

Globalisation of entertainment seems likely to mean increasing competition for Hollywood.

# Of streaming, strikes and sequel fatigue: Recent developments in American cinema

## Where next for Hollywood?

Despite the challenges described above, the US film industry remains extremely successful and profitable. *YOLO* managed to make the list of the ten highest-earning movies of 2024, but all the others were from Hollywood. Top of the list was *Inside Out 2*, an animated film about a girl whose emotions are characters, which earned \$1.7 billion. That was nearly four times as much as *YOLO* and more than 100 times as much as *Emilia Perez*. There seems to be plenty of room in the market for both the Hollywood studios and the streaming services, and they have been finding profitable ways to work together. The threat from AI still seems more a future issue than a current one. However, the last few years have shown that Hollywood cannot take its audiences for granted and that it must adapt to changes in technology and audiences' preferences. 'More of the same' will not be good enough.

## C Comprehension

1. Read the text quickly. Choose (✓) the two main things that the text aims to do.

- a)  to sum up some current issues that are connected with the US film industry
- b)  to explain the history of the US film industry
- c)  to explain why the US film industry has been having some problems
- d)  to give an opinion about why the US film industry has been having some problems
- e)  to predict the future of the US film industry

2. Read the text again and write your answers. Use your own words.

1. Sum up the effect of the COVID-19 pandemic on the US film industry.

---

---

2. Sum up the positive and negative effects of video streaming for the US film industry.

---

---

3. Explain the pros of cons of watching a film in the cinema rather than on video streaming.

---

---

4. Outline the causes and effects of the Hollywood writers' and actors' strikes.

---

---

5. Explain what 'quality issues' that the third section heading refers to.

---

---

# Of streaming, strikes and sequel fatigue: Recent developments in American cinema

6. Outline the relationship between Hollywood and the other film industries in the rest of the world.

---

---

7. Sum up the point made by the final paragraph.

---

---

3. Explain what these figures from the text refer to.

1. 23 % \_\_\_\_\_
2. 2007 \_\_\_\_\_
3. 200 \_\_\_\_\_
4. 10 / 4 \_\_\_\_\_
5. 9th \_\_\_\_\_
6. 100 \_\_\_\_\_

## D Vocabulary

1. a) Match the verbs with the words on the right. More than one match may be possible.

- |            |  |
|------------|--|
| 1. watch   | a) the cinema / a movie theater / the movies |
| 2. see     |  |
| 3. look at | b) a film / a movie                          |
| 4. go to   |  |
| 5. stream  | c) a sign / a poster                         |

b) Write an example sentence with each match.

---

---

---

---

---

---

---

---

## Of streaming, strikes and sequel fatigue: Recent developments in American cinema

---

2. Write definitions of the following. Find help online if necessary.

1. movie studio \_\_\_\_\_
2. box office \_\_\_\_\_
3. streaming service \_\_\_\_\_
4. major media event \_\_\_\_\_

### E Speaking

Discuss these questions.

1. How interesting do you think Hollywood films are for people of your generation and nationality?  
Give reasons and examples.
2. What recent famous films have you enjoyed / not enjoyed? What did you enjoy / not enjoy about them?
3. Which do you prefer, Hollywood films or video streaming services' TV series? Give reasons and examples.
4. Do you prefer to watch influencer videos instead of films and streaming services? Why? / Why not?

### F Writing

You have accepted a challenge to go for a whole year without watching any American films. Write a blog post or magazine article for day one of this challenge. How easy do you think it will be? What aspects of Hollywood films will you miss/not miss? What will you watch instead? How do you feel about the challenge?

OPTION: Also write the last post/article, from the end of the year. How did the challenge go? What did you learn from the experience? Will you return to watching American films?

### C Comprehension

1. a & c

#### 2. Model solutions

1. Cinemas were closed during the pandemic, and cinema audiences have not returned to pre-pandemic levels.
2. Studios can make money by allowing streaming services to show their films, but the streaming services' own shows are competition.
3. Watching a film in the cinema is a more immersive experience due to the larger screen and better sound. However, watching via video streaming is much more flexible and usually much cheaper too.
4. The writers and actors both wanted better pay, especially from streaming, and they were very worried about being replaced by AI. The industry lost a lot of money, and California passed a new law to protect actors from being replaced with AI.
5. There have been too many sequels, spin-offs etc, and not enough fresh, innovative ideas.
6. Hollywood films still make a lot more money, but their popularity is increasingly being challenged by films from other countries.
7. Hollywood still has dominance in the global film market, but it may need to adapt to keep that dominance.

#### 3. Model solutions

1. The amount by which US cinema audiences are still down compared with the last year before the pandemic.
2. The year that Netflix started streaming.
3. The amount in millions of dollars that *Barbie* made from video streaming.
4. The number of Golden Globe awards that *Emilia Perez* was nominated for (10) and won (4).
5. The position of Chinese film *YOLO* in the top ten films for 2024 by earnings.
6. The number of times by which the earnings of *Inside Out 2* were greater than *Emilia Perez*.

### D Vocabulary

1. a) 1 b, 2 b / c, 3 c, 4 a, 5 b (Other matches may be possible in very specific circumstances.)

#### 1. b) Model solutions

I never **watch** a whole **film** on my phone.

Have you **seen** the latest *Star Wars* **film**?

**Look** at these great old film **posters**.

How often do you **go to the cinema**?

Most of the **films** I **watch** are streamed from the internet.


#### 2. Model solutions

1. a company which makes films
2. money from selling cinema tickets (also literally the ticket office in a cinema or theatre)
3. a company which allows people to watch TV over the internet
4. something that happens in the media which becomes a news story

### E Speaking / F Writing

Individual responses

#### For further research

 An article from the Los Angeles Times on Hollywood in 2024 and predictions for 2025:  
<https://www.latimes.com/entertainment-arts/business/story/2024-12-29/2024-was-a-better-but-not-great-year-for-movie-theaters-whats-to-come-in-2025>

 And another with more details about the causes and resolution of the Hollywood actors' strike:  
<https://www.latimes.com/entertainment-arts/business/story/2023-06-29/what-to-know-sag-aftra-strike-actors-hollywood>