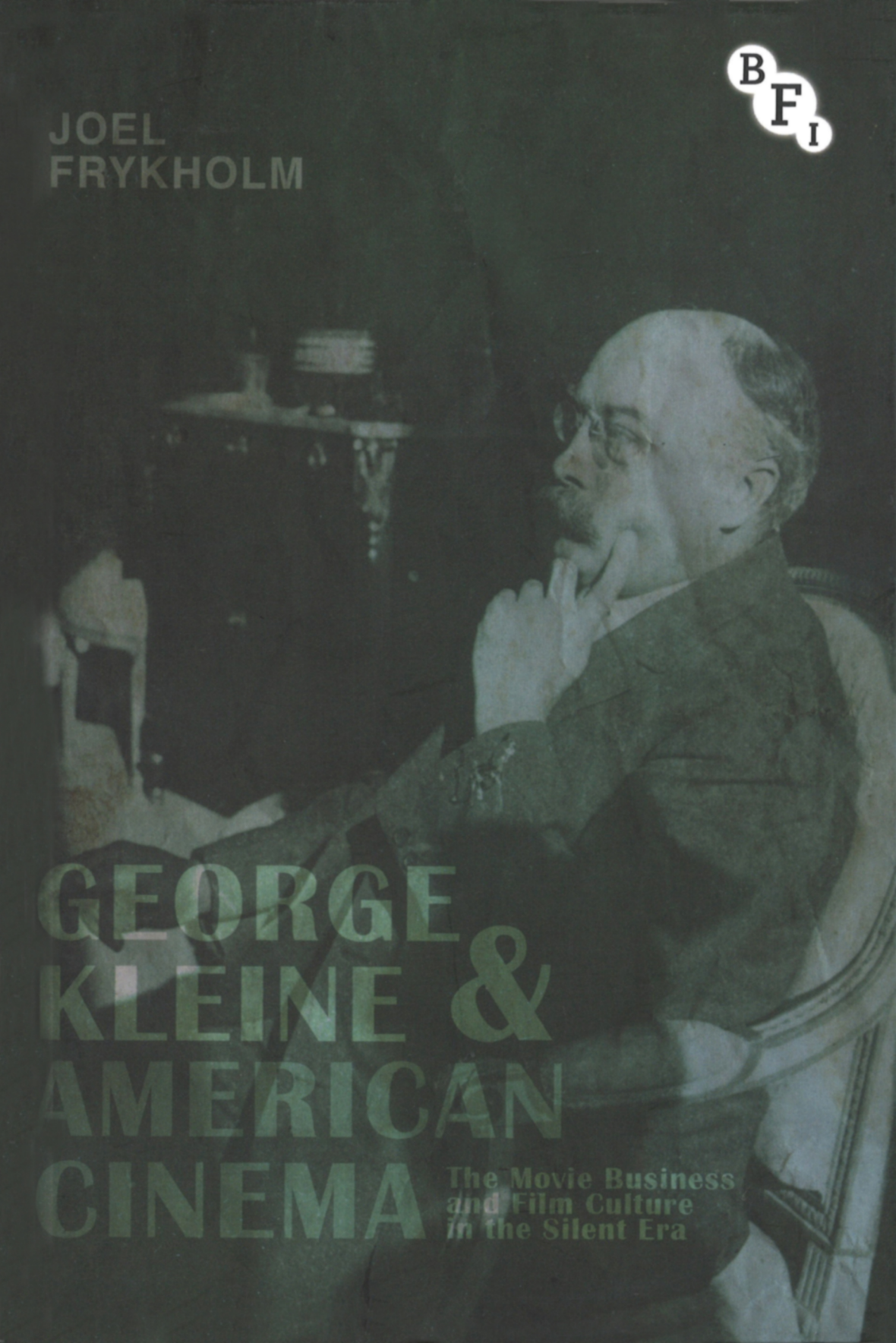
JOEL FRYKHOLM



GEORGE KLEINE & AMERICAN CINEMA

The Movie Business and Film Culture in the Silent Era

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George Kleine and American Cinema

The Movie Business and Film Culture in the Silent Era

Joel Frykholm

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Whether she travelled with me in person on these voyages or not, I am lucky beyond belief that Caroline was always there, and that she keeps bringing love and laughter into my life every day. No longer do we wonder …

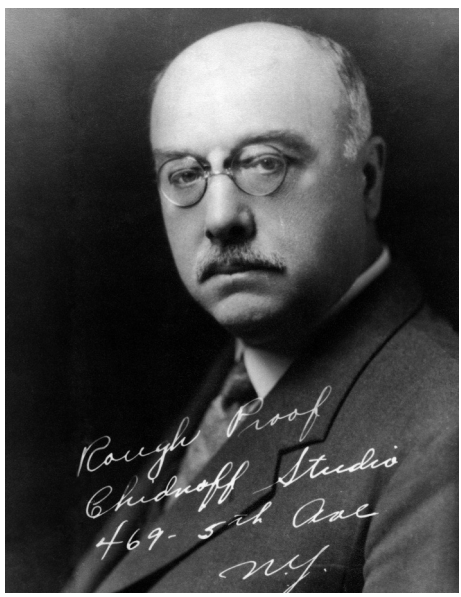
Introduction

George Kleine (1863–1931) kept most details of his private life out of the public eye. When a reporter from the *Cleveland Plain Dealer* interviewed him in July 1913, Kleine declared that there was 'nothing interesting, romantic, or sensational' about him.[1] The newspaper nevertheless devoted the first two pages of its Sunday section to this man and his views on the motion picture business. Years earlier, in 1896, Kleine had started selling motion picture films and equipment from his Chicago optical store. This marked the beginning of a career that would come to span roughly the first four decades of American cinema. In 1914, at the peak of this career, a reporter for the *New York American* dubbed Kleine a 'moving picture king'.[2] Later, in 1923, Louella Parsons went so far as to suggest that Kleine was to the 'motion picture industry what John D. Rockefeller is to Standard Oil'.[3] While we should not take statements like these at face value, they are not completely misleading either. Kleine was a highly influential figure in American cinema throughout the whole silent era.[4] Yet his story remains largely untold.

Notwithstanding a certain lack of biographical drama and personal flamboyance, Kleine's career makes up a fascinating story and offers a unique entry point into the rich complexity and wondrous diversity of American cinema's past. Kleine was born and raised in New York City, learned the optician's trade in his father's optical store in Manhattan and moved to Chicago in 1893 to set up his own shop. When motion picture equipment and films became commercially viable in 1896, he added them to the product line. By the time of the nickelodeon boom in 1905 and 1906, thanks to a combination of fortunate circumstances and entrepreneurial prowess, his Kleine Optical Company had become the largest importer and distributor of motion pictures in the United States, and Kleine himself had become a pivotal figure in the American motion picture business. Over the next couple of years, he inaugurated a network of film rental exchanges in key cities across the United States and Canada. In late 1908, the Motion Picture Patents Company (MPPC) was formed in an attempt to assume oligopolistic control of the business through patent rights. Kleine was a founding member of the MPPC, and the largest stockholder in its distribution branch, the General Film Company (GFC, operative from 1910). Parallel to his work within the MPPC, he began to cultivate the market for a new type of motion picture: the multi-reel feature film. Kleine pioneered this field, most notably through the importation and exploitation of *Quo Vadis?* (1912), an Italian spectacle he released in the United States in April 1913, which became the most commercially successful and highly

acclaimed feature-length motion picture in the United States up until that point. Over the course of a few years in the mid-1910s, the multi-reel feature film became the motion picture business's key commodity, leading to cataclysmic consequences throughout the industry. Kleine ventured into feature production at this juncture, but his main priority from 1915 to 1919 was to work out a commercially viable model for feature film distribution on a large scale. This led to the formation of the Kleine-Edison Feature Service in 1915, which expanded into the Kleine-Edison-Selig-Essanay Service (K-E-S-E) the following year. K-E-S-E, in turn, morphed into Perfection Pictures in 1917. Just two years later in 1919, however, Kleine abandoned his ambitions to become a leading distributor. Throughout the 1920s, he continued to operate in the commercial motion picture business by making the occasional production, doing small-scale distribution deals, trading in story rights and participating in other relatively minor projects.

After 1915, Kleine also increasingly explored the lesser-known paths of American cinema, launching experiments in non-theatrical and educational cinema; developing business models for the reissuing and revival of 'film classics'; and trying (mostly unsuccessfully) to forge new links between the American and European motion picture markets. He became gradually more vocal in his opposition to the emerging Hollywood film industry – an attitude that was fuelled in part by anti-Semitism, although this was only one of many elements related to the struggle over the social and cultural functions of American cinema in the mid-1910s. Though Kleine's business strategies and cultural ideals did grow more and more out of step with the times, this is only part of the story. Some of his views, especially when it came to the educational potential of motion pictures, were widely shared. Indeed, Kleine's and other people's recognition of their non-monetary value foreshadowed the universal embrace of motion pictures as a revered part of America's cultural heritage.



George Kleine (ca. mid-1920s). Chidnoff Studios rough proof. Courtesy of the Library of Congress Prints and Photographs Division

This book presents a thorough account of George Kleine and his role in American cinema, but it is neither a biography nor an exhaustive chronicling of each and every event in cinema history that he was involved in. Rather, the goal is to join three storylines – a career history, an economic/industrial history and a cultural history – into a unified narrative of how the institution of cinema took shape from its emergence to the end of the silent era. George Kleine offers a model case for exactly this purpose. He was a major presence in the business from its start and he was engaged in all of its branches at one point or another. Furthermore, the turning point in his career coincided with the most crucial upheaval in the history of cinema thus far: the transformation of the American motion picture industry in the 1910s, during which the industry leaders were all but wiped out and replaced by the firms that would eventually make up the core of the Hollywood studio system. At the same time, when Kleine's career as a motion picture businessman took a turn for the worse, and the film industry transformed, he ventured into the alternative paths of American cinema – the realms of educational and non-theatrical cinema, of remakes and reissues, of independent distribution and foreign importations. Accordingly, his case opens up space for a scholarly exploration of these areas, too.

With regard to the economic-industrial history of American cinema, this book suggests that from the appearance of motion pictures in the 1890s, there was a strong pressure, although not a predestinating force, to make use of this new technology primarily as a form of commercial mass entertainment. This was a consequence of an exploding demand for entertainment in the second half of the nineteenth century. It was only through the active labour of real people, however, that a conception of cinema as commercial mass entertainment could become a practical reality. An analysis of the early phases of Kleine's career will illustrate how this process, defined by the interaction between cultural entrepreneurs and businessmen on the one hand, and wider economic forces on the other, played out in the first ten to fifteen years of American cinema.

Cinema was fashioned as commercial mass entertainment from the start, but this did not mean that business practices and industry structures were always the same. In fact, a key argument of this book pivots around the point that a makeover of the movie industry took place in the mid-1910s. This was not merely a case of one set of firms replacing the previous one, or of a new set of business practices evolving out of existing ones, but a fundamental transformation of the conditions of possibility of doing motion picture business. The decisive change occurred when motion pictures began to be made, traded and widely regarded as qualitatively differentiated products rather than as piece goods, which had been the case up until the early 1910s. At this point, and with this change, the motion picture business began to transform into a winner-takes-all economy in which a small number of smash hits generated almost all the revenues, most of which would stream into the hands of a lucky few. The catalyst for this was the breakthrough of the multi-reel feature film, which George Kleine was instrumental in introducing to American audiences. Ironically, the avalanche that he helped set in motion ended up if not burying him, then at least forcing him to the margins of American commercial cinema. The book's exploration of Kleine's work in the second half of the 1910s will explain how this came to pass, detailing the actions and events that steered his particular career in a new direction, while also adding

specificity to our historical understanding of how the institution that we now refer to as Hollywood emerged. More generally, approaching the economic history of cinema from the perspective of a particular career – reconstructing a sort of first-person account of historical change – makes clear how real people in actual situations both make their own history *and* struggle to adapt to changing conditions in the face of multiple limits and pressures.[5] It is worth repeating that George Kleine is a particularly rewarding case for writing a history of this kind. The sheer longevity and diversity of his career presents an opportunity to gain unique insight into patterns of emergence, stability and change in the motion picture business from its beginnings up until the late 1920s.

As the industry was transforming in the 1910s, there was also a cultural repositioning of motion pictures around that same time, including a campaign to classify them as culturally valuable objects – as art, as educational tools and as historical records. George Kleine's work to promote educational film and to build networks for non-theatrical distribution is a case in point. Present-day cinema scholars, as well as amateur film historians writing during Kleine's time, have noted his crucial contributions in this area. As this book will show, however, his role in the history of educational and non-theatrical cinema has often been either misunderstood or misleadingly framed. He was not promoting educational film as the future or ideal of commercial theatrical cinema; rather, his work should be addressed as part of a wider endeavour to carve out a non-theatrical film cultural field that was alternative to, and autonomous from, commercial mainstream cinema. From this perspective, Kleine's efforts indicate a bifurcation of cinema into theatrical and non-theatrical fields, which roughly coincided with the economic-industrial transformation of cinema in the mid-1910s. This bifurcation resulted partly from economic realities, most notably the disproportional profitability of big-budget multi-reel features and the relative unprofitability of other types of film, but it also reflects a cultural negotiation over the status, value and uses of cinema. This negotiation brought together competing conceptions of cinema, different ideas about its social and cultural uses, and different practices of making, spreading and viewing motion pictures that these conceptions and ideas inspired, prescribed or represented.

In the period in which Kleine was active, and especially in the tumultuous times of the 1910s, two main conceptions of cinema co-evolved. On the one hand, the long-standing notion of cinema as commercial mass entertainment was further developed. This type of cinema was (and still is) predicated on a large and diverse audience engaging in relatively non-discriminatory and routine consumption of new motion picture releases, primarily for pleasure. Meanwhile, the various efforts to reclassify film as a cultural object in the 1910s (and after), including Kleine's work with 'film classics' and educational movies, rested on an alternative conception of cinema in which motion pictures carried both economic and cultural value, the latter being linked to ideas about film as art, education or historical document, or some combination thereof. The cinema movements that emerged along these lines targeted niche audiences who appreciated films for their cinematic appeal or for their value in terms of cultural uplift or political action. The following table helps to visualise these distinctions in a schematic, somewhat expanded, but not exhaustive, form:

CULTURAL NEGOTIATIONS OVER AMERICAN CINEMA DURING KLEINE'S CAREER

Conception of cinema	**Conception of cinema**
Commercial mass entertainment	*Art, education and historical record*
Typical principles and practices	**Typical principles and practices**
New releases *Non-discriminatory consumption* *Routine novelty; everyday practice* *Storage cost and risks* *Box-office value* *Mass appeal* *Tradability* *Infinite reproduction* *Hits/flops bifurcation* *Pleasure*	*Old films (commercially exhausted)* *Selective consumption* *Special events* *Preservationist imperative* *Artistic, educational and historic value* *Niche audience appeal* *Collectors value* *'Unique' prints* *Classics/non-classics bifurcation* *Literacy, uplift and action*

This framework can help to contextualise Kleine's career after 1915 and analyse the dynamic interaction between the commercial mainstream of American cinema and the alternative film cultural practices that developed around the same time. As we will see, there were contradictions (real or imaginary) between competing conceptions, principles and practices, but there was also dialogue and interdependence, borrowing and exchange. Typically, however, the principles and practices listed in the right-hand side of the table were more easily integrated into the conception of cinema as commercial mass entertainment than the other way around. For instance, the notion of film as art was more easily incorporated into commercial cinema than was Kleine's attempt to establish a non-theatrical cinema on what he called a 'sound commercial basis'. Such uneven patterns of exchange seem to affirm that the cultural negotiation over American cinema at this juncture took the shape of a hegemonic process. In the context of Kleine's attempt to launch an alternative non-theatrical cinema that, ideally, would become the dominant film cultural formation, the concept of hegemony can help us untangle the patterns of dominance and subordination, including the necessary appearance of counter-hegemonic cinematic conceptions and formations as well as the limits placed on these by the dominant filmic formations.[6]

SOURCES, APPROACHES, FRAMEWORKS

A comprehensive account of Kleine's career demonstrates the difficulty and dangers of keeping the 'economic' and the 'cultural' apart. Indeed, Kleine embodied both the businessman with nothing but profit on his mind *and* the champion of the loftier values of motion pictures – competing conceptions of cinema collapsing within the

figure of one man. The point of this book, then, is not so much to 'merge' an economic and a cultural history as to present an account of cinema history – in this case revolving around the figure of George Kleine – that treats both as integrated elements of an indissoluble material social process in which real people make their own history in the face of certain limits and pressures.

This keystone assumption is inspired by Raymond Williams's notion of 'cultural materialism' – albeit transferred to a different context and different objects of study. Cultural materialism advocates a kind of cultural studies that deals with people 'in the flesh' and with real 'life-processes', but Williams adds that culture must also be approached from the point of view of language and narration – in other words, by looking at what people said and what stories they told about each other.[7] Indeed, often these are the only available access points we have to the past. In the case of George Kleine, he left behind an abundance of professional and personal correspondence, business records, ledgers, press clippings, contracts and agreements, memos, records of legal proceedings, postcards, receipts, order confirmations and other miscellaneous items. I have used this material – primarily the documents preserved in the *George Kleine Papers* at the Library of Congress, the largest extant collection of Kleine-related material – and a range of other sources to try to reconstruct what Kleine said, but also what he did and how words, actions and intentions came together at decisive moments in his career.[8]

Many of the motion pictures that Kleine either produced or distributed are also preserved, primarily in the *George Kleine Collection of Early Motion Pictures* at the Library of Congress, which consists of about 900 reels of positive and negative nitrate film, or 456 subjects released between 1898 and 1926 and spanning many types and genres.[9] This book, however, makes sparse use of motion pictures as source material. Specific films will be explored, but mostly in terms of their production, marketing and exhibition. This aligns with a scholarly shift away from 'film' history and towards 'cinema' history, or, to clarify, a cinema history that is not film-centred. One formulation along these lines is Richard Maltby's notion of cinema history as a form of social history that explores how the institution of cinema connects to the everyday life and lived experiences of various audiences.[10] Maltby also argues that business history and micro-histories are critical for grounding our generalised knowledge about the institution of cinema in 'concrete particulars', and the 'protagonists of these micro-histories … will be the small businessmen who acted as cultural brokers'.[11] I hope my account of George Kleine's career can make up one of many micro-histories along these lines, offering a small contribution to our shared, general understanding of the social, cultural and economic history of cinema.

To my knowledge, this is the first book-length study of George Kleine's career, but this does not mean that the investigation started from scratch. Kleine was a household name in the earliest surveys of American cinema, which was a logical consequence of a tendency in the accounts to identify skilful inventors and shrewd businessmen as the heroes that made history.[12] After the early 1930s, Kleine all but disappeared from the historiography of American cinema. Some studies substituted film artists/geniuses for the inventors and businessmen of the earlier histories; but Kleine was neither an 'artist' nor had he produced or distributed any of the 'masterpieces' that such histories highlighted.[13] There were also the social and cultural

histories of the 1970s, which shifted the perspective from 'great men' to institutional contexts and wider historical and political frameworks, again displacing a person like Kleine to the far margins (if mentioning him at all).[14] He reappeared within the more recent context of 'New Cinema History'.[15] A key element with regard to this rediscovery was the archival turn; in many of the new (micro)-histories of early American cinema, either the paper trail or some long-neglected but rediscovered film led back to Kleine in one way or another.[16] This work has been of great value for my own research, and we will return to much of it, although in some cases because there are reasons to question or revise earlier studies.

Kleine was a businessman, and as should be clear already, one objective of this book is to explore the co-evolution of his career and the business in which he operated. Accordingly, economic issues will feature prominently. Again, this does not mean that the economic is somehow divorced from the cultural, or that a material 'base' predetermines the sphere we think of as 'cultural'. As mentioned earlier, the basic assumption is that the production and reproduction of material existence as well as language and signification are inseparable elements of the same material social process. Not predetermination, then, but overdetermination, in the sense that there are multiple determinants at play in any given historical process, giving rise to the complexities and contradictions that characterise the lived experiences of real people. That said, it would be preposterous to argue that all historical outcomes are equally likely or that all historical determinants are equally important. When it comes to cinema, there are convincing reasons to assign high priority to economic factors. Cinema emerged, and continues to operate within, the context of global capitalism (itself historically elastic), and cannot be properly understood if analysed independently of this context.

In commitment to this tenet, my account of George Kleine and American cinema has been informed and inspired by various economic histories of cinema, most importantly Gerben Bakker's book about the industrialisation of entertainment in the wake of the second industrial revolution.[17] During the second half of the nineteenth century (roughly), the United States and other industrialising countries widely adopted a number of important innovations, such as electricity and the combustion engine, as well as communication technologies such as the railroad and the telegraph. This resulted in increased productivity – allowing workers to earn higher wages in shorter time – and in population growth, urbanisation and improved transportation networks, all of which stimulated the demand for entertainment.[18] Motion pictures were one of an array of amusements that became commercially viable as a result of this rising demand. Further stimulated by earlier deregulations of entertainment markets, motion pictures quickly developed into the largest entertainment industry.[19] In this sense, the emergence of a motion picture industry was a by-product of far-reaching socio-economic transformations. This is an important complement to histories of cinema that nominate hero-inventors, hero-artists or totalising myths about the artistic drive of humankind as the leading causal forces. Moreover, economic histories of cinema pinpoint how motion pictures are traded, what types of commodities they are, how their economic value is determined and how this has changed over time. This helps us understand how cinema has developed as a business activity, but also the ways in which the tradability of motion pictures affects their social and cultural uses.

For instance, as we will see, film culture's globalising push originates in qualities inherent to motion pictures as a commodity form.

The book also draws on economic analyses of American cinema that are based either on an institutional/industrial-organisation model or a political-economy perspective. These are, perhaps, the most influential approaches to the economic and industrial analysis of cinema within mainstream cinema studies, the former often associated with the work of Douglas Gomery, and the latter with Janet Wasko.[20] The institutional/industrial-organisation model highlights the scope and size of the economic organisation, and its economic behaviour. The company/corporation is the key unit of analysis, and economies of scale as well as vertical and horizontal integration are key analytical concepts.[21] This model and the political-economy approach are both interested in issues of ownership and industry structure, but the latter is more intent on linking this to an analysis of power relations in society at large, not only to understand the system but also to find ways to change it.[22] A shared assumption of all the perspectives discussed here (economic history, institutional/industrial-organisation analysis and political economy) is that we need to analyse motion pictures not just, or even primarily, as artistic objects, but as commodities that generate economic profit. This book subscribes to this view, not because movies cannot be (or never are) works of art, but because disregarding their commodity form removes them from their material, cultural and historical contexts in a problematic way. Furthermore, in order to understand George Kleine's actions as a motion picture businessman, it helps greatly to try to align our outlook with his.

Bakker, Gomery, Wasko and other scholars have mapped out the wider economic and industrial contexts that we need to familiarise ourselves with to properly account for Kleine's role in American cinema, but we still face the challenge of exactly how to assess one particular career history in relation to these wider contexts. With regard to this, one source of inspiration has been Candace Jones's 'co-evolutionary' approach to entrepreneurial careers and institutional frameworks. Jones's key methodological idea is that we can unpack economic and industrial change by tracing how entrepreneurial choice and institutional rules interplay.[23] If nothing else, this allows for an inclusion of the entrepreneur as an analytical unit, which complements Gomery's focus on firms and Wasko's interests in power relations and ownership. Taking entrepreneurs into account is important for Bakker, too. He notes that although economic forces drive cinema history, only the active work of 'smart entrepreneurs' could turn an optical gadget into the basis of a well-oiled industry.[24] Bakker suggests that while there may be certain conditions at hand that allow for economic rewards, it is a combination of industry structure, entrepreneurial discovery, consumer tastes and a range of other factors that decide how or if these rewards are realised.[25] This is reminiscent of the more general framework for understanding economic change that economist Douglass North has developed, according to which analysis should focus on the interplay between people's intentions and belief systems, the institutional matrix and the perceived reality of the political-economic system.[26] Intentionality, belief systems and learning are key to this kind of analysis, which implies that career histories of the kind I am presenting in this book may have a special role to play in terms of our wider understanding of historical change – in this case, within American cinema before 1930.

If there is one institutional 'rule' that entrepreneurs as well as firms constantly brush up against, it is uncertainty. As Michael Pokorny and John Sedgwick, two economic historians of cinema, note, 'The key to understanding Hollywood is to understand how it deals, and has dealt, with the risks born of uncertainty.'[27] I agree, but as my analysis of Kleine's career and the film industry at large will make clear, this applies to pre-Hollywood cinema, too, although the specific environment of risk and uncertainty was different. Neither Kleine nor anyone else could predict the future with any certainty, which reflected both an entrepreneurial and a human condition. Indeed, people's struggle to come to terms with the constant uncertainty of the environment can be seen as the underlying force that drives any process of economic change.[28] But the problems of uncertainty that Kleine faced were also quite specific to the movie business, and, arguably, more severe than in many other industries, mainly because movies are 'experience goods' of a kind whose value and quality can only be assessed through the act of consumption.[29] Before a film is released, no one can know whether consumers will enjoy it or not. This 'fundamental' uncertainty of the motion picture economy is often summarised in the so-called Goldman Rule (after Hollywood screenwriter William Goldman), 'Nobody knows anything.'[30] The Goldman Rule will be a recurring motif in the book, especially in Chapters 3 and 4.

Pokorny and Sedgwick argue that the Goldman Rule has been confirmed, prompting them to ask why a few large firms have nevertheless managed to dominate the international motion picture industry for almost a century; the article was aptly subtitled 'Somebody Must Know Something'.[31] The proof they were referring to came from economist Arthur De Vany, who, alone and sometimes with co-authors, had been testing the validity of the Goldman Rule by analysing profitability data and mapping revenue distributions in the movie economy. De Vany's findings are summarised in a book titled *Hollywood Economics: How Extreme Uncertainty Shapes the Film Industry*[32] With regard to the Goldman Rule, De Vany shows that economic optimising in the movie business is impossible, not because agents are irrational, but because information is delayed and erratic, and because the variance of probable outcomes is infinite.[33] Even more importantly for my purposes, however, De Vany's analysis also made clear the extent to which extreme events define the motion picture economy. Simply put, a few super-hits generate most of the profits – this is the winner-takes-all economy that I mentioned earlier. In economics speak, this winner-takes-all economy is evident in a revenue distribution that is 'kurtotic' (highly skewed) instead of Gaussian (bell-shaped). Accordingly, De Vany labelled the movie economy a 'kurtocracy', as opposed to a mediocracy.[34] The data he used stemmed from a later period than the one I discuss in this book, but the general results and economic concepts have been useful all the same, especially in Chapters 3 and 4, in which I argue that the challenges Kleine faced in his career during the second half of the 1910s was caused precisely by the increasingly kurtotic character of the motion picture business. That said, the political implications of De Vany's findings are contested. De Vany argues that market concentration is an irrelevant factor in a kurtotic industry characterised by wild uncertainty, since market concentration will always, by necessity, be high at any given point. This is obviously accurate in theory – if it is a winner-takes-all-economy, any given snapshot is bound to identify one happy winner – but this does not explain why the winners have been more or less the same select few for decades. This has led scholars working in a Marxist vein

(such as Toby Miller and the other authors of *Global Hollywood*) to discount economists like De Vany as Hollywood apologists whose 'bourgeois business history' ends up legitimising the enormous power of a few dominant corporations.[35] Regardless of this particular accusation, Miller *et al.* make a good case for a critical stance towards Hollywood, but the notion of kurtocracy is nevertheless useful in an analysis of Kleine's career in the mid-1910s and the film industrial transformations in which he was entangled at this juncture.

HISTORIOGRAPHIC CONSIDERATIONS: CONTINUITY AND CHANGE IN AMERICAN CINEMA BEFORE 1930

Kleine's story spans the entire silent era, but much of this book will zoom in on the mid-1910s. These were the years when the movie business began to morph from a mediocracy into a kurtocracy – which it essentially remains; and these were the years when American cinema first clearly split up into dominant and alternative film cultural formations, according to patterns and processes that have kept repeating themselves to this day (albeit with significant differences in significantly different historical contexts). But this statement raises concerns about the historiographic temporalities at play. For one, the implicated links between American cinema in the 1910s and the present-day situation may seem to collapse the distance of a hundred years in a way that threatens to render the account ahistorical, subtract from its historical specificity or inflect it with too much 'presentism'. This point is well taken, but it cannot be completely out of place to acknowledge certain continuities and correspondences between past and present. As one historian put it, knowledge about what happened later is actually a great asset for the historian, and there is good reason to use it from time to time.[36] Applied to cinema in the 1910s, the privilege of hindsight allows us to trace many familiar elements of contemporary cinema back to changes that occurred in this period (in addition to the ones briefly mentioned above): narrative feature-length motion pictures became the standard commodity and format of film artistic expression; movie stars became the most important way to differentiate and market films, giving rise to the star system; production companies began to cluster in Southern California, and 'Hollywood' emerged; the mode of production was standardised by advancing the division of labour and the use of continuity scripts; and motion pictures began to garner serious attention from the newspaper press.[37] This was also when the so-called 'classical Hollywood style' was codified and became the stylistic norm for narrative film-making, as analysed in David Bordwell, Janet Staiger and Kristin Thompson's book *The Classical Hollywood Cinema: Film Style and Mode of Production to 1960*.[38] This mode of cinematic storytelling emphasises narrative unity, clarity, and character-driven and psychologically motivated action, and utilises a range of devices, most notably continuity editing, to achieve these effects.[39] While the persistence and dominance of this style paradigm is contested, much mainstream film-making still either broadly adheres to it, or draws on its conventions, sometimes in a self-reflexive manner.[40]

These links between past and present also indicate why the 1910s has been of special interest to many cinema historians. For some time, this strand of scholarship pivoted around the notion of 'transitional cinema', or a 'transitional period'. These

terms originated in scholarly enquiries in the 1970s and 80s regarding stylistic changes in American cinema. On the one hand, there was the re-evaluation of 'early cinema' that, according to film studies legend, began in Brighton in 1978 at a famous conference organised by FIAF (the International Federation of Film Archives). On the other hand, there was Bordwell, Staiger and Thompson's *Classical Hollywood Cinema*, which included the idea of a transitional period leading up to the consolidation and dominance of the Hollywood style around 1917. Charlie Keil retained the term 'transition', and produced an account of film style and film-making from 1907 to 1913, making a case for transitional cinema in this period as a 'finished type' rather than a mere precursor to or embryonic form of classical cinema.[41] A few years later, in 2004, Keil co-edited a volume with Shelley Stamp – *American Cinema's Transitional Era* – in which the term 'transitional era' had been extended and expanded to form the basis of a research programme that included not only issues of style, but also, as the subtitle made clear, 'audiences', 'institutions' and 'practices'.[42] By this point, however, the term 'transition' itself had come under increased scrutiny, either for being too imprecise or for harbouring a teleological slant.[43] In spite of this terminological crisis, the scope and diversity of the essays in Keil and Stamp's volume and the topics they cover demonstrated that in the period under investigation, a variety of drastic changes occurred on a number of levels. Film style, industry structure, modes of production, business and marketing practices, audience composition, movie-theatre architecture and size, the cultural status of motion pictures – just about everything seemed to have been in flux.[44]

Recently, however, 'institutionalisation' rather than 'transition' has become the preferred word to describe how one type of cinema metamorphosed into a different one. Instead of early cinema 'transitioning' into classical Hollywood, there is a process of 'institutionalisation' through which cinema acquires a degree of stability, specificity and legitimacy, but not necessarily by moving towards a predestined goal (classical Hollywood cinema), as the term transition supposedly implied. An influential version of the institutionalisation model is the 'second birth of cinema' idea that André Gaudreault and Philippe Marion have promulgated (together and separately) in a string of articles, conference papers and books.[45] According to Gaudreault and Marion, this 'second birth' was a gradual process through which cinema established its identity, uniqueness, singularity and medium specificity, which was then institutionally recognised and legitimised after 1910.[46] It is not entirely clear from Gaudreault and Marion's account how this happened and what historical forces were in play, or, for that matter, how they would define the key terms 'institution' and 'medium'. Their basic argument is that a 'medium' appears, emerges and is constituted; the authors stress that there is a corrective dimension to this theory in the way it debunks the mythology of cinema's magical emergence at an exact moment in all its glorious (or not so glorious) dimensions.[47] It is unclear whether anyone subscribes to the view Gaudreault and Marion wish to debunk. We may also ask why they retain and reapply to a later date the notion of 'birth', with its problematic connotations of a tightly circumscribed moment. One reason would be that the point is not so much to analyse historical change, but to prove that the 'institution' of cinema (the offspring resulting from the 'second birth') was different from what preceded it. In this sense, it seems that a crucial point is to reformulate an idea that underpinned much of post-Brighton film historiography: that there is a paradigmatic difference between what Gaudreault refers to as 'so-called early

cinema'[48] and 'cinema' in its later, 'institutionalised' constitution (circa 1915). A selective genealogy of this idea includes Noël Burch's writings on what he calls the 'Primitive Mode of Representation' and the 'Institutional Mode of Representation';[49] criticism against Burch levelled by Thompson and Bordwell, who advocated their own model of 'non-linear' historiography;[50] and Tom Gunning's writings on the notion of a 'cinema of attractions' which substituted for Burch's potentially pejorative 'primitive' cinema, but kept the idea of paradigmatic difference between one historically dominant mode of representation (attractions) and another ('narrative integration'), plotted along the lines of representation, spectator address and modes of exhibition.[51]

In spite of significant differences between the various approaches mentioned here, they all helped establish and disseminate a scholarly conviction that cinema of the earliest days was somehow radically and essentially *different*. This legitimised and made possible new approaches to early cinema, and opened up the field for new discoveries, not least pertaining to the strongly intermedial character of early cinema, as studied by Gaudreault, Rick Altman and others[52] Nevertheless, ideas about early cinema's essential alterity are highly problematic. Jonathan Auerbach has argued that theories of early cinema's paradigmatic difference risk perpetuating a kind of inverted teleology. Early cinema is cut off from its future (Hollywood cinema), and just as teleological histories of American cinema tended to read early cinema exclusively in terms of sowing the seeds of Hollywood, there is a tendency to see early cinema purely as the extension of what was already there, indicating that there was nothing new to cinema at all.[53] My account of George Kleine's career raises similar doubts, mostly in the light of the economic history of cinema. For instance, and as will be discussed further in Chapter 1, as an entertainment product, motion pictures represented something radically new, different and – from a market perspective – superior to live amusements such as vaudeville.

Furthermore, what I would like to bring into view by an account of Kleine's career is not so much what distinguishes early cinema from the later 'institution' of cinema but the process of institutionalisation. As the book will show, this process was predicated on a conception of cinema as commercial mass entertainment, and the gradual realisation of this conception, which means that its roots stretch back to the earliest days of cinema, or further, to the pre-cinematic phases of the second industrial revolution. A history of American cinema along these lines does not quite square with either the conventional tripartite periodisation of the silent era into an 'early', 'transitional' and 'institutional' phase,[54] or the theories of historical continuity and change that inform the scheme – especially the notion of historical change as radical rupture and paradigmatic shift. On the one hand, this may merely reflect a focus on the economic rather than the stylistic history of cinema. On the other hand, and with somewhat deeper implications, this book represents an attempt to at least begin to reconstruct a material, social process by delving deep into the specific career of one specific man – George Kleine. From this vantage point, historical change unfolds neither as radical break or rupture, nor as smooth, unavoidable, linear transition towards a predetermined goal, but as a progression through combinations of old and new that give rise to tensions, contradictions and complex, real-life situations. This is not particularly mysterious; after all, most of the present is made up of the past, yet some things are different – sometimes very different. I have lifted this formulation about present and

past from a book about the ideas of Karl Marx,[55] but the point is not to make a case for Marxism, but for realism, and to suggest that from a realist perspective, 'paradigm accounts' of American cinema history appear as quite implausible, and not particularly useful for understanding the process of historical change.[56]

These criticisms should give the reader a sense of the general historiographic orientation of my account of George Kleine and American cinema. Hopefully, they will also prime the reader to discover how this account resonates with (rather then sets out to refute) much of the previous scholarship on early American cinema. If earlier scholarship has shown that American cinema had coalesced into an enduring institution around 1915, I suggest that there is specificity to add to our understanding of the process of institutionalisation that led up to this. This is precisely what the chapters that follow aim for, primarily by mapping out how a conception of cinema as commercial mass entertainment and mass cultural practice was gradually realised, and how this was connected to the concomitant development of alternative conceptions of cinema. This process – not to speak of the even more general process of institutionalisation – cannot be reduced to any single event, moment or turning point, or explained by reference to a singular, momentous cause. But a close examination of George Kleine's career allows us to pinpoint some of the key events, to add to our shared knowledge of the wider process and to discover that nothing at all would have happened unless real people in real situations had taken action.

CHAPTER SUMMARIES

The first chapter recounts how Kleine got his start in the motion picture business and how his career developed up until the formation of the MPPC and the other 'programme' companies, which supplied movie theatres with standardised film programmes on a predictable schedule and at fixed prices. It is an account of entrepreneurial discovery and the realisation of opportunities, but also of how entrepreneurial strategies bumped up against the limits of the institutional arrangements. The shift from an open business with low barriers of entry to a relatively closed business that took place over this period makes it very suitable for an analysis of how a career history can yield insight into patterns of industry emergence, stability and change. For Kleine, the early and relatively open phase included the halcyon days – especially 1906–8, when he reaped the rewards of the nickelodeon boom. Chapter 1 also maps the key events in a gradual process according to which motion pictures became mass entertainment and subject to habitual cultural practices, arguing that there was an immediate push in this direction, and immediate attempts to realise this conception of cinema. To a degree, this runs counter to a tendency in previous scholarship to conceive of early American cinema as a diverse film culture of limitless possible futures that was curtailed by a monolithic conception of movies as mass entertainment when Hollywood emerged around 1915.

The rise of Hollywood and the roots of a new industry structure are key themes in the three chapters that follow, beginning with the analysis of the breakthrough of the multi-reel feature film in Chapter 2. Kleine reinvented his career through the importation and exploitation of European multi-reel feature films in 1913 and 1914. These films opened up a new field in the motion picture business in the

United States, and a parallel track for Kleine, who could now expand beyond the rather strict parameters of his MPPC membership. A case study of the circulation of Kleine's features demonstrates that there were, indeed, disproportional profits to be made in the feature field, but even at this early stage, there were signs that only the occasional film generated substantial profits. The case study also shows that the exhibition contexts for multi-reel feature films were much more diverse than previously assumed. Diversity also characterised the early discourses on the feature. Initially, there was great uncertainty about the long-term implications and impact of the multi-reeler and how this format should – or should not – be accommodated. Punditry was one thing, however, and business practices another, and before long, multi-reel features had become the standard commodity. The chapter explores how this drastically changed the conditions of doing motion picture business, especially in light of a completely new environment of risk and uncertainty. The new, longer and increasingly expensive product format gave rise to a new set of problems, and the solution was a range of new business practices and – ultimately – a new industry structure. But this, the chapter suggests, was only because cinema had already been established as mass entertainment and as an everyday cultural practice (as explored in Chapter 1). The development of the movie industry in the 1910s, then, resulted from the attempts to sustain this form of cinema in the face of a new risk environment created by the multi-reel feature.

Chapters 3 and 4 detail this process at the level of the firm and the individual decision-maker. First, I chronicle Kleine's attempts during the second half of the 1910s to establish a viable production-distribution combine for the multi-reel feature era, first through the Kleine-Edison Feature Service, then through K-E-S-E, and finally through Perfection Pictures. Kleine's case demonstrates the necessity, but also the great difficulty, of establishing a business organisation for motion picture mass production that would also offer some degree of product innovation and diversity. He accurately identified a number of ways in which the industry was changing (the problem of fundamental uncertainty, the kurtotic character of the motion picture business in the feature era, the apparent correlation between big spending and big income), but failed to act on this knowledge in a way that might have ensured long-term profitability. There were many reasons for this, some of which were beyond Kleine's control, but his adherence to a conservative business policy made matters even worse. This becomes clear in the analysis in Chapter 4 of his campaign against 'waste' and 'overproduction' in the motion picture industry in 1917–18. A close look at this campaign shows how the industry was beginning to transform into a kurtocracy, but also explains why Kleine would not become one of the kurtocrats.

In combination, Chapters 1 to 4 evoke the image of an industrial transformation that simultaneously amounted to a major rupture *and* a continuation of earlier practices. It was, indeed, an extreme makeover in the sense that one industry structure de facto replaced the previous one. At the same time, this was merely a new phase in a long process of establishing cinema as mass entertainment and everyday practice. The explanation, these chapters suggest, lies in how a new commodity – the multi-reel feature film – fitted into this longer history of cinema as routinised mass practice.

Chapter 5 shifts focus to Kleine's work outside the commercial mainstream of the motion picture business, dealing primarily with his efforts to promote educational films and to cultivate a non-theatrical market. This aspect of Kleine's career dated back

to his distribution of various types of non-fiction motion pictures of American as well as European make, but gained new currency around 1910 through the issuing of a famous catalogue of educational films, and through his (and others') increasingly vocal advocacy of the educational use of motion pictures. In critical dialogue with previous research on this facet of Kleine's career, the chapter argues that these efforts signalled a relegation of educational films to an alternative film cultural sphere, rather than an attempt to promote them as the future of mainstream cinema. In the 1920s, this bifurcation appeared more clearly, and Kleine's commitment to educational film morphed into an interest in developing a viable infrastructure for non-theatrical cinema. The chapter analyses his attempts to establish a nationwide network of 'institutional' film exchanges located at state universities around the United States, for the purpose of distributing motion pictures to schools, universities, churches, community associations, workplaces, women's clubs and other miscellaneous groups. Kleine never accomplished his goal of establishing non-theatrical distribution on a 'sound commercial basis', but his project offers an instructive illustration of the general ambition around this time to institutionalise non-theatrical cinema. It also exemplifies a vision of the non-theatrical field as a potential platform for film cultural elevation and refinement. Kleine's vision along such lines was informed by his aversion to Hollywood, which grew more acute as the 1920s progressed. He was highly critical of Hollywood on a number of counts (partly because of his anti-Semitism, although he never aired these views in public), and he launched a conception of a non-theatrical cinema as an alternative film cultural formation to Hollywood. He even argued that in due time this alternative formation could become dominant. Kleine's attitude towards Hollywood, and his dislike of the films produced there, was couched in a culturally and politically conservative outlook on the world. But his belief that cinema was yet to find its 'proper' public had affinities with other alternative or oppositional formations (from the historical avant-garde to the national cinemas of the 1920s and onwards), particularly the idea that a new and more refined public for cinema would somehow appear if a special, non-theatrical exhibition context was cultivated. In this regard, Kleine's anti-Hollywood discourse and practices can help illuminate some general patterns of how the commercial mainstream of cinema – epitomised by Hollywood and the practices scrutinised in Chapters 1 to 4 – interacts with alternative and oppositional film cultural formations.

Taken together, these chapters present a thorough account of a fascinating and important figure in American cinema, whose career constitutes a great story in itself. I also hope that for anyone interested in the history of American cinema's silent era, this book offers a broad overview of the period and its major developments – as seen through the prism of Kleine's career. As such, it will cover some familiar territory, but also offer a new perspective on the silent era, especially by integrating the economic and industrial history of commercial mainstream cinema in the United States with lesser-known historical trajectories. Finally, for cinema historians, other scholars and general readers with a special interest in early American cinema, this book will encourage some new ways of thinking about American cinema in the 1910s, and, more generally, about the complex interactions between economic and cultural change that have shaped American cinema and its historic development. These are the main optics available for different readers. And with 'optics' – in the more literal and scientific sense of the word – the story begins.

1

From the Optical Store to the MPPC

George Kleine said that he 'came by [his] interest in pictures logically'.[1] He was referring to how playing around in his father's optical store in Manhattan aroused a curiosity in the technical and scientific aspects of vision, optics and optical goods. He spent many of his childhood after-school hours in his father's store, deriving a 'juvenile delight in playing with magic lanterns, microscopes, and electric batteries'.[2] Charles B. Kleine, a German immigrant,[3] had started out in 1855 as an apprentice to the renowned Benjamin Pike Jr. Pike taught Charles to build microscopes and stereopticons, and he introduced him to all things pertaining to optical projection, including the various methods magic-lantern operators would deploy to produce 'motion effects'.[4] Charles passed the trade on within the family, and George began to work as an apprentice in the store after graduating from the College of the City of New York in 1882.[5] Kleine's interest in the technical aspects of motion pictures persisted throughout his career. One indication of this is an article he published in the *Film Index* in 1910 titled 'Progress in Optical Projection in the Last Fifty Years', in which he traced the origins of motion pictures back to the screen practices of lantern slides and stereopticon images that he claimed his father and Pike Jr had developed.[6] By 1916, Kleine's technical expertise had become part of his legacy as a motion picture pioneer; Louella Parsons, for example, spoke of his 'rare technical mind' and his pursuit of 'perfecting moving picture machines'.[7]

But Kleine was also, as Benjamin Hampton recounts, one of the first 'experienced, solidly established businessmen to recognize the commercial and social importance of living pictures', and it is first and foremost as a businessman that we will get to know Kleine in the following pages. This chapter traces his career from its origins in the optical store to the formation of the Motion Picture Patents Company, as it co-evolved with the development of the motion picture business in the United States up until 1910. This phase of Kleine's career unfolded alongside two major developments within the burgeoning American film business, in which he played his own small part. First, there was a shift from a relatively open market to a relatively closed one. As a technology, motion pictures had been around for a while when Kleine and others began to discover their commercial potential. But when they did, around 1896, barriers to entry into the business were low, and demand for amusements was high, which meant that there were plenty of profit opportunities to realise. Almost immediately, however, some agents – the Edison Company in particular – worked hard to close the market by means of patent protection, litigation and licensing, and with