



Left: "A Certain Fury," starring Tatum O'Neal and Irene Cara. Set for September '85 release.  
Right: "The Stuff," starring Garrett Morris as Chocolate Chip Charlie.



## HOW A NEW COMPANY HIT ITS MARK IN SIX MONTHS

# New World Arrives: Projecting The Product Image Of A Studio Major With Personal Touch

"Fraternity Vacation," starring Tim Robbins, Cameron Dye, Stephen Geoffreys and Britt Ekland.

In an increasingly congested, competitive home video market, how quickly can a new company expect to make its mark? For New World Video, the answer is quickly indeed. In just six months, this latest new venture for the highly visible New World Pictures theatrical production and distribution empire has beaten the odds spectacularly, reaping four consecutive RIAA platinum sales awards with its first four releases.

That unprecedented string of major home video sellers mirrors an aggressive, ambitious game plan

**"The video division operates as a mirror image of what we do with our theatrical sales. It's a very aggressive approach both here and at the video level, with strong point-of-purchase orientation, contests, incentives to sub-distributors and dealers much as those we create for exhibitors."**

**ROBERT REHME**  
Co-Chairman & Chief Executive Officer  
NEW WORLD PICTURES

developed since the unit's formative five months before that maiden product release in February of 1985. The previous September, the young management team behind the parent firm tapped home video veteran Paul Culberg to head up the new video arm as its executive vice president and general manager. Culberg's own background, spanning both retail and manufacturer sales and marketing in the recording trade, as well as key posts in then embryonic home video operations for Paramount and later Media Home Entertainment, shared a pointed emphasis on New World's own boxoffice forte—effective, and dramatic, product promotion.

If Culberg's combined dossier already mirrored a true home entertainment orientation positioning the company for a broad retail presence, New World's own structure and style dictated some special concerns that have since shaped New World Video's strategy.

"We're looking to position this unit as closer to

the studio majors than to other indies," explains Culberg, who points to New World Pictures' own annual production slate of theatrical features as guaranteeing a substantial but still manageable flow of key titles.

With the parent firm forecasting from 18 to as many as 30 movies in the next year, Culberg projects additional acquisitions, including original home video productions, that would yield a total of approximately 40 titles a year. That equation translates into individual release schedules of four or so titles per month—large enough to establish identity with accounts while selective enough to insure maximum exposure for each title.

Key programming issues including release window timing against boxoffice rollouts and local and regional promotion meanwhile differ from other home video vendors because of New World Pictures' own maverick marketing style. Because the parent firm specializes in modestly budgeted features—typically around \$3 million in negative costs, as compared with the \$14 million to \$16 million average budget for studio features—New World rolls out its movies on a regional timetable.

Apart from reducing initial print and distribution costs and affording added flexibility in "rescuing" more marginal product, New World's regional strategy substantially extends the market life for its titles. As a result, the classic six month release window separating boxoffice from video store can't be routinely applied to New World Video product.

"We're historically tied to our movie marketing approach," says Culberg. "That affects how we market our video product in several ways. Because the parent company's ties to theatrical exhibitors are so strong, I have to be very scrupulous in avoiding can-

"Girls Just Want to Have Fun," starring Sarah Jessica Parker, Shannon Doherty and Helen Hunt. Set for October '85 release.



"Lust In The Dust," starring Tab Hunter, Divine and Lainie Kazan.



**"I'd be less than honest if I didn't admit that even I'm surprised by how successfully we've done in the home video market. Obviously, we're not spending the kind of dollars the majors are when producing our features, but we're keeping company with them in terms of video sales."**

**LAWRENCE KUPPIN**, Co-Chairman  
NEW WORLD PICTURES

nibalization of a particular feature still playing theatrically."

That's an outgrowth of New World's origins in direct marketing links between theater and distributor. "The video division operates as a mirror image of what we do with our theatrical sales," agrees Robert Rehme, New World's co-chairman and chief executive officer. "It's a very aggressive approach both here and at the video level, with strong point-of-pur-

(Continued on page NW-17)

