

# ARGENTINA'S INFLATION TOPS 300%

## Economic Conditions Choke Show Business — Producers Loathe To Start New Features — Admissions Raised With Resultant Attendance Drop — Further Handicap Is Tough Censor Policy

When this *Variety* reporter (out of Madrid) was in Buenos Aires last November the cost of a ticket to a first-run salle was 32 pesos. The official exchange rate at the airport was 72 pesos per dollar, making the nominal cost of the ticket about 45¢.

However black market sources were paying as much as 150 pesos to the dollar, which translated to an admission price of about 21¢.

An ice cream bought in the film theatre cost almost as much as the admission. Unbelievably, ticket prices were and still are further reduced by half that price three days a week.

In stage drama here, a topnotch performance of Frederick Durren-matt's "The Visit," with a cast of 50, revolving stages, and all frills in respect to sets, costumes etc. actually cost less than the cinema, 30 pesos.

Foreign film distribs were climbing up the walls in frustration due to massive losses, as the blocked funds breathlessly corroded day by day. Argentinian distribs were reluctant to release any product due to the ridiculously low yield. As for buying new product, that was completely unthinkable, because

even \$1,000 represented a small fortune converted into pesos.

### Producers Hold Back

Most producers were refusing to launch into new productions, since there was no telling what the film would cost by the time it was finished. One of Argentina's biggest producers, Sono Films, had ground to a standstill four months before this reporter's visit. Banks were advertising 53% interest rates on half year deposits.

After due clamor, the admissions at the end of January this year stood at merely 70 pesos; even so, the rise caused a marked drop in attendance. Meanwhile, the peso's value continued to plummet. In mid-February the black market rate had reached an incredible 300 pesos per dollar and will probably be a lot higher than that by the time this gets into print. At that exchange rate tickets are worth 29¢.

One side-effect of the inflation is that Argentinian producers, more than ever before, must try to sell their product abroad, if they expect to ward off ruin. There has, in fact, been a rush to do coproductions, mainly with Venezuela whose currency is the hardest in South

America. Argentinian thespians are also more anxious than ever to work in other Spanish-speaking countries so they can be paid in anything but Argentinian pesos. Meanwhile, most Argentinians in and out of show biz have long since tried to invest as much money as possible in U.S. dollars as the only viable hedge against the galloping inflation, though it is strictly illegal and offenders are severely punished if caught.

### Toughest Censors

The plight of the Argentinian film industry is aggravated by having the toughest censorship in Latin America. Though there have been hues and cries for two years now to have the chief censor Miguel Paulino Tato ousted from the job, he is still deeply entrenched. Most film sources *Variety* spoke to felt that even if Isabella Peron were to lose power, Tato would remain where he is. Tato's last ploy, as reported in the local film trade weekly *La Gaceta*, was to close Ken Russell's "The Devils," after it had already opened in a B.A. situation. Alan Gibson's "Strange Twins" likewise got the axe, despite it already having gotten a green light

to unspool. It was grossing hefty peso amounts in its first two days of release when it was unceremoniously shuttered.

### Remittances Flop

The economic situation started seriously deteriorating in May 1973 and by mid-August of 1974 was already critical. Before the economic troubles Argentina ranked between 12th and 14th place worldwide as a market for Yank product. Now the majors are lucky to get any money out at all. For example, Col-Fox-Disney topper for Argentina, Emilio Planchadell, said in Nov. of 1975 that he had just gotten the bond for the money transfer for December 1974 and January 1975, meaning the money was blocked close to a year. At a runaway 300% plus inflation that makes for a big loss. The "remittable dollar" in November was 85 pesos to the dollar (compared to 150 on the black market). MPEA veep Griffith Johnson said that no funds had been received by the majors from Argentina since the spring of 1975.

Another example: Producer-director Leonardo Favio said his film "Juan Moreira" sold close to

four million tickets in Argentina, which would have been a fortune during normal times. But he had to content himself with the 15¢ admission prices. Distrib Hugo Vainikoff put it another way: "In the U.S., 300 six pay for the cost of a print of a film. Here in Argentina, we must sell 7,000 tickets to cover the same cost. Distribs receive only about 5¢ per ticket."

### Deploras 'Discounts'

The biggest exhibitor in Argentina, Hortensia Ortiz of the SAC circuit which controls about 60 top exhibition salles around the country, including the 3,300 seat Gran Rex, lamented among many other regulations, the half-price discounts during three days of the week. "It's the same type of public that attends every day," she said. "The discounts are a sad anachronism."

Everybody seems to agree that the situation can't go on as it has. However they've been saying it for years. The key to economic stability, of course, is political stability, and most people seemed to hope that would be achieved in the course of this year.

## Argentine Film Production, 1976

### MBC

**PIEDRA LIBRE**  
(Free For All)  
Prod.: MBC  
Director: Leopoldo Torre Nilsson  
Cast: Marilina Ross, Juan Jose Camero, Luisina Brando, Mecha Ortiz.  
Distribution: MBC (thru Contracuadro in Argentina).  
Ready for release.

**NO TOQUEN A LA NENA**  
(Don't Touch My Daughter!)  
Prod.: MBC  
Director: Juan Jose Jusid.  
Cast: Norma Aleandro, Julio De Grazia, Lautaro Murua, Luis Politti, Maria Vaner, Oscar Viale, Patricia Calderon, Julio Chavez, Gustavo Rey, Pepe Soriano.  
Distribution: MBC.  
In postproduction.

**QUE ES EL OTONO?**  
(What's Autumn?)  
Prod. MBC  
Director: David Jose Kohon.  
Cast: Hector Alterio, Nuria Espert.  
Distribution: MBC.  
Lensing starts in April.

### PRODUCCIONES DEL PLATA

**SONAR, SONAR...**  
(To Dream, To Dream...)  
Prod.: Choila  
Cast: Carlos Monzon, Gianfranco Pagliaro, Nora Cullen.  
Distribution: Producciones Del Plata.  
In postproduction.

**TU ME ENLOQUECES**  
(You Make Me Crazy)  
Prod.: Ansa.  
Director: Roberto Sanchez (Sandro).  
Cast: Sandro, Susana Gimenez, Hector Pellegrini, Luis Tasca, Nelly Lainez, Raimundo Soto.  
Distribution: Producciones Del Plata.  
In postproduction.

**LA GUERRA DE LOS SOSTENES**  
(The War of the Brassieres)  
Prod.: Rey Films and Venezuelan partners.  
Director: Gerardo Sofovich.  
Cast: Juan Carlos Calabro, Tristan, Mariquita Gallegos, Norma & Mimi Pons, Gogo Andreu, Guadalupe.  
Distribution: Producciones Del Plata.  
Lensing ends next week.

### ARIES

**EL GORDO DE AMERICA**  
(The Fat Man of America)  
Prod.: Aries.  
Director: Enrique Cahen Salaberry.  
Cast: Jorge Porcel, Elizabeth Killian, Leonor Benedetto, Jorge Martinez, Javier Portales.  
Distribution: Aries.  
Just released.

**LOS HOMBRES PIENSAN SOLAMENTE EN ESO**  
(Men Think Only Of That)  
Prod. Aries and Venezuelan partners.

Director: Enrique Cahen Salaberry.  
Cast: Jorge Porcel, Alberto Olmedo, Susana Gimenez.  
Distribution: Aries.  
In postproduction.

**EL CANTO CUENTA SU HISTORIA**  
(Singing Tells Its History)  
Prod.: Aries.  
Directors: Fernando Ayala and Hector Olivera.  
Cast: a large number of Arg. singers.  
Distribution: Aries.  
Lensing starts next month.

### DISTRIFILMS

**SOLA**  
(Alone)  
Prod.: De la Torre & Asociados.  
Director: Raul De la Torre.  
Cast: Graciela Borges, Luis Brandoni, Lautaro Murua, Hector Pellegrini, Martha Bianchi, Mabel Manzotti.  
Distribution: DISTRIFILMS.  
In postproduction.

**UNA MARIPOSA EN LA NOCHE**  
(A Butterfly In The Night)  
Prod.: Sifa.  
Director: Armando Bo.  
Cast: Isabel Sarli, Victor Bo, Armando Bo.  
Distribution: DISTRIFILMS.  
Ready for release.

### VICTORIA

**LOS CHICOS CRECEN**  
(Children Grow)  
Prod. Hector Bailez  
Director: Enrique Carreras  
Cast: Luis Sandrini, Susana Campos, Marcelo Marcote, Olinda Bozan, Virginia Luque, Eduardo Rudy.  
Distribution: Cinematografica Victoria.  
Ready for release.

**LOS MUCHACHOS DE ANTES NO USABAN ARSENICO**  
(Yesterday's Boys Didn't Use Arsenic)  
Prod.: Hector Bailez.  
Director: Jose Martinez Suarez.  
Cast: Narciso Ibanez Menta, Barbara Mujica, Mecha Ortiz, Arturo Garcia Buhr, Mario Soffici.  
Distribution: Cinematografica Victoria.  
Ready for release.

### ARGENTINA SONO FILM

**EL DIA QUE HICIMOS EL HURTO**  
(The Day We Did The Stealing)  
Prod.: Argentina Sono Film.  
Director: Hugo Sofovich.  
Cast: Ricardo Espalter, Ethel Rojo, Javier Portales, Mario Sanchez, Peggy Sol, Adriana Parets.  
Distribution: Argentina Sono Film.  
In postproduction.

### TRANSOCEAN

**EL PROFESOR EROTICO**  
(The Erotic Professor)  
Prod.: Cohen.  
Director: Rafael Cohen.  
Cast: Osvaldo Pacheco, Thelma Stefani, Atilio Marinelli, Vicente Rubino, Beatriz

Bonnet.  
Distribution: Transocean.  
Ready for release.

### SPITZ

**TE NECESITO TANTO, AMOR**  
(I Need You So Much, Love)  
Prod.: Emilio Spitz  
Director: Julio Saraceni  
Cast: Emilio Roca, Elizabeth Killian, Rosana Falasca, Jorge Barreiro.  
Distribution: Producciones Del Plata.  
Ready for release.

### CONTRACUADRO

**ADIOS, SUI GENERIS**  
(Goodbye, Sui Generis)  
Prod.: MBC-Contracuadro  
Director: Bernardo Kamin.  
Cast: members of the Sui Generis folk-rock group in farewell concert.  
Distribution: Contracuadro  
About to be released.

### ESPACIO

**TIEMPOS DURES PARA DRACULA**  
(Hard Times For Dracula)  
Prod.: Espacio (Argentina) — Aitor Films (Madrid)  
Director: Jorge Darnell.  
Cast: Jose Lifante, Miguel Ligerio, Maria Noel, Adolfo Linvel, Alfonso De Grazia.  
In postproduction.

### ZUPNIK

**JUAN QUE REIA**  
(John Who Did Laugh)  
Prod.: Bernardo Zupnik and associates.  
Director: Carlos Galettini.  
Cast: Luis Brandoni, Ana Maria Campoy, Dringue Farias, Oscar Viale.  
In production.

### FARINA

**ALLA DONDE MUERE EL VIENTO**  
(There, Where the Wind Dies)  
Prod.: Pino Farina and American partners.  
Director: Fernando Siro.  
Cast: Tippi Hedren, John Russell, Ina Ledesma, Maria Aurelia Bisutti, Ignacio Quiros, Ron Smith.  
In postproduction.

**SEIS PASAJES AL INFIERNO**  
(Six Tickets To Hell)  
Prod.: Pino Farina and American partners.  
Director: Fernando Siro.  
Cast: Mala Powers, John Russell, Ina Ledesma, Maria Aurelia Bisutti, Ignacio Quiros, Robert Dore.  
In postproduction.

### CONO SUR

**EL GRITO DE CELINA**  
(Celina's Cry)  
Prod. Cono Sur.  
Director: Mario David.  
Cast: Maria Rosa Gallo, Selva Aleman, Pablo Alarcon, Maria Vaner.  
Ready for release.

### HUROVICH

**EL FANTASTICO MUNDO DE MARIA MONTIEL**  
(The Fantastic World of Maria Montiel)  
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## 80% Obligatory Local Lab Work Soon; Caracas Has Five

### Caracas.

The number of film laboratories in Caracas is increasing. At present there are five of them in business, the newest of which is Deluxe, 38% owned by Deluxe General of Hollywood. The remainder is controlled by Caribe Lab, located in a twin building connected by a hallway.

The new Deluxe lab went on line July 1, 1975 and has a big Deluxe filmline developer and processor which handles 192 feet/minute of release prints. The lab's director, Lyonel Hutt, said that by mid-1976 he hoped they would be able to use the official "Color by Deluxe" label for all their work. Cost of setting up the lab was \$500,000, of which \$300,000 was for the processor, the only one of its kind in Latin America. Its runner up is the processor in Mexico's Churubusco lab, which handles 110 feet/minute.

### New Legislation

Though at present work is scarce, lab owners are optimistic due to new legislation. The Deluxe printer, which uses almost exclusively Kodak stock, presently runs at only a low fraction of its capacity, and sometimes must be turned on just to keep it limber (it costs \$170 just to start the big machine). "On one shift a day," said Hutt, "we can supply the whole Andine Pact nations (Chile, Peru, Ecuador, Bolivia).

For the local scene, a saturation release requires about 11 prints, or say 100 per year for local pix, which we can run off in one week. For normal pix, we usually make three prints for Venezuela and two for Colombia. With documentaries, complete saturation means 80 prints, and the biggest orders for the commercial markets are about 70 prints for saturation, though the average is more like 15-28 prints. Sometimes customers will only ask for four or five. Commercials and

shorts are handled entirely by Caribe, who also do three color newsreels per week. The total turnover from the front end lab is about \$1,500,000 a year, with some of the work on commercials exported to Central America, the Antilles and even to Puerto Rico."

### Drain On Continent

In the future, Deluxe expects to get most of its biz from the remainder of South America with, of course, all work done from negatives rather than resorting to the iniquitous reversibles. Deluxe might also do prints in Caracas for distribution in the Hispano circuits in the U.S.

The key to the upsurge in Venezuelan labs is a new law which went into effect in October 1975 whereby 60% of the total of all prints exhibited in Venezuela must be made here. That percentage will be increased to 80% after Sept. 30, 1976. The wording of the regulation said Hutt, is very precise. "The total number of prints made in Venezuela each year is about 1,800. However if you wanted to you could print them and then send them to Africa or anywhere else you wanted to. The Deluxe lab was set up because of the legislation and the knowledge there'd be enough work in the future."

### Duties On Prints

Duties for bringing in prints to Venezuela are relatively low, \$40-\$60 each. Kodak stock runs \$32.50 for 1,000 feet (as per the end of 1975), plus 5% duty on value. Cost of bringing in a negative is \$300-\$400.

What Deluxe is banking on most is the quality of the work to be done, 70% of which would be exported from Venezuela, since labs in other parts of Latin America are considered to be poor to bad in quality.

The other labs, besides Deluxe and Caribe, all of them front-end. (Continued on page 82)