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The Rating System as Part of the American Film Industry (1970–2019)

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The article is an attempt to indicate what role the rating system introduced in 1968 plays in the American film industry. The first part provides an introduction to the history of American film censorship and presents the reasons why the Production Code was replaced by a system of restrictions related to the age of viewers. The second part of the text is analytical in nature. First, the distribution of individual rating categories in the 500 most popular films from 1970–2019 is checked, and it is revealed how the understanding of individual categories has changed and how the US film industry itself has changed. The second study, based on statistical data, shows the distribution of rating categories among all films distributed in the US in the years 2000–2019. This allows us to indicate the growth in the importance of the PG and PG-13 categories and also the increase in both the number and market share of films that are not subject to the system introduced by the MPA.

KEYWORDS: rating system, film censorship in USA, Hollywood film industry, film business statistics

The article aims to illustrate how the distribution of films across the rating categories established in 1968 changed in the years 1970–2019. The first part of the text will briefly describe the key points related to the implementation of censorship in the American cinematographic system and the replacement of the Hays Code with the rating system.[1] The next section will be dedicated to a detailed description of the methodology used to select the films for analysis, which includes the top 500 box-office hits from five decades.

Subsequently, the distribution of rating categories in this group of most popular films from each decade will be analysed, allowing for an examination of the processes occurring in Hollywood over the past half-century in terms of the types of film productions that were deemed economically attractive. Complementing this analysis is an examination of the percentage distribution and profits achieved by films with different rating categories among all films shown in American cinemas from 2000–2019.

On February 23, 1915, the United States Supreme Court delivered a judgment in the case of *Mutual Pictures vs. Industrial Commission*

Censorship and the Rating System

[1] J. Lewis, Hollywood v. Hard Core: How the Struggle Over Censorship Created the Modern Film Industry, New York University Press, New York 2002. Ohio. In this ruling, the judges declared that "The exhibition of moving pictures is a business, pure and simple, originated and conducted for profit like other spectacles, and not to be regarded as part of the press of the country or as organs of public opinion within the meaning of freedom of speech and publication"[2] - thus excluding films from The First Amendment to the Constitution, which guarantees freedom of speech in the United States. Although this judgment was later changed due to the 1952 Burstyn vs. Wilson Case, better known as The Miracle Case, which brought films into the realm of texts protected by freedom of speech, it seems to have symbolically shaped American (or perhaps Hollywood) thinking about film primarily as a "product that needs to be well sold to maximize profit." While this is undoubtedly a significant simplification, the economic perspective appears to be the most important one used by the heads of the major (as well as slightly minor) film studios. Anything that helps sell a film is desired, and it is not always just advertising, marketing strategies, or skilfully conducted Public Relations. Paradoxically, censorship can also be a tool to increase profits. After all, the *Production Code* was introduced, precisely to protect the profits of Hollywood threatened not only by the activities of the Legion of Decency but also by real plans in the twenties to introduce state or federal censorship.[3]

In the 1960s, major Hollywood studios realized that the provisions of the "Hays Code" not only threatened creative freedom (which was of less interest to the heads of the major studios) but primarily did not foster the development of the stagnating film industry. European creators tackled difficult and sensitive subjects that directors working in the USA had to avoid due to censorship restrictions, and the young audience (in 1966, people under 25 years old accounted for 45.8% of the United States population[4]) rejected cultural conservatism, which also translated into decreasing profits for Hollywood. Instances such as Michelangelo Antonioni's Blow-Up (1966), which did not receive approval from the PCA (Production Code Administration) and was condemned by the still powerful Catholic Legion of Decency, yet was a box office success (the film was brought to American screens by Premier Productions, financially associated with MGM, although formally independent), or local bans on showing Vilgot Sjöman's film I Am Curious (Yellow) (1967, Jag är nyfiken – en film i gult) raised awareness among Hollywood decision-makers that changes needed to be made. These changes would, on the one hand, prevent the resurgence of ideas about introducing government censorship, and on the other hand, allow them to compete for young audiences and the dollars in their denim pockets.

^[2] Mutual Film Corp. vs. Industrial Comm'n of Ohio, 236 U.S. 230 (1915), https://supreme.justia.com/cases/federal/us/236/230/ (accessed: 6.01.2024).

^[3] A. Lewicki, Seks i Dziesiąta Muza. Erotyzm, relacje intymne i wzorce genderowe w kinie przedkodeksowym

^{(1894–1934),} Wydawnictwo Uniwersytetu Wrocławskiego, Wrocław 2011, pp. 510–529.

^[4] https://www.populationpyramid.net/united-states-of-america/1966/ (accessed: 4.01.2024).

Already in the middle of 1966, the outdated Production Code was replaced by a new set of Hollywood censorship rules called the Ten Standards. These new provisions, however, did not last long, and on November 1, 1968, the system was changed, introducing the age categorization system. This change was also due to two high-profile court cases that allowed for a change in the way censorial provisions functioned. The first was the *Grinsberg vs. New York* case, where a Long Island shopkeeper was punished for selling a pornographic magazine to a sixteen-year-old boy. The second case was *Interstate Circuit vs. Dallas*, where it was "recognized that the age classification of films is permissible if those who apply it are founded on clear standards." [5]

Initially, four age categories were introduced:

G – (General Audiences) – films allowed for all viewers, regardless of their age,

M – (Mature Audiences) – films for mature audiences, children should watch the film with parents, but viewers of all ages may be admitted to the cinema,

R – (Restricted) – films that children under the age of 16 will only be admitted to with parents or adult guardians,

X – films for viewers over 16 years old.

During the development of the classification, various changes were introduced, such as raising the permissible age in the highest categories to 17 years. In 1972, the M category was replaced by the PG (Parental Guidance) category, which was then divided into PG and PG-13 in 1984, indicating that children above 13 years old could watch the film, provided an adult accompanied them during the screening. On September 27, 1990, the X category was replaced by the NC-17 category.

The introduction of age categories somewhat changed the production and distribution policy of Hollywood film studios. The highest categories, especially X, were considered "box-office poison." As Anna Misiak has mentioned, "X-rated films were reluctantly ordered by most cinemas in the early 1970s (50 percent of cinemas in the USA rejected the possibility of showing them), and in addition, leading American newspapers (around thirty titles) refused to advertise these productions." [6] Simultaneously, it became increasingly common to include clauses in directorial or production contracts specifying the category to which the produced film should belong, and the works were repeatedly re-edited during screenings for the Classification and Rating Administration (CARA) if they did not receive the desired classification.

The rating system created in 1968 still functions in the USA today and continues to enjoy considerable trust. According to a report and research published by the MPA (Motion Picture Association) in April

[5] A. Misiak, Kinematograf kontrlowany. Cenzura filmowa w kraju socjalistycznym i demokratycznym (PRL i USA). Analiza socjologiczna, Universitas, Kraków 2006, p. 334.

[6] Ibidem, p. 349.

2023, 91% of parents agree that the rating and descriptions used by CARA for potential threats to younger viewers are helpful; 84% consider the assignment of age categories to individual films correct. Only 5% of respondents consider the categorization erroneous; however, the report does not specify whether these persons find CARA decisions too liberal or too restrictive.[7]

It is also interesting to note what American parents consider the most significant threat to their children when watching films. 76% found "Graphic sex scenes" most disturbing, while 75% mentioned "Sexual assault." Interestingly, "Full male nudity" (indicated by 75% of respondents) causes more concern than "Full female nudity" (69% of responses). It is intriguing that American parents are more afraid that their child will hear the prohibited word starting with "N" ("Use of the 'N-Word" was indicated by 62% of respondents) than they are afraid that their child will see images of physical violence ("Graphic violence" was indicated by 54%, while "war/battle violence" by only 37% of parents). The findings from such surveys undoubtedly influence the decisions of rating committees and indicate the motives guiding CARA members in delineating films into different age categories.[8]

Methodology

This article aims to compare the distribution of age categories assigned to individual films with the profits generated by these films. In the first part of my research, I intend to analyse only the most popular films from each decade (from 1970 to 2019), while the second part will focus on the entire film production of the 21st century released in American cinemas. Due to the insufficient availability of reliable data for the 1970s, it was necessary to rely on information included in the book Box-Office Champs: The Most Popular Movies of the Last Fifty Years by Eddie Dorman Kay.[9] Data for the years 1980–2019 were taken from the website www.boxofficemojo (Worldwide).

Based on these criteria, a list of the 10 highest-grossing films was compiled for each year, then the films were sorted by the decade in which they were made, resulting in a selection of the top 100 most popular films for each decade. Subsequently, these were assessed to determine the rating categories assigned to individual films. Given that rating categories have changed during the circulation of films through different distribution channels, the most up-to-date age classification applicable in the USA, as assigned to a particular film on the portal www.imdb.com, was taken into account. Consequently, even in the case of earlier works, categories that were introduced or replaced previous categories in subsequent years or decades are featured.

[7] American Parents' Views on Movie Ratings, https://www.motionpictures.org/wp-content/up-loads/2023/04/American-Parents-Views-on-Movie-Ratings.pdf (accessed: 3.05.2023)

[8] Classification and Rating Rules, https://www.filmratings.com/Content/Downloads/rating_rules.pdf (accessed: 3.05.2023)

[9] E.D. Kay, Box-Office Champs: The Most Popular Movies of the Last Fifty Years, Portland, New York 1991. This methodology resulted in the following compilations, encompassing 500 films from 1970 to 2019 (Chart 1):

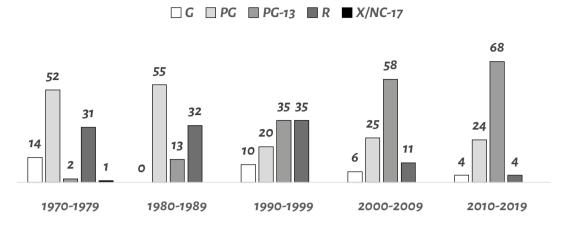


Chart 1. Number of films from each rating category among the top 500 most popular films from 1970–2019. Source: Own research based on: E.D. Kay, *Box-Office Champs: The Most Popular Movies of the Last Fifty Years*, Portland, New York 1991 and the website www.boxofficemojo.

The analysis of the above charts leads to several interesting conclusions regarding both the functioning of the rating system and the transformations that have occurred in mainstream American cinema itself.

Firstly, the understanding of the G (General) category, describing films available to all audiences, has evolved. In the 1970s, this category was assigned to films not necessarily intended for the youngest viewers. Among the 14 films suitable for all audiences regardless of age, only one animation stands out (in fact, the only animated film among the 100 most watched films of the decade!), namely Disney's The Aristocats (1971), along with two films explicitly targeting younger audiences: the sequel to the adventures of an intelligent Volkswagen, Herbie Rides Again (1975), and the story of a courageous dog in Benji (1975). Other films categorized under G at the time probably would not be placed in this category today. Works such as *The Muppet Movie* (1979), which would likely not be deemed suitable for the youngest children due to content, or musicals like *Hello*, *Dolly!* (1970) or *Fiddler on the Roof* (1972), not to mention productions like Jesus Christ Superstar (1973) by Norman Jewison or What's Up, Doc? (1972) by Peter Bogdanovich, were all screened in 1970s cinemas without age restrictions. However, by the 1980s, the understanding of this category changed, resulting in no films with this rating among the top 100 (interestingly, the only animated film was Who Framed Roger Rabbit (1988), which combined animation with live action). In the 1980s, very few films for young viewers were among the most popular, and adventure films aimed at teenagers, mainly associated with Steven Spielberg and George Lucas, were dominant. This shifted in the following decade with blockbusters like *Beauty* and the *Beast*, *Alad-* din, The Lion King, or Toy Story taking top positions in the years 1991, 1992, 1994, and 1995. Hollywood returned to producing and promoting animated films for young audiences. Of the 10 animated films that appeared among the most popular works, all of them received a G rating. In the 21st century, the number of films accessible to all audiences among the most popular decreased: there were 6 such works in the 2000–2009 period and only 4 in the 2010–2019 period. On the one hand, this is due to the tightening of requirements for films suitable for children; on the other hand, animated films, which now account for more than 10 block-busters (specifically 43), sometimes include elements of explicit humour and violence deemed unsuitable for the youngest viewers. Thus, while a rather controversial musical like Jesus Christ Superstar was once considered suitable for all, 21stcentury films such as Shrek, Frozen or Ice Age were classified as PG, requiring parents' presence for children to watch.

Equally intriguing are observations regarding the second extreme category, films rated R (Restricted), only viewable by audiences below 17 years old in the company of adults. This category is the highest observed in the list of the 500 most popular films from 1970-2019, except for the sole film still rated NC-17 (originally rated X), Last Tango in Paris (1973). In the 20th century, films intended for mature audiences constituted about 1/3 of the most popular films (32% in the 70s and 80s, 35% in the 90s). However, their presence among the biggest hits declined steadily in the 21st century. In the first decade of the 21st century, only 11 films with an R rating made the list, and in the second decade, only 4 did. In the 2000-2009 period, these included films featuring significant violence and set in historical times like *Gladiator* (2000), *The Passion of* the Christ (2004), Troy (2004), 300 (2007), and The Last Samurai (2003). Additionally, two sequels to the 1999 hit film *The Matrix*, *Hannibal* (2001) by Ridley Scott, and the comedies Bad Boys II (2003) and The Hangover (2009) were also among them. In the second decade of the 21st century, only The Hangover Part II (2011), Joker (2019), and two films about Deadpool (2016, 2018) obtained an R rating but managed to reap substantial revenues, qualifying among the most profitable films of the decade.

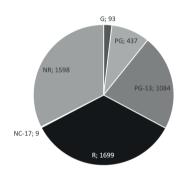
Over the 50 years under analysis, there has been a significant increase in the importance of the 'middle' categories, PG and PG-13, treated together (justified by the fact that the division into these two categories happened in 1984, so earlier data partially includes both). They constituted 54% of the most popular films in the 1970s, 68% in the 1980s, 55% in the 1990s, 83% in the 2000s, and a striking 92% in the 2010s. Since the 1990s, there has been a marked increase in the production of films intended not to provoke major controversies, designed to be 'family-friendly', watched by both parents and their children.

These trends will be even more apparent and perhaps better understood when examining all film productions distributed in the US in the first two decades of the 21st century. For this purpose, data from www.the-numbers.com were utilized. In addition to the aforementioned rating categories, this website's rankings also include films

shown in the US but not rated (Not Rated) – primarily films from independent studios or foreign productions. It is essential to note that the MPA is an association comprising five major American film studios and the streaming platform Netflix, and thus, the rating system does not cover all films screened in American cinemas. Nonetheless, even independent studios or smaller distributors willing to collaborate with the major studios are required to have their films rated by the CARA. Two indicators were considered: the number of films from each decade that fell into each rating category and the share of those films in the revenues generated in the global film market, accounting only for films distributed in the US that made even minimal profit. By collating data for the first two decades of the 21st century, the following charts were produced (Chart 2–4):

Number of films 2000-2009

Revenue share 2000–2009



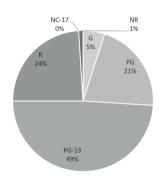


Chart 2. Number of films from 2000–2009 in particular age categories and the share of these films in global box office revenues.

Source: Own research based on the website https://www.the-numbers.com/.

Number of films 2010-2019

PG; 464 PG: 464 PG-13; 1062

NC-17: 4

Revenue share 2010-2019

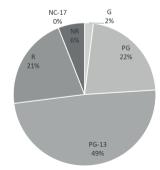


Chart 3. Number of films from 2010–2019 in particular age categories and the share of these films in global box office revenues.

Source: Own research based on the website https://www.the-numbers.com/.

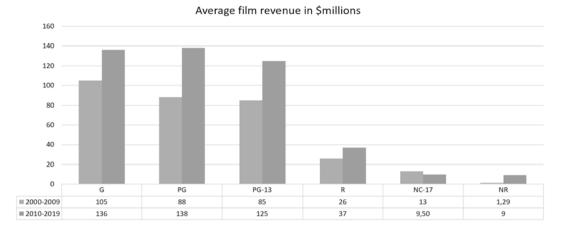


Chart 4. Average income of films from individual categories in millions of dollars for the years 2000–2019, divided into the decades 2000–2009 and 2010–2019.

Source: Own research based on the website https://www.the-numbers.com/.

The above charts merely confirm the hypotheses that could be inferred when observing the two hundred most popular films of the first two decades of the 21st century. G-rated movies constitute a very small portion of the film market, yet they yield significant profits to film studios, mainly due to a few carefully selected blockbusters that attract large audiences of young viewers. R-rated films, while averaging higher profits in the second decade of the 21st century compared to 2000–2009, form a shrinking part of the film market. There has been a decline both in the number of films in this category (dropping from 35% to 31% decade to decade) and their share of profits (falling from 24% to 21%). The NC-17 category is statistically insignificant; within 20 years, only 13 films were released in American cinemas under this rating. Their average revenues are bolstered by profits outside the USA, from films such as La mala educación (2004) by Pedro Almódovar (35 million earned outside the US and \$5 million in the US), or Ang Lee's Se jie (Lust, Caution), which made over \$60 million globally and slightly over \$4 million in the United States.[10]

An increase in the number of films not rated by CARA is also notable. In the second decade, almost 500 more films appeared on American screens compared to the previous decade – totalling over 2.000 titles. These films also started generating considerably more revenue, with an increase from \$1.2 million to over \$9 million. However, this was not due to any revolutionary changes on the American market; it was rather the result of a combination of economic factors, such as fluctuating currency exchange rates and improvements in data acquisi-

[10] The highest-grossing film in this category in the US was *Blue Valentine* (2010) directed by Derek Cianfrance, which grossed \$9.7 million domestically.

tion and processing. Additionally, the growing influence of non-American markets, including the Chinese and Indian markets, also played a significant role. Films not rated by CARA mainly earn profits through distribution in other countries rather than the USA. For instance, the most profitable "not rated" film in 2009 was the French drama Entre les murs, which made \$3.7 million in the USA and \$34 million worldwide. However, in 2019, the most-watched film in the USA not categorized by the MPA was the Chinese science fiction movie Liu Lang Di Qiu, earning \$5.8 million in the USA but over \$701 million worldwide. Globalization and the growing economic and cultural significance of China and other Asian countries have consequently impacted the American film repertoire. While foreign films in the first decade of the 21st century primarily comprised award-winning European films, they were replaced by Asian genre cinema in the second decade. This change is also observed in the realm of independent productions in the USA, which are outside the influence of major studios. Although films operating outside the MPA's control and distributed in the USA (films not premiered on the American market are not included in this analysis) represent a niche, this niche has grown from 1% to 6% over the last decade and is expected to continue expanding.

Statistics concerning all films distributed in the USA from 2000–2019 seem to corroborate the conclusions drawn from the analysis of the most popular productions. Films falling into the PG and PG-13 categories accounted for 31% of all film works in the first decade and generated 70% of the revenue. In the second decade, while the percentage of these categories in the total number of productions decreased slightly to 29% (although the absolute number of films in these categories remained roughly the same, around 1,500), their revenue rose by one percent, to 71%.

Although the average revenue of films in the PG and PG-13 categories in the first decade was lower than G-rated films (in the second decade, PG films surpassed those without age restrictions), this mainly arises due to statistical rules. A few blockbusters among a small number of films intended for the youngest viewers significantly boost the average revenue of the entire group. Nonetheless, it is clear that the 'Parental Guidance' categories are the most profitable and, consequently, the most desired by major studio executives, which is becoming increasingly crucial in today's reality.

The sustained dominance of films classified under the PG and PG-13 categories is likely influenced by several concurrent processes. The process of McDonaldization today affects not only fast-food chains but also creative industries, including the film industry. The ability to accurately calculate the distribution process, combined with increasing investments in blockbuster production, makes major studios strive to minimize economic risk by placing their assets in safe, standardized products aimed at the widest possible target audience.

Conclusions

The transition from analogue media, i.e., film reels, to digital media has changed the distribution system. "The platform distribution strategy," which was based on gradually introducing a film to theatres and producing new copies when it was well received by audiences and critics, has been replaced by the "carpet bombing strategy." [11] This strategy involves releasing a film in a large number of copies simultaneously on many screens. This strategy was first used in the 1960s by AIP, a studio specializing in low-budget films for teenage audiences. Today, thanks to digital distribution, the production of additional copies of a film is neither a technical nor an economic problem (in the analogue version, the cost of producing one copy ranged from several thousand to even tens of thousands of dollars). The strategy of releasing hundreds or even thousands of copies simultaneously on the day of the premiere has almost entirely displaced other types of distribution, especially for high-budget films. This increases the importance of promoting a given title and almost fetishizes the results achieved during the opening weekend. In the 1960s, critics joked that Roger Corman released his films in hundreds of copies simultaneously so that audiences would not realize the poor quality of the films. This joke has become (sometimes quite grim) reality today. As a result, advertising, maintaining interest on social media, and well-prepared trailers often seem more important than the film itself. If the advertising campaign is conducted properly, even if critics and audiences do not like the film, it can still achieve financial success thanks to the results obtained during the first few days of screening in thousands of theatres. An appropriate rating category, which expands the target audience, is crucial in this strategy. Therefore, films intended to achieve financial success must fit into categories that do not exclude any audience group. If a film receives an R rating (accounting for 11% among the top 100 box office hits in the first decade of the 21st century and only 4% in the second decade), it significantly limits the target group to which not only the film but also the accompanying advertising campaign can be directed.

The oligopolization of the media market, now dominated by five major media conglomerates, leads not only to media convergence, which allows profits to be drawn from various exploitation windows, but also to "media branding". As Paul Grainge noted in his 2008 book *Brand Hollywood: Selling Entertainment in a Global Media Age*: "Branding has been linked to structural changes, or intensifications, in the basis of consumer culture, which is especially associated with the move from Fordism to post-Fordism in the last third of the twentieth century." [12] In relation to the film industry, this means a significant increase in the importance of branding cinematic products. One of the fundamen-

[11] M. Adamczak, Globalne Hollywood. Filmowa Europa i kino polskie po 1989 roku. Przeobrażenia kultury audiowizualnej przełomu stuleci, słowo/obraz terytoria, Gdańsk 2010. [12] P. Grainge, *Brand Hollywood: Selling Entertainment in a Global Media Age*, Routledge, New York, NY and London 2008, p. 5.

tal problems associated with promoting films is that they are unique, one-of-a-kind products. On the one hand, this is related to the inclusion of film in the realm of art, which – according to the modernist paradigm – should be original, innovative, and unique; on the other hand, it contradicts marketing rules, which emphasize the importance of customer loyalty to brands they have learned to love.

All these overlapping processes cause major studios, especially for profitable films, to avoid extreme rating categories, allowing these productions to be addressed to a broad audience. As a result, major players in the creative industries no longer view moviegoers as cinephiles or even viewers but rather as a marketing target group, tailoring communication to maximize profits, especially during opening weekends.

Adamczak Marcin, Globalne Hollywood. Filmowa Europa i kino polskie po 1989 roku. Przeobrażenia kultury audiowizualnej przełomu stuleci, słowo/obraz terytoria, Gdańsk 2010.

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