

O
D
E
O
N

the indies vs. the chains

canada's theatrical wars

by kirwan cox

GALA OPENING THURSDAY
NORTH AMERICAN
OLIVER TWIST
PATRICIA ROC TREVOR HOWARD

Patricia Roc and Trevor Howard made guest appearances at the Odeon Carlton Theatre's gala opening of *Oliver Twist* in Toronto

photo: John C. Lindsay

Hollywood has dominated the world's screens since World War I, but that domination has never been so complete as it has been in Canada. Most other countries had a strong cultural tradition which made the absence of native films apparent. Canadians accepted their invisibility docilely.

The obverse side of this coin – Hollywood's unquestioned and unquestioning domination – is Canada's unquestioned and unquestioning submission. By Canada, I refer primarily to politicians and, secondarily, to the exhibitors and distributors who branched into production in other countries for obvious pecuniary reasons. This did not happen in Canada. The "film industry" was an industry of amputation – exploitation of the market without production.

The Rise of N.L. Nathanson

In 1919, the Allens owned one of the largest and most modern chain of theatres in the world. They had a franchise for Famous Player-Lasky Films (distributed by Paramount) which was up for renewal. The Allens had built their chain on the profits from the exclusive right to Paramount's movies in Canada. Paramount's head, Adolph Zukor, was expanding into exhibition and refused to renew the Paramount franchise unless the Allens took him into partnership in their theatre chain. They refused.

Enter N.L. Nathanson who bought his first theatre in 1916 (in Toronto) with the backing of prominent Canadian financiers. In 1923, after a coast to coast building war against the Allens, Nathanson, acting for Zukor's Paramount, bought out the 53-theatre chain for a fraction of the appraised value. Nathanson went on the build Famous Players and acquire more and more first-run options with all of the American movie companies. Nathanson didn't like competition in any form, and broke more than one independent theatre owner as Famous Players grew.

By the late twenties, some "indies" rose up against Nathanson with the help of a prominent Toronto lawyer, Earl Lawson. He pushed for the Combines Investigation in 1930 which reported that Famous Players and the Hollywood companies were, in fact, a combine. A subsequent trial in Ontario acquitted the defendants.

Nathanson's luck changed when he swindled the business partners on his Board of Directors in a stock deal regarding Famous Players shares in 1929. They found out, and kicked him out of Famous Players with Zukor's blessing. He then tried to set up a new chain in partnership with William Fox. He would get the Fox franchise for Canada and repeat the same formula that he used to set up Famous Players with the Paramount franchise – guaranteed access to top quality Hollywood product. Unfortunately for N.L., the stock market crash created problems for Fox and the deal fell through.

After Paramount encountered financial difficulties, Nathanson manoeuvred himself back into Famous Players in 1933 as president. In protest, almost the entire Board quit.

At this time, N.L. Nathanson was at the peak of his power, which ranged from being C.D. Howe's man on the Board of the CBC to running hundreds of theatres and owning the distribution rights to the biggest Hollywood companies in Canada. He also owned a share of the largest production company in Canada, ASN, which made its money doing lab work for Hollywood.

Famous Players was the keystone of this empire. With only 20 percent of Canada's theatres it was reaping about 50 percent of Canada's total box office in 1937. That year single



While children line up for a Saturday matinee, Paul Nathanson and J. Arthur Rank congratulate each other

theatre owners made up 54 percent of total theatres and took in only 29 percent of Canada's total box office gross.¹ The reason was simple: first run product was tied to Famous Players or its subsidiaries.

Without guaranteed access to first-run Hollywood product, a theatre was second or subsequent run and often a marginal operation. As veteran exhibitor Nat Taylor remembers: "There was first run and then no run."² Today, first run revenue accounts for 70 percent of all box office gross.

Nova Scotia vs. Nathanson et al

At this time, a Sydney, N.S. exhibitor (probably W.H. Cuzner), was fed up being a "no run" theatre, and angry with Nathanson's tactic. He convinced Malcolm Patterson, MPP for Cape Breton West, to sponsor a bill making "unfair discrimination" in the allocation of films to theatres a criminal offense. This was the first provincial attempt to regulate distributors and intercede in the exhibition/distribution system on behalf of the independents. It was passed on April 15, 1939 – the last day of that parliamentary session.

Explaining his bill, Patterson said:

"Theatre-goers in Nova Scotia are being compelled to pay into a racket being carried on in Ontario. . . Famous Players is a theatre operating company with a manager named Nathanson in Toronto. . . Nathanson also is head of distributing companies which own and control practically all the important pictures that are shown in this province. In conjunction with the Nathanson distributors, they are today carrying on a system of discrimination against the smaller theatres, and if it continues, the small theatres will have to close and a monopoly will be created.

. . . We can shut off this racket and prevent this man Nath-

anson and Famous Players from taxing the people of this province who attend theatres.”³

He was wrong. Nova Scotia could not beat the film industry. First, Famous Players Vice-President J.J. Fitzgibbons replied:

“Certainly it can’t be said, so far as I know, that we are competing unfairly in Nova Scotia, according to regular theatre operation practice.”⁴ (emphasis added)

The film companies blackmailed Nova Scotia into not promulgating the law which had already been passed in the Assembly by threatening a boycott of all Hollywood films in all Nova Scotia theatres. On April 20, five days after the bill was passed, all of the St. John N.B., distribution offices (which handled the Nova Scotia market) were publicly notified by Toronto not to sell any more pictures in Nova Scotia effective once existing contracts ran out. At this time there were 65 theatres in Nova Scotia, a strong indie market until the postwar era.

Next, after the mailed fist – the velvet glove. A delegation from Toronto went to Halifax to meet with the Premier and the independent exhibitors. Hollywood’s Canadian lobbyist, Colonel John Cooper, led the group along with two men from Famous Players and the Fox and RKO distributors. The group set up a “conciliation board” with the indies to settle internal industry problems and the indies were apparently satisfied. They got something and Hollywood got something, because the law was not promulgated until the sixties. (It was this law that allowed a Maritime independent to fight the Hollywood system in the mid-seventies.⁵)

In the end, a provincial government had been successfully intimidated by Hollywood and Nathanson. The threat of a movie boycott was the ultimate weapon Hollywood had, and they were not beyond using it.

The Creation of Odeon

It appears that N.L. had been preparing for his split from Famous Players for some time. He had never really liked being a branch office, although the economics of the movie business seemed to force him into that role. Zukor had sent up two of his men to run Famous Players after Nathanson was fired in 1929 – J.J. Fitzgibbons and R.W. Bolstead.

Nathanson, when he returned to Famous in 1933, told journalist Ray Lewis that he had an “understanding” with Zukor, that he would acquire control of Famous. But Zukor resigned and his successor, Barney Balaban, was committed to no such understanding.⁶ Fitzgibbons was number two at Famous under Nathanson, but he ran the company according to Paramount practices, which N.L. couldn’t undo when he returned in 1933. Fitzgibbons was also a close protégé of Balaban.

In the late thirties, while president of Famous Players, Nathanson began acquiring theatres which were in competition with Famous Players, through a middleman, Oscar Hanson. This personal scheme was discovered and he was forced to sell these theatres to Famous, but he kept working on the side in opposition to his own company.

The result was Odeon Theatres whose nominal head was N.L.’s son, Paul. Paul was in his mid-twenties and had shown little previous interest in the theatre business. Later, Paul claimed that he picked the name Odeon out of the dictionary (it is Greek for “theatre”) completely unaware of the

Odeon chain in Britain, which J. Arthur Rank acquired in 1941.

Nathanson’s employment contract with Paramount was coming up for renewal in 1941. However, he obviously did not intend to renew it. Perhaps he felt he could do to Famous what he had done to the Allens twenty years earlier: steal their most important Hollywood franchise, build new theatres in opposition, and buy up the pieces that shook loose.

Nathanson could not build a chain of theatres without an exclusive franchise from a least one Hollywood major. The Allens had needed it and went bust without it. Nathanson had needed it to start Famous Players, and he wouldn’t start a new chain in the early thirties without it. When he set up Odeon, N.L. claimed he had the MGM franchise.

Nathanson’s own distribution company, Regal Films (managed by his brother Henry), had the exclusive franchise for the biggest and best production company of this period – MGM. N.L. told small theatre owners across the country that they would get first run MGM product exclusively if they joined his new chain, Odeon Theatres. This was heady stuff for people who had second run or “no run” houses – the lowly indies. Many signed up.

In other cases, Nathanson used his position as head of Famous to steal theatres out from under that company, since Famous had been built by N.L. as a series of partnerships and holding companies that were incredibly complex. Nathanson began renewing contracts personally, rather than for Famous Players.

Nathanson also simply renewed certain theatre leases for Odeon after they expired. Apparently he did this with a Famous subsidiary called Hamilton United Theatres which owned the Capital and Palace theatres in Hamilton. Taking these theatres wiped Famous out of the center of this city. Famous Players sued Nathanson over the ownership of this company in 1942.⁷

Nathanson resigned from Famous Players in May 1941 taking with him to Odeon some of Famous Players top staff. These men, such as Tom Bragg and Clarence Robson had been with N.L. from the beginning at Famous Players. At Famous Players J.J. Fitzgibbons took over.

During the next months there were many rumours about who had, or who had not, joined Nathanson and about which Hollywood studios had, or had not, joined Nathanson and about which Hollywood studios had, or had not, signed their franchises over to Odeon. There was a meeting in New York at Nick Schenck’s office. (Schenck headed Loew’s Inc. which controlled MGM and was then the most powerful man in the movie industry.) Nathanson, Fitzgibbons, Balaban and others, were to decide who got MGM product in Canada. Nathanson lost and Famous kept MGM (and control of the Canadian exhibition market). However, Nathanson didn’t come away empty handed. He retained the MGM distribution franchise and Odeon got some of the lesser distributors.

The current president of Famous Players, George Des-tounis, described this split between Odeon and Famous:

“Well, it’s been an historical fact that prior to independents, that the major distributors aligned themselves with either one circuit or the other. People like Paramount and Warners and United Artists will play 100 percent Famous and people like Columbia and two thirds Universal and one third Fox would play Odeon. You must bear in mind that in the original setup there were companies like RKO (and

MGM as we knew it and it was agreed I understand early (in the forties) how the breakdown (worked) when Odeon was first formed.”⁸

Without MGM, many indies deserted Nathanson. Despite losing the MGM franchise and the wartime building restrictions on new theatres, Odeon expanded because it had some Hollywood and British product and there was a movie theatre shortage as wartime business boomed. Nathanson laid plans for a massive building program after the war, but he died in May, 1943. His son, Paul, was not president, in fact as well as title. Haskwell Masters was made General Manager.

The Indies Rise Again

The formation of Odeon was not the only wartime threat to Famous' supremacy. One change was the control which the Wartime Prices and Trade Board had on the exhibitors' business. If the independents were to avoid being cut out of the decisions the Board's R.C. McMullen was making (and being lobbied to make by Cooper, Fitzgibbons, Nathanson, et al), they also had to become organized and lobby. While the creation of a second national chain by Nathanson had changed the industry's structure, the independents still had to wait for product after these two companies were satisfied.

The result was an aggressive new exhibitor's association in Ontario called the Independent Motion Picture Exhibitors Association. The first meeting was held in the King Edward Hotel, Toronto, in early January, 1942. Over 40 exhibitors who were unaffiliated to the chains attended and elected Barnett E. Lax-

er president. He had the Biltmore theatres in Kingston and Oshawa.

There already existed numerous exhibitors' associations across Canada. Some were dormant, some really represented a single company, some were simply booking agencies, and most were moribund because they included the chains as well as the indies. There chains naturally were satisfied with the *status quo*.

Laxer quickly found out that McMullen didn't want to deal with provincial associations, but only national groups. So the National Council of Independent Exhibitors of Canada was set up to deal with the Wartime Prices and Trade Board. McMullen's importance can be understood because he had already set a ceiling on ticket prices and film rentals and guaranteed that exhibitors would continue to share product on a *pro rata* basis.

Next, Laxer published a 32 page pamphlet dated March 26, 1942, which attacked the industry's market organization and pointed out that the chains and distributors were gradually pushing the independents out of business. The pamphlet, titled "Memorandum of the National Council of Independent Exhibitors of Canada to the Wartime Prices and Trade Board and to James Stewart, its Administrator of Services", charged:

"Independents are being driven out of business at an unprecedented rate, while the surviving ones with good theatres are in danger or extinction.

Finding the avenue of theatre construction closed, the Chains have turned to the independent territory for extension in Canada. The weapon now employed by the Chains



Wishing her "bon voyage", Brockington and Salmon of Odeon salute Dorothy Moreau - Miss Canada - who is off for a screen test for Rank in England



John J. Fitzgibbons, President of Famous Players Canadian Corporation, Canadian theatre chain affiliated with Paramount Pictures, chats on the set of Cecil B. DeMille's *The Ten Commandments*

for absorbing Independent theatres is that of taking away their pictures, or as it may be otherwise stated, worsening the product of Independent theaters, by depriving them of the pictures of certain producers, by selecting top bracket pictures, leaving the poorer pictures to the Independents, by taking away their runs of particular producers – in short, by over-buying.

The attitude and conduct of the Distributors and Chain exhibitors appears to be one of disregard of the Government's plan and purpose as shown in its Wartime Prices and Trade Board measures... The seeming intention of the Distributors and Chains is to pursue their business as if no Wartime Board had come into being." 9

Citing the Dominion Bureau of Statistics as its source, the memorandum said the growth of chains (defined as four or more theatres under single ownership) went from 18 percent of all theatres in 1930 to about 50 percent of Canada's 1250 theatres in 1942. During this period, total revenue of the chains went from 40 percent to about 75 percent in 1942 (from a total box office of \$38 million).

The reaction to this uprising was incredibly fierce. The *Canadian Moving Picture Digest's* Ray Lewis said:

"...why, in such a time as this, when all right-thinking men and women are directing their thinking, their man and woman-power towards a War Effort, that a group of motion picture exhibitors should expend energy, time and man-power in kicking the Canadian Motion Picture Industry in the pants, instead of Hitler! . . . We have been told, that since the publication of the pamphlet, some exhibitors have withdrawn from the Ontario group." 10

The chains were quick to react by setting up a new exhibitors organization to destroy Laxer's group. This time they weren't going to let the indies form their own association, but they would set up one group for all exhibitors. This strategy would keep the indies from organizing against the "system" as Laxer had done.

In September, 1942, the Motion Pictures Theatres Association of Ontario was set up. This association would include chains, and Ray Lewis gave her seal of approval:

"We think it is an excellent idea to form such an association as we are of the opinion that an exhibitor is an exhibitor,

regardless of whether he belongs to a circuit or is operating one or more theatres independently." 11

The MPTAO successfully co-opted the independents who were now finished as an organized and militant political force pursuing their own interests in opposition to Hollywood's interests.

The indies fight against the Hollywood system was also undermined by the rising prosperity in the movie business. Audiences increased 58 percent during the war and even the independents were wealthier than ever. The *status quo* didn't seem that bad to many of these men.

The Odeon-Famous Pool

Despite fears of a postwar depression, or maybe because of them, the pent-up energies and profits of the theatre companies went into a building boom which continued until television paranoia became all-pervasive around 1949-50. Famous Players decided to stress modernization of its large theatre circuit which grew from 327 theatres in 1944 to 383 in 1949. Odeon decided they would buy or build new theatres to catch up with Famous. Between 1946 and 1951 in Ontario alone, the number of theatres in operation increased by 36 percent. Some of these were modern palaces while other's were little more than rural quonset huts.

While Odeon and Famous Players appeared to compete for theatre locations, they were actually eliminating competition between themselves. This pooling of the major chains seemed to disturb the American distributors more than the now-emasculated indies. The following report was in *Variety* in 1946:

"An 'entent cordial' between Famous Players-Canadian and Odeon, Canada's two top theatre circuits, has been set up to eliminate competitive bidding for product, according to indications reaching major U.S. distribs. With Canadian b.o.s. strong, the circuits have discovered, it is said, that there was considerably more profit to be made by not pushing up prices for product by bidding against each other. . . Arrangement – tacit or otherwise – between Odeon and FPC has come to light with efforts of U.S. companies to make deals on their product. They have discovered, they say, that if Odeon refuses a contract because of terms and a sale is then attempted to FPC, the answer is automatically a nix. And vice versa.

With Canadian rentals so satisfactory and apparently nothing to be gained by any public squawk against the alleged Odeon-FPC entents, major distribs are just swallowing their annoyance and keeping quiet. No action of any sort is planned." 12

The pool was denied by Toronto distributors, 13 but it is hard to imagine people admitting that they were breaking the law, or that their biggest customers were breaking the law. And at this time, Hollywood had enough trouble in the U.S.

In 1948 there were 20,000 U.S. theatres (compared to about 1,500 in Canada) and Loew's (MGM), Fox, Paramount, RKO, and Warners owned 3,000. However, these theatres (15 percent of the total) accounted for 45 percent of all of Hollywood's film rentals in American. This 45 percent was enough to "control" the market according to the U.S. Justice Department. In 1948, the large Canadian chains (20 or more theatres) controlled 22 percent of Canada's theatres and 59 percent of the box office. Of course, the Anti-combines Investigation unit could not find a problem in Canada and Famous Players was not affected by the U.S. decision against Paramount. 14

After the U.S. anti-trust decision in 1948, which split the theatres from the majors, Canadian independent exhibitors began to get ideas again, which *Variety* reported:

"Indie exhibs, meanwhile, are starting to squawk over the alleged monopolistic practices of the major distribs. They claim they are being frozen out of first run product. Odeon and Famous Players circuits, it's charged, take the cream of the pix before they are given a chance to bid on product. An indie in Victoria alleged he can only buy what the major exchanges can't slough off on the big circuits.

Only major distributing company without theatre tieups is United Artists on whose product J. Arthur Rank's Odeon circuit has first call. Indie exhibs are pressing for an anti-trust suit along the lines of the recent U.S. Supreme Court decision of theatre divestiture. However, there would have to be a major investigation before any actual governmental steps were taken." 15

Rank Buys Odeon

Paul Nathanson and Rank were rumored to be negotiating as early as four months after N.L.'s death. Finally, in December, 1944, Rank and Paul Nathanson announced they were 50-50 partners in General Theatre Corp. Ltd. which controlled Odeon of Canada (about 100 theatres by that time). Paul Nathanson retained control of management and his other film interests in distribution, etc., were unaffected by this deal.

Suddenly, in 1946, Paul Nathanson retired at the age of 31 for health reasons, and he sold his 50 percent share to Rank for a rumored \$2 million. He said his father had always wanted to set up an Empire-wide theatre circuit and the sale to Rank helped carry that design forward.

With Rank in control, J. Early Lawson was appointed president. Rank had decided he wanted a man of some power and influence running Odeon rather than simply an old theatre hand. Lawson had had a longtime interest in the movie business as the lawyer for independents who sought Nathanson's monopoly in the late twenties, and later as N.L. Nathanson's lawyer. However he was a prominent figure and had been a member of the Federal Conservative cabinet under Bennett and an M.P. until 1940 when he retired from the House.

Rank, of course, called the shots and John Davis made an annual trip to Canada to oversee the operation which looked increasingly like it would encompass film production.

Odeon Wants a Quota

Rank had long-range plans for feature film production in Canada, or at least he gave that impression. The *Canadian Film Weekly*, reported that feature production in Canada was definite and Rank was looking for a story. 16 He wanted Commonwealth production to add "realism." At this time, Rank said he planned to make 35 features budgeted at \$8 million in 1947.

These plans ended when the British Government put a 75 percent Ad Valorem tax on film rentals of foreign films in England. Mindful of the Canadian branch plant quota films of the thirties, Commonwealth movies were put in the foreign category. The result was that Rank's studios overseas were shut down. This included South Africa and Australia as well as Canada. *Variety* reported that Queensway Studio in Toronto was at a standstill except for sponsored films. 17 Four low-budget features which had been planned were shelved.



The porter of the Dorchester Hotel calls a taxi for the Hon. and Mrs. J. Earl Lawson, in London for a few week's stay

Hollywood retaliated by boycotting the British market and British films were regularly picketed in the U.S. Rank had always had trouble getting access to the U.S. market, and this compounded those problems.

During this period, Earl Lawson tried to get Ontario to set up a quota for British (and Canadian) feature films. He suggested 10 percent of the films shown with exceptions for theatres which changed programs three times a week, but not lower than 5 percent.

Lawson concentrated on Ontario because it already had a provision in its Theatre Act for a British quota which could be set by order-in-council. Also, along with the 75 percent tax, Britain had raised the quota for British pictures from 17 1/2 percent to 45 percent. Before it was raised, Rank theatres in U.K. averaged 30 percent British playing time and other theatres average 20 percent. Lawson said that in 1948, Rank's theatres played 55-60 percent British screen time.

In a memorandum dated August 26, 1948, and addressed to Premier Leslie Frost, Lawson pointed out why a quota was

"Aside from the people of this province being strongly British in sentiment and therefore, by an overwhelming majority, would favour a quota, the national interest of Canada would be served:

- (a) By increasing the number of Canadian dollars remitted to the United Kingdom, thus enabling the United Kingdom to buy more agricultural and manufactured products from Canada, and
- (b) By automatically curtailing the demand for U.S. dollars for remittance of film rentals to the United States.

The Ottawa Journal or Citizen some time ago had an editorial or special article in which it was stated that a 20 percent quota nationally on British and French pictures would do more to remedy the shortage of U.S. dollars than all the cooperation and collaboration between the Minister Hon. Mr. Howe and the U.S. Film Producers and Distributors. With that statement we entirely agree."

He knew the plan would not be without opposition, but added:

"If the above suggestions are adopted we are firmly convinced that there will not be justifiable complaints from exhibitors, and particularly from the independent exhibitors. The introduction of any quota law will naturally bring protests from the large circuits of theatres."

There is a certain irony in all of this: a former Conservative cabinet minister arguing for a quota; the second largest exhibitor (and largest British producer at that time) saying the government should interfere in the market; and all of this from the company which since then and over the years has argued strenuously against a quota for Canadian films and recently said it sold its Canadian theatres because of the possibility of legislation such as a quota. Self-interest has never been a consistent ideology.

At any rate, Ontario Censor O.J. Silverthorne was asked to comment on this proposal. He said British pictures were good and less violent than American pictures (an increasing concern of the Ontario board at that time); they were popular, it was patriotic to support them; and a quota was feasible because it was already in the Act. The memo stated flatly: "A quota established for the benefit of British pictures appears to be desirable. . ."

He adds:

"It is safe to assume that any opposition to a quota will be inspired by the American motion picture interests. It is believed that the present administration would secure a lot of credit for initiating a quota." 18

Silverthorne was in favour of a quota pure and simple. On January 17, 1949, Frost wrote a memo to the deputy minister, Dr. C.S. Walters, which said:

"I wish you would get Mr. Silverthorne and go over this file and let me have your joint recommendation as to the following:

1. Is it desirable that there should be a quota?
2. If so, what percentage should there be of British films?
3. Any other points which you think are material.

I am most anxious to consider this matter the last week of this month, and if you would kindly go over the same and let me have your joint recommendations we can then give the matter consideration."

At this point, a headline appeared in *Canadian Film Weekly*: "Quota Talk Bunk, Says Ottawa." Ottawa turned out to be A.H. Newman, liaison officer for the Canadian Cooperation Project 19 and at this time pliant to MPAA suggestions. He could hardly make Government policy, but he said:

"The Canadian Government would be very pleased to see as many British films used in Canada as possible — and, for that matter, films from any other European nation. But no steps will be taken to discriminate against the films of any nation." 20

It has turned out that part of his job was to see that the CCP was not threatened. And any action against U.S. pictures was a threat. A classic case of co-option of the regulator by the regulatee. In the same article, the *Canadian Film Weekly* polled exhibitors about a quota and said "In every case exhibitors were vigorously opposed to being told what to play."

The Americans were fighting back. On February 11, 1949, Silverthorne reversed his earlier memo and argued against a quota. His first memo had been four pages long in favour, now he could find only one page of arguments against:

"Up to this date quotas have not been fixed under our Act because of the fact it has always been held that this is purely a Federal matter. . .

The fixing by one single Province of a quota on British pictures, might under present condition, result in injury to the British film industry for the reason that powerful factions opposed to British films might select the most mediocre of British features for the sole purpose of bringing these subjects into disfavour with the theatre going public.

In view of the foregoing, we would advise that no action be taken in this matter as we believe that this whole idea of quotas is a Federal affair."

Dr. Walters wrote in the corner: "I am in substantial agreement with the views expressed herein." Why did Silverthorne reverse himself and why was the Federal canard dragged out when the legislation was already in place in Ontario? The power of Hollywood over the Canadian political process was once again quietly demonstrated.

Lawson died May 13, 1950, at the age of 58. He was succeeded by the eminent lawyer and former CBC Chairman, Leonard Brockington, but Brockington did not have Lawson's energy or knowledge of the film business.

In fact, Lawson's death, combined with the collapse of Rank's English production operation from Hollywood pressure as well as the advent of television, ended Odeon's expansive period. The theatre chain seemed destined to remain Famous Players' junior partner in the exploitation of Canada's movie market. Still, that was better than being a "no run" indie.

The Nathanson Legacy

The theatre system N.L. Nathanson set up during his lifetime has changed remarkably little in the years since. The circuits he started, Famous Players in 1920 and Odeon in 1941, are still dominant; still connected to the Hollywood distributors in roughly the same manner N.L. left them; and even run by many of the same people. The independents still have a raw deal and still (with the odd exception) accept it. If he were still alive, it is hard to imagine that N.L. would have let things stay in such a rut for so long. □

1. *Canadian Film Weekly*, December 1, 1948 (CFW)
2. Interview with Author.
3. *Variety*, April 5, 1939
4. *Variety*, April 5, 1939
5. "Rocca's Big Fight," *Cinema Canada* no. 25
6. *Canadian Moving Picture Digest*, June 5, 1943 (CMPD)
7. The young J.J. Robinette defended Nathanson in this case which dragged on after N.L. died and after Rank bought Odeon. Finally the suit was dismissed without costs on the consent of all parties concerned in December, 1948. The theatres apparently remained with Odeon.
8. Interview on CBC's "Home Movies," telecast March 17, 1976
9. *CFW*, August 19, 1942
10. *CMPD*, August 22, 1942
11. *CMPD*, September 19, 1942
12. *Variety*, April 10, 1946
13. *CFW*, April 24, 1946
14. *The Anti-Trust Bulletin*, Spring, 1975
15. *Variety*, June 29, 1948
16. *CFW*, May 28, 1947
17. *Variety*, September 2, 1947
18. Silverthorne Memo, September 7, 1948
19. "The Majors and the Mandarins," *Cinema Canada* no. 22
20. *CFW*, February 2, 1949