Walt disney and toy story



Pixar and Disney: A Study of Creativity and Culture In 2005 the managers of Pixar Animation Studios were facing a crisis. The company's ten-year partnership with Disney was about to end and the company had three options: draft a new agreement with Disney, find a new partner, or set up their own marketing and distribution network. [1] Renewing the partnership with Disney seemed, to many, like an obvious choice. The arrangement had been a boon to the fledgling studio when it was first starting out.

Disney had provided most of the funding[2] and had given Pixar's movies top flight marketing support[3] in exchange for ownership of Pixar's characters and a substantial percentage of the profits. Pixar had grown, however, and had accumulated enough funds to finance its own films. [4] Forty-five percent of the operating income for Disney's film operations came from the sale of Pixar's movies, and Disney's own marketing research showed that mothers trusted the Pixar name more than Disney. 5] A study of box office receipts revealed that four of the ten top-grossing "Disney" movies in the history of the company (including live action films) had been Pixar products. Pixar's Finding Nemo, released in 2003, was the highest grossing film ever released under the Disney banner though Disney's own studios had not produced the film. It had broken the record formerly held by The Lion King. [6] Disney's executives, however, had refused to "give" on a number of important issues, and Pixar's managers had given up on trying to negotiate with them in 2004. 7] They were preparing to walk away from their beloved characters and start over when Michael Eisner resigned from the CEO position and Bob Iger took over. [8] Steve Jobs, Pixar's chairman and CEO, had dealt with Iger when he was at the helm of ABC television. The two of

them had worked out the revolutionary arrangement of making episodes of ABC's most popular shows available to iPod users right after they had aired.

[9] Jobs met with Iger to discuss the future of the Disney-Pixar relationship.

Iger told Jobs he wanted to purchase Pixar outright and make it a permanent part of Disney. After a long discussion, Jobs came away favorably impressed with Iger's leadership style and was convinced that Pixar should seriously consider Disney's offer. He arranged for John Lasseter, the head of Pixar's animation studio, and Ed Catmull, who was over the company's computer graphics area, to meet with Iger separately. They agreed to the meetings, but Lasseter was skeptical. [10] John Lasseter:

As a young person, John Lasseter had been greatly impressed by Disney studios. It was a library book about Disney animation that had caused him to choose animation as a career. [11] It was the Disney-founded CalArts animation school that had given him his education as an animator. [12] Lasseter had been elated, following his graduation from CalArts, when Disney's animation studio had hired him. The glow had faded, however, when he realized that the leaders of the studio were not interested in his ideas about how to make things better.

Instead of welcoming the youthful enthusiasm of the younger animators they hired, they seemed to resent it. [13] Lasseter's infatuation with the growing field of computer animation had apparently proven to be too much. Disney Animation had fired him. [14] Though Pixar's partnership with Disney had proven to be a boon for both companies, Lasseter did not completely trust the entertainment giant. He had, after all, ended negotiations with them the

previous year and was certainly not enthusiastic about having his company placed under the Disney " umbrella. As far as he was concerned, Disney had mishandled everything they had acquired in the past decade. They had, in essence, ruined everything they touched, and he did not want them ruining the company he had poured so much of his own life and creative energies into. [15] How had " The House that Walt Built" gotten so far off track? Disney's History: In much the same way as Pixar had enthralled audiences with the first feature length computer-generated film in 1995, Disney had captivated theatergoers with the launch of Snow White, the world's first feature length animation, in 1937.

At the cost of \$1, 488, 422, the movie had represented yet another first for the innovative studio that had already introduced the world to Steamboat Willie, often credited as the first animated cartoon to feature synchronized sound in 1928[16] (According to film historians Max Fleischer had produced Old Kentucky Home, which also had sound, in 1926), and Flowers and Trees, the first full color cartoon, in 1931. Flowers and Trees was also the first cartoon to win an animation Oscar. 17] Snow White, which had both color and sound, made use of other innovations as well. The multiplane camera, developed by the studio, allowed Disney animators to create layered scenes with pictures of objects in the foreground and background suspended on sheets of glass at different layers of a fourteen-foot platform to create the illusion of a three dimensional world. [18] Further innovations followed. Fantasia, launched in 1941, was the first animated film to feature stereophonic sound. (The movie's success was limited, however, by a combination of factors.

One practical hurdle was that theaters had to install new sound systems to show it and the onset of World War II made theater owners hesitant to make the investment.)[19] In years that followed, Disney would expand beyond animated features into live action film and television and into the development of its now-legendary theme parks. [20] Though the company has experienced seasons of apparent stagnation when it appeared to have lost its legendary creative luster, it has repeatedly managed to reinvent itself for new generations of fans while keeping its fabled "Disney magic" alive for fans of previous generations.

Walter Elias Disney had entered the animation industry when he went to work for the Film Ad Company, a firm that produced animated advertisements that were shown between films, in St. Louis, Missouri. After a brief stint in advertising, Disney opened a studio in his own garage to produce short animations called Laugh-O-Grams. Unable to stay afloat financially in St. Louis, Walt and his older brother, Roy O. Disney, moved to Los Angeles to start the Disney Brothers Studio. [21] The Personalities of the Founders:

Of the two brothers, Walt was the creative talent behind the firm's creations and Roy, who was ten years older, was a former banker who managed the company's business side. It was their complementary strengths that made the company both innovative and successful, but Walt's flights of creative fancy sometimes clashed with Roy's practicality and financially conservative outlook. [22] One example of the brothers' fundamental differences was their disagreement over the movie Fantasia. Walt's idea was to use a

symphony as the soundtrack for a tapestry of animated visions and release it in stereophonic sound.

The film would feature dinosaurs lumbering through prehistoric jungles with thundering bass accompaniment. Nubile young centaur women would frolic to the sound of woodwinds. Dancing skeletons, a huge and extravagantly detailed devil surrounded by animated flames, and an iconic scene of Mickey Mouse in a borrowed sorcerer's hat animating a stubborn broom would combine to create what Walt believed would be an unforgettable experience for his audience. There were practical problems, however.

To give audiences the full effect, however, theaters would have to install completely new sound systems. [23] Roy was less than enthusiastic. What sense, after all, did it make to combine cartoons with classical music? Children like cartoons and adults enjoy symphonies but a combination of the two would appeal to neither. It is difficult to say for sure who was correct. [24] The film received \$83, 320, 000 in U. S. gross ticket sales compared to the \$184, 925, 485 Snow White had brought in three years earlier. Pinnochio, released the previous year, had grossed \$84, 300, 000.

When ticket prices are adjusted for inflation, Fantasia still ranked twenty-first in all-time U. S. gross box office sales by the end of 2010. World War II prevented the release of the film in European theaters. Science fiction author Ray Bradbury remembers seeing Fantasia as a young person and being positively spellbound by the experience,[25] but most of the public never even saw the film because most theaters could not afford to install new

sound systems. [26] Another "crazy" project the brother clashed over was the company's entry into the theme park business.

While Walt had been so captivated by the vision that he mortgaged his house to help with the financing, Roy had seen no sense in the venture whatever. He later admitted that Walt's instincts had been correct, but that he just hadn't been able to see it at the time. One of the brothers' worst clashes split the studio between "Walt's boys," the creative staff, and " Roy's boys," the business staff. After a month of not speaking to each other, the brothers finally worked through their disagreements, and Walt presented Roy with a peace pipe that he kept on display in his office until his death in 1971. 27] Walt's leadership style exemplified many practices that are worthy of imitation and some that are arguably less so. Though Walt relied on the creative talents of other artists for the successes of his film, his earlier films did not even list the names of animators in the credits but only the name of the studio which was, of course, his own name. [28] A strike by Disney's animators in 1941 ended this policy, but Disney later justified his former practice in an interview by saying he had used his name as a type of guarantee to his audiences. 29] Disney's practice of taking the credit, according to Bennis and Biederman, the authors of Organizing Genius, parallels those of artist Leonardo da Vinci and inventor Thomas Edison who were both supported by groups of talented people who traded away their own chances at fame to work under recognized "masters." According to these authors, neither Disney nor da Vinci nor Edison was truly the "lone genius" popular culture holds them to be, but all three served as " lightning rods" that attracted others with similar talents and visions to join with them

in their respective " revolutions. [30] The leaders of Pixar as their story demonstrates, attracted their own armies of creative revolutionaries eager to join the cause[31] and, to use the phrase Steve Jobs once used, change the world. [32] In addition to his early refusal to share the credit, another complaint some biographers lodge against Walt is that he was a stern taskmaster who drove his animators hard and was sometimes guilty of berating them in front of their colleagues. [33] One of Walt's greatest leadership strengths, however, was his investment in the development of his artists.

He sent them to art classes at the Chouinard Art Institute, a prestigious art school in Los Angeles, and later developed his own art school within the studio. Ultimately, in 1961, he contributed \$40 million to help with the founding of the California Institute of the Arts. CalArts, as it came to be known, guickly became one of the world's leading animation schools. [34] Many of its graduates, including Pixar co-founder John Lasseter, went to work at Disney after receiving their degrees. 35] Another leadership strength Disney showed was that he recognized the different abilities and interests of his animators and allowed them the flexibility to work on assignments where they would be the most effective. Paul Hollister of Atlantic Monthly visited Walt's studio in 1940 and wrote about the environment he found there. One artist named Emil "didn't draw ducks." He was perfectly capable of drawing Donald or any other Disney character, but preferred creating the really elegant characters like the epically proportioned devil in Fantasia, and was given the freedom to excel in his area of strength. 36] Another hallmark of Disney's leadership style was that he was not afraid to bring in people who

were experts in areas he knew nothing about. When he decided to build Disneyland, for example, he had the "crazy" idea of locating the man who had rebuilt the American Navy after the Pearl Harbor disaster and having him coordinate the process. His employees "tracked down" Joe Fowler, a retired admiral, and Disney recruited him. Fowler returned to supervise the construction of Disney World in Florida in the late 1960s.

Another military leader, Major General William "Joe" Potter, who had served under President Eisenhower as the governor of the Panama Canal Zone and who had served as the executive vice president of the 1964-1965 New York World's Fair, was also brought in and placed in charge of building the park's infrastructure including the massive amount of dirt work involved in transforming 300 acres of Florida swamp into the foundation of a resort. [37] During the years following Walt Disney's death from lung cancer in 1966, the company he had built went through a series of up and down periods.

Walt Disney World in Orlando, Florida, opened in 1971. [38] Disney's animation studios continued to release cartoons, but the quality declined throughout the seventies and eighties. In 1979, animator Don Bluth left Disney and took a number of their animators with him. Bluth's studio is known for producing The Secret of NIMH (1982), An American Tail (1986), The Land Before Time (1988)[39] All Dogs Go to Heaven (1989) and Titan A. E. (2000), and is credited by some for providing the competition that spurred the revival of Disney animation in the mid-eighties.

Pixar co-founder John Lasseter, who joined the studio just after Bluth's departure in 1979, described the culture of the studio, during the era in

which he was employed there, as stifling and restrictive. [40] Roy E. Disney, the son of Walt's brother, Roy O. Disney, pushed for a change of leadership. Michael Eisner was brought in from Paramount to become CEO in 1984. [41] Eisner placed Jeffrey Katzenburg over the animation area. Frank Wells, who had been considered for the CEO position, served under Eisner as COO.

Wells, a Rhodes scholar, was said to have been diplomatic, even-handed, and thoughtful. [42] The Little Mermaid, released in 1989, was the first in a series of highly successful animated musicals including Beauty and the Beast (1991), Aladdin (1992), and The Lion King (1994). Frank Wells died in a helicopter crash in 1994. After a clash with Eisner over who should assume Wells' responsibilities, Katzenburg left Disney and joined with Stephen Spielburg and Robert Geffen to form Dreamworks SKG, the studio that would later produce Shrek. 43] In the years following Wells' death and Katzenburg's departure, Disney Animation's new golden age seemed to decline. The first three films released in the new millennium [The Emperor's New Groove (2000), Atlantis: The Lost Empire (2001), and Treasure Planet (2002)] all yielded disappointing results in the box office. [44] Lilo and Stitch, released in 2002, was one of the few financially successful Disney cartoons released during that time period. Eisner felt that traditional cel animation was obsolete and shut down the animation studio in Orlando that had produced the film. 45] He also shut down the studio in Paris, and outsourced much of the animation process to the Philippines. [46] Beginning with the 1995 release of The Return of Jafar, the first in a series of direct-to-video features, Disney had started the practice of producing low cost, direct-to-video sequels of their most successful films. From a profit-and-loss perspective the

practice made sense. Though inexpensively produced, this first video had brought in around one hundred million dollars in profits. 47] This practice would later become a bone of contention with Pixar, however, because the sequels were not held to the same quality standards as the features.

Lasseter, who led Pixar's animation studio, felt that Disney was compromising the quality of its products for short-term financial gain. When Disney announced plans to release direct-to-video sequels of Pixar's films, with our without Pixar's help or approval, the relationship between the two companies became even more strained. [48] Pixar's Early History and Leadership:

Though many features of Pixar's culture mirror those of Disney during its heyday, the story of Pixar's founding and growth and the converging visions of its leaders is, in many respects, more complicated. From the perspective of its audience, Pixar Animation Studios burst onto the scene in 1995 with the release of Toy Story, the first feature length film produced entirely in Computer Generated Imagery (or CGI, as it is now popularly known). [49] Prior to that time, very few outside the field of computer graphics had even heard of them.

In the years following the release of that first film, the company received twenty-four academy awards, six Golden Globes, and three Grammies. [50] The decades-spanning story behind the company's apparently overnight success goes back to an era when the field of computer graphics was in its infancy and much of the computer technology that is taken for granted today had yet to be invented. Ed Catmull, one of Pixar's founders, was a leading visionary in the development of that technology.

Though few innovations, especially in a field as dynamic as computer science, can be completely credited to a single individual, Catmull definitely had a creative hand in the process. [51] Ed Catmull grew up in a Mormon family in Utah and, as is customary, served as a Mormon missionary during his college years. [52] The lifestyle and values infused into him by his upbringing are still reflected, to a great extent, in the family friendly flavor of his company's films. Catmull attended the University of Utah's graduate school during a remarkable time.

The school had become the world leader in computer graphics research, and Catmull's classmates included Jim Clark, who had helped start Netscape and Silicon Graphics; John Warnock, who co-founded Adobe; and Alan Kay, who had been part of the Xerox's PARC team, a group that did pioneering work in the development of object-oriented programming and graphical user interfaces. [53] (Steve Jobs of Apple and Bill Gates of Microsoft both built their operating systems and their fortunes on foundations laid by the PARC group. [54] Catmull's own contributions were the Z-buffer, a system that assigns depth to objects in three-dimensional space; texture mapping, a process that "wraps" pictures around 3D models (to give them the appearance of wood, tree bark, or flesh, for example); and a new type of mathematical surface that made it possible to build models of irregularlyshaped objects. [55] One of Catmull's early experiments was a 3D model of a hand opening and closing. This short animation appeared four years later in Futureworld, a science fiction film, in 1976. 56] After a stint at the New York Institute of Technology where Catmull met Alvy Ray Smith and many of the other friends who would later comprise his core team,[57] George Lucas set

up a computer division at Lucasfilm to do pioneering work in computer graphics. Though Star Wars, released in 1977, had set revolutionary new standards in special effects technology, the film had not used computer graphics to achieve this. Even the apparently computer-generated readouts on the targeting scanners of the fighters were really old style animations.

The ships and the planets were models and laser beams had been etched onto the scenes using a high quality optical system the studio had developed. [58] Though he dreamed of using computer graphics to make features films, it soon became apparent to him that computer technology would have a great deal of catching up to do before it could be used for this purpose. He estimated that it would take 100 Cray supercomputers two years to generate the images for an entire movie using the technology of that time. 59] Because it was an investment in a yet-to-be realized future, many of the other departments at Lucasfilm viewed the computer division as " dead weight." This naturally made it a prime target for budget cuts anytime the studio experienced money problems. One triumph the computer division experienced during that era was an animation clip they developed for Star Trek II: The Wrath of Khan. In the scene, the lead characters are watching a computer-generated simulation of an experimental torpedo, the Genesis Device, which is able to transform a dead moon into a living planet with forests and oceans.

In the simulation, the torpedo strikes the moon, an explosion sweeps across the surface, and mountains and oceans form before the viewer's eyes. Even though the images still had a computer-generated look, the effect surpassed anything that had been seen by audiences up to that point and, after all, it

was supposed to be a computer generated image in the story itself. [60] In the years that followed, the Lucasfilm computer division continued to do remarkable work in the area of computer graphics research, but Catmull and his team remained a target for budget cuts.

This would ultimately lead to the company's sale and friendly separation from its parent studio. [61] While Ed Catmull might be characterized as the "technology guy" behind Pixar's revolutionary approach to animation, John Lasseter might be described as the "animation guy" of the team. Clearly this is an oversimplification because the two had some overlapping gifts and a common vision, but if one were to ask about the unique and complementary gifts each brought to the mix, Lasseter's would be in the area of animated storytelling.

The son of a California Chevrolet dealer and a high school art teacher,[62] Lasseter had loved cartoons from an early age and was thrilled when he realized people actually supported themselves by producing them. After high school, he attended CalArts, the school that Walt Disney had helped to found. [63] His classmates, like Catmull's, included people who would go on to become leaders in their respective fields. Tim Burton, known for his macabre style and his work on features like The Nightmare Before Christmas and Batman, is one of the most recognized names.

John Musker, another classmate, would co-direct The Little Mermaid and Aladdin; Chris Buck would co-direct Tarzan, and Brad Bird would later direct The Iron Giant for Warner Brothers and Pixar's own The Incredibles. [64] During Lasseter's time at CalArts, John and his classmates drove to Los

Angeles for the release of the first Star Wars film in 1977. Even though the film featured live action and special effects, seeing it convinced Lasseter that he had chosen the right career path and triggered in him a vision of animated feature films that would stir up the same kind of excitement. 65] As a college student, Lasseter took a job at Disneyland that fortuitously helped him in developing skills that would serve him well as an animator and as the leader of a creative team. He started out as a sweeper in Tomorrowland, but was later transferred to the Jungle Cruise where he served as a river guide whose job involved telling corny jokes to guests as they passed through an animatronic jungle. That job, according to Lasseter, helped him get over the shyness he had suffered from earlier in his life and to develop the comedic timing that would be so crucial to the success of his animated features. 66] After graduating from CalArts, Lasseter was thrilled to get a job at Disney Animation. His enthusiasm cooled when he encountered a restrictive atmosphere where the studio managers were more interested in keeping the new recruits in line than in harnessing their creative excitement. In one conversation that served to shape Lasseter's own management style, one of the managers told him, "So, you want to be creatively in charge? I'll tell you how to be in charge. You sit down and do inbetweens for twenty years, then you can be in charge. " (In-betweens are considered the "grunt work" of animation. "I remember walking away and deciding right then that if I was ever creatively in charge of anything, I'd never say to a young artist what that guy had just said to me. In that one exchange, he killed all the enthusiasm I had to help make the project better. "[67] The studio, which had once had a reputation for innovation, had become stagnant. Disney's live action studio, however, did attempt

something new and innovative in the early 1980s when they produced Tron, a story about a man who was translated into a digital world inside of a computer. The story mixed live action with computer generated props and scenes.

Lasseter and Glen Keane, another Disney animator, saw the work the studio was doing and were thrilled by the possibilities. They saw it as a computer-based successor to Disney's legendary multiplane camera. [68] When Tron was shown to the animation studio, however, their response to it was rather chilly. Many of them viewed computer animation as a threat to their art form and livelihood and reacted defensively. Lasseter continued to believe in the potential of computer animation and worked with some of the other animators on projects to demonstrate its potential.

One was a scene from Where the Wild Things Are and the other was based on the children's book The Brave Little Toaster. [69] They sought out other studios to partner with on these projects. One of the studios they visited with their projects was Lucasfilm. Ed Catmull was unable to work with them at the time, but the meeting between Lasseter and Catmull turned out to be fortuitous nonetheless. [70] Lasseter's interest in computer animation apparently proved to be a nettle in the sides of those who saw animation as a fad or a threat. Lasseter, to his surprise, soon found himself without a job. 71] Ed Catmull heard about Lasseter's dismissal and was, as one biographer expressed it, "sorry to hear Lasseter had been let go...but not too sorry." A short time later, when saw Lasseter at the SIGGRAPH computer graphics conference, he invited him up to Lucasfilm's studio in San Francisco to do a freelance job for them. [72] The job would ultimately result in his permanent

employment with the company. Lasseter was stunned by the talented people he found working at the studio. He had heard of them and admired their work, but had no idea they all worked at the same place.

When Lasseter asked Catmull how he had managed to pull so much talent together in the same place, Catmull told him, "I try to hire people that are smarter than myself. "[73] His approach, like that of Disney, had been to hire the best and let them perform. [74] Lasseter found Catmull's philosophy and the resulting culture to be a wonderfully refreshing change from what he had encountered working for Disney. He was, however, admittedly intimidated by the technical skill of the people around him. "I mean, there I was, surrounded by all these PhDs who had basically invented computer animation. [75] Lasseter knew he could never compete with his new colleagues on a technological level, but what he brought to the mix was the eye of an artist. He also had the gift of being able to think conceptually, to picture how the parts of a project fit together into the whole. Lasseter described his working relationship to the programmers as, "the art challenges the technology, and the technology inspires the art. " An early project, a short animation called Andre & Wally B, showed an android being chased and stung by a fat bumblebee.

The robot and insect had both been chosen because their bodies were made up of fairly simple geometric shapes. For the bee, however, the animators had been challenged to design a new teardrop shape. [76] In 1984, just as Lucasfilm had hired Lasseter full time, Industrial Light and Magic, the special effects studio of which the Lucasfilm Computer Division was a part, was hired to do the special effects for a scene in the movie Young Sherlock Holmes. In

the scene, a drugged priest has a hallucination in which the figure of a knight leaps out of a stained glass window in a church and chases him with a sword.

The movie ended up being nominated for an Academy Award for Best Visual Effects. One of the most memorable aspects of the project, for Lasseter, was watching the way Dennis Muren, the film's special-effects supervisor, managed the project. Every morning the entire project team was gathered to watch "dailies" of the project's progress. Muren directed the discussion of problems to be solved and changes to be made and, Lasseter noted, actually listened to everyone involved. The open-dailies model would later become a central feature of Pixar's corporate creative culture. 77] In spite of the computer division's successes, many of the executives at Lucasfilm continued to see the graphics research area as a drain on company resources. Ed Catmull and Alvy Ray Smith, who had shared leadership with him since their days at New York Tech grew weary of defending the team they had worked so hard to build from downsizing efforts, and decided to take matters into their own hands. At one point they actually went to a bookstore and bought a book on starting a business.

They put together a business plan, building it around the Pixar Image Computer which they believed was the most promising technological product they had developed at the time. Their real interest was to create computeranimated feature films, but they realized that goal was still years away. In their plan, they justified continuing their work in animation as a type of training. George Lucas had always been supportive of the group's efforts and would remain on friendly terms with them, but he was not interested in running a computer company.

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Catmull and Smith began seeking an investor to purchase the Computer Division from Lucasfilm. [78] Pixar Leaves Lucasfilm: Though the company had originally set the sales price at \$15 million for partial ownership of the company with an additional \$15 million in guaranteed funding, Steve Jobs, the founder of Apple Computer, finally bought it from Lucas for \$5 million with an additional \$5 million in guaranteed funding. [79] If Catmull was the " technology guy" and Lasseter was the "animation guy," Jobs joined the Pixar leadership team as the "business guy" or, perhaps, the "money guy. As the founder of Apple Computers and, later, of NeXT, Jobs was also a "technology guy" in his own right. Jobs was so famous for the charismatic way he sold his visions, those who heard his speeches said he had a kind of "reality distortion field. "[80] Business professor Kenneth Green aptly described Jobs as, "Kind of like a huckster, but in a good way." Jobs, who had co-founded Apple with Steve Wozniak, had long been sold on the idea that computers would change the world, and what he saw at Pixar resonated with him. Some analysts had criticized Jobs for being heavy handed in his approach to managing Apple.

As a young man, still in his twenties, he had been strong in youthful enthusiasm and drive, but weak in compassion and tact. Working his employees around the clock and berating them in front of colleagues with acerbic comments like, "This sucks!" had been typical of his style in those days. [81] The team at Pixar found him similarly challenging to work for. Alvy Ray Smith, Catmull's second-in-command, once got into a screaming match with Jobs. They both, according to Smith, went "completely nonlinear" with Jobs mocking Smith's accent and Smith writing on Jobs' cherished

whiteboard. 82] When Jobs returned to Apple, however, the challenge of leading two companies at once forced Jobs to delegate more of the leadership responsibility for Pixar's activities to the company's founders. He worked with Catmull, Smith, and Lasseter to determine the overall direction and strategies of the firm, and left it to the animation team to manage the details. Jobs later commented on the difference between managing Apple, a job that required "ten really important decisions to make every week" and "a lot of new products every onth," to his approach to managing Pixar: "At Pixar," he said, "because I'm not directing the movies, there are just a few really important strategic decisions to make every month, maybe even every quarter, but they're really hard to change. Pixar's much slower-paced, but you can't change your mind when you go down those paths. "[83] Toy Story: For nearly a decade Jobs would keep the company afloat financially while it geared up for the animated feature film that would catapult it into the public eye the way Snow White had transformed Walt Disney Studios back in 1937.

Not entirely happy about having to pour so much money into the company, Jobs had, in fact, had tried to sell Pixar repeatedly while Toy Story was in production. He had even tried to sell to Microsoft the year before the movie's release. [84] When Pixar finally had the skills and technology to produce a feature film, however, it was Jobs who negotiated the partnership arrangement with Disney that made it possible. Pixar would produce the film, providing an unparalleled combination of Silicon Valley technology and Disney-inspired storytelling.

Disney would push the film through its massive marketing and distribution network, share expertise in the production of feature, and provide funding https://assignbuster.com/walt-disney-and-toy-story/

for the project for the four years it would take to produce it. [85] Pixar would only earn between 10 and 15% of the profits and Disney would own the characters, but accepted the arrangement as part of the price they had to pay for Disney's help. [86] As Steve Jobs commented, "I'm convinced we would have crashed and burned on Toy Story without Disney showing us how to do things on the production side. Jobs also said that Pixar's partnership with Disney had "probably been the most successful partnership in Hollywood history.... "[87] The production of Toy Story, however, was not without creative tension. Disney executive Jeffrey Katzenburg wanted a film that would appeal to adults as well as children (His studio would later produce Shrek.), and kept pushing Pixar to give the characters more "edge." Though biographers differ on how much blame to assign Katzenburg for Pixar's story problems, Lasseter and his team made their characters meaner and darker with each version.

Working on the movie a piece at a time, they had not realized how much their movie had changed until they screened the first half to a roomful of Disney executives. Seeing the assembled film for the first time, Lasseter was embarrassed by the mean and unhappy characters he saw on the screen. [88] "Well, why is this so terrible?" Katzenburg asked Tom Schumacher, another Disney executive who had worked with the team on the project. "Because it's not their movie anymore," Schumacher told him. "It's completely not the movie John set out to make. [89] Lasseter talked Disney into giving his team a few weeks to rework enough of the film to convince them Pixar could do better. Lasseter says he told them, "Let's just make the movie we want to make. We'll listen to their notes, but let's only take the

ones we feel make the movie better and ignore the rest. "Working at a feverish pace in a desperate attempt to save their studio, the group completely remade the first third of the film. Though rough, the new draft was enough to convince the studio of the project's merit.

That "swim or sink" experience, according to Lasseter, forged the foundation for the creative process the studio still uses. [90] The process involved a great deal of trust and, in Lasseter's words, "immense respect for what each person brought to the collaboration." [91] Once the pressure was off, the group was able to get more joy out of the rest of the process. Joss Whedon joined the group for a while as a script writer before going off to write the Buffy the Vampire Slayer series. Building a Studio: As the Toy Story project neared completion, Steve Jobs began to think about the future of Pixar as a business.

Toy Story had taken four years to complete, but a business that only put out one product every four years would be hard to sustain. In order to succeed, Pixar would need to transform itself into a full-fledged studio capable of putting out at least one feature film a year. [92] Because a project like Toy Story would take longer than a year to produce, the studio would have to have more than one project in the "pipeline" at any given time. Dividing the creative team would present a challenge because one of the cornerstones of the studio's creative chemistry was that everyone was involved in the projects and ideas flowed freely.

John Lasseter would also have to decide what to do about the director's responsibility. [93] Many of the great animators, Disney included, had

masterminded all of their studios' projects. Would Pixar's style be dictated by the tastes and visions of a single director, a "lone genius," or would Lasseter be willing to share the director's spotlight and give other directors a chance to succeed? Another issue was funding. Steve Jobs believed that the company should go public. Disney had put up most of the funding for Toy Story and, as a result, had been given more of the control.

Jobs hoped for a more equal sharing of decision-making power on future films, but the company would not be in a position to bargain for half of the profits unless it could cover half of the production costs as well. [94] Many financial analysts thought Jobs' idea was ludicrous. Who, after all, would buy stock in a company that had been in business for ten years and had never made a profit? [95] The successful launch of Netscape as a public company, however, cooled heir skepticism somewhat. Lasseter was resistant, at first, to the idea of putting his company in the hands of investors.

The day creative decisions came to be dictated by stock prices, he said, was the day he would leave the company. "I will never ask you to do that," Jobs assured him. He told Lasseter, in essence, to just keep having fun making the movies he wanted to make. [96] Beyond Toy Story: Toy Story was released in November 1995, and was enthusiastically received by audiences. [97] A week later, the company went public. Pixar's IPO, which raised around \$150 million, was the most successful of the year, surpassing even Netscape. [98] With \$150 million in the bank, Jobs was able to negotiate the 50/50 partnership with Disney that he had envisioned.

According to the terms of the contract, Disney and Pixar would share in the costs and profits of Disney's next five feature films, and Disney would put the force of its massive marketing machine behind them. The characters would appear as toys, and on clothing, and hundreds of other licensed items and in Disney theme park attractions. The successful IPO was not without its dark side. Before the company had gone public, Catmull had been earning \$160,000 a year while Lasseter earned \$140,000. Their salaries had allowed them to live in upper middle class neighborhoods, but they had not been wealthy by Hollywood or Silicon Valley standards.

The public offering had turned them and a small number of others into instant multimillionaires while others who had been with the company since its Lucasfilm days only shared the wealth in minimal ways. To make matters worse, a financial manager Jobs had brought in just before the IPO (to give the company credibility on Wall Street) also shared in the benefits. Pixar's long-time employees felt that it made a mockery of the company's 'labor of love' culture. [99] When it came to the restructuring of Pixar's creative function, Jobs and Catmull gave Lasseter the lead.

The decision, they felt, should be his. Following the example he'd seen Catmull set at Lucasarts, Lasseter chose to share the creative spotlight rather than building the animation studio completely around his own visions. Orchestrating multiple projects at the same time would have been a directing nightmare anyway. For the projects immediately following, Lasseter shared the director's job with two of the animators who had worked directly under him in the Toy Story project. [100] For The Incredibles, he reached

outside of the company and brought in a former classmate from his CalArts days.

Brad Bird had been disillusioned, to some extent, by his previous experiences in the animation industry, but was absolutely delighted by the atmosphere he found at Pixar. They told him they wanted him " to bring new ways of doing things." As successful as they were, they were fearful of getting into a creative rut and becoming victims of their previous successes. [101] Because of the limits of computer graphics technology, Pixar's projects had had to be chosen carefully. Toys, insects, and robots had been good choices for the initial projects because they had relatively rigid faces and did not have to have lifelike hair or clothing.

The fish in Finding Nemo did not use arms or legs to move around. The company refused to become complacent, however, and set new challenges for themselves with each succeeding project. While Toy Story had taken place mainly indoors, A Bug's Life was set in an organic outdoor world with plants, dirt, water, and wind. Some scenes were populated with hundreds of computer-generated ants. [102] Monsters, Inc. starred a monster with lifelike blue hair and a little girl with a realistically wrinkled shirt. [103] Finding Nemo made use of water effects. [104] The Incredibles featured a large cast of human characters.

One challenge faced by computer animators is to strike a balance between realism and cartoonish exaggeration that does not make the characters look grotesque to audiences. [105] The studio used short features, mini-movies of about five minutes in length, as a training exercise for directors and as

experiments in the use of new techniques. [106] Boundin', released with The Incredibles, was a western-style parable about having a positive outlook. It tells the story of a sheep that is shorn of his beautiful white coat but learns to rebound from the humiliation. 107] The story behind Toy Story 2 is significant in a number of ways. In keeping with the Disney practice of the time, the seguel was supposed to have been a low budget, direct-to-video release rather than a theatrical feature film. As the project progressed, Lasseter became more and more disturbed by the idea of dividing his studio into A and B teams and releasing a project that represented anything but his studio's best work. Every project, up to that point, had been a step forward creatively and technologically over previous projects. Releasing a deliberate B-movie seemed, to him, to be a step backward. 108] Less than a year before the video's scheduled release, Lasseter's team decided to completely overhaul Toy Story 2. Disney protested that they didn't have enough time. Marketing and distribution were already in place. By working at a feverish pace and diverting animators from other projects, Lasseter and his team managed to condense two years' work into only nine months. [109] Toy Story 2 was a creative triumph. Like The Empire Strikes Back and Godfather 2, it is considered by many to be one of the rare sequels that is actually superior to its predecessor. 110] Earning \$245 million in the U. S. and \$486 globally, Toy Story 2 was the second highest grossing animated feature up to that time. Only The Lion King had surpassed it in box office receipts. [111] This success, however, did not come without a price. The grueling pace of the production had pushed the animators to the point of exhaustion. Many of them suffered from repetitive motion injuries and one was permanently disabled and had to leave the industry. [112] Another exhausted animator

forgot to drop his infant child off at the daycare center and left it in his car for hours.

Rescue workers managed to avert tragedy, but the incident was a sobering warning to Pixar managers about the possible consequences of overworking their employees. [113] Their animators had shown that they were willing to do whatever it took to produce an excellent product, and Lasseter told them he would never again ask them to make that kind of sacrifice. Pixar's leaders resolved that their job was to protect their team. It was up to them to safeguard their health and wellbeing for the long haul. As a result, they set up a number of wellness programs for their employees.

Massage therapists were brought in, and the studio offered classes for employees. [114] This aspect of Pixar's leadership distinguishes their leaders from many of those profiled by Bennis and Biederman in Organizing Genius. In aspiring to greatness, many of the members of the great groups described in the book sacrificed their personal lives for their respective dreams. [115] Pixar aspired to a more sustainable model of leadership. As Pixar's five-film partnership with Disney drew toward its end, Pixar's managers found themselves at a turning point.

The partnership with Disney had, in many ways, been one of the most successful in the history of the entertainment history. At the beginning of the deal, both companies were pleased with the arrangement. As time wore on, however, the relationship between Pixar and Disney became strained. "In the early days," according to Ed Catmull, "we didn't look at the contract. And it's always a sign of a good relationship when the contract goes in a

drawer and you don't look at it. But near the end...we started to look at the contract. "[116] Two issues arose from differences of opinion regarding sequels.

The contract was for five films and one issue was whether Toy Story 2 should be counted as one of the five. [117] Pixar felt that it should have been included. Disney, on the other hand, did not feel that the deal should include sequels. They argued that Toy Story 2 did not introduce a new set of characters into the Disney universe and, therefore, did not offer the merchandising opportunities of a completely original feature. Further, they argued, the film had not originally been meant for theatrical release. The contract, as a result, stretched until after the release of Cars.

Jobs argued that Toy Story 2, unlike most sequels, had actually made more money than its predecessor, but Eisner was unmoved. Further, he wanted the studio to produce a third Toy Story film, and that one would not be counted as one of the five either. [118] Another issue was Disney's intention to release direct-to-video sequels of all of the Pixar films with or without Pixar's approval. Pixar would be given the first right of refusal when it came to the making of the sequels, but they could not keep another studio from producing inexpensive and possibly mediocre follow-ups to their films. These characters are like our children," Lasseter explained, " and it just killed me to think of the people who forced Cinderella II into existence making sequels to our films, running our characters into the ground. "[119] Another source of disagreement was the dividing of the profits. While Pixar had relied extensively on Disney's production experience and funding for the first films, the situation had changed. The company had learned quickly when it came

to production techniques, and had become less financially dependent upon Disney as well.

They had, in fact, provided all of the financing for Ratattoule, a new film that was scheduled for release in 2007. Pixar, according to the terms of the contract, received fifty percent of each film's profits with an additional amount, around ten percent, deducted to cover distribution costs. Jobs had pushed for more, but to no avail. The straw, perhaps, that broke the proverbial camel's back was a remark Eisner made about software piracy when he was testifying before congress. One computer manufacturer, he said, had billboards from San Francisco to L.

A. encouraging users to "Rip, mix, and burn." The company responsible for the campaign, as Eisner must have known, was Apple. Steve Jobs, furious, called the president of Disney Feature Animation. "Do you know what Michael just did to me? "[120] Jobs met with Roy E. Disney, the son of Roy O. Disney, and complained about the treatment he had received from Eisner. "I'll never make a deal as long as Eisner is there," Jobs told Disney. Roy, who had recruited Eisner back in 1984, had begun to have his own concerns about Eisner's recent decisions. 121] Those doubts came to a head in the months that followed as Eisner's supporters forced Disney to retire from the company's board of directors. Stripped of formal authority, the same man who had campaigned to have Eisner brought to Disney nineteen years earlier mounted a grassroots campaign to have him replaced. In a March 2004 shareholder meeting, forty-three percent of the company's shareholders voted against reelecting Eisner to the board of directors. [122] Disney After Eisner: After a formal search, the board chose Bob Iger, the former head of

ABC to ssume the CEO's position. After taking the job, Iger called Steve Jobs and arranged a meeting with him. The two had worked together before when ABC made arrangements with Apple to make recently aired episodes of popular programs like Lost available to iPod users. In the meeting, Iger and Jobs shared their concerns. Jobs wanted to make sure Pixar would have a good home that respected its leaders and its culture of creative freedom. Iger had two concerns: One was keeping Pixar in the Disney fold. He had recently returned from Hong Kong where Disney had inaugurated its new park there.

As he was watching a parade of employees dressed as Disney characters, he noticed that all of the newer characters were Pixar creations. Disney, he felt, needed Pixar for another reason as well. The creation of animated films had been a key part of Disney's make up as a company since the beginning but, somewhere along the way, it had lost its edge. This was Iger's second concern: to restore Disney animation to its tradition of greatness. Pixar, he felt, had managed to capture the spirit of creativity that had characterized Disney Animation when it was at its best.

While Eisner had shifted the concentration away from traditional cel animation to computer modeling, Iger felt that there was still a place for hand drawn animation. Ironically many of the animators at Pixar felt the same way. In spite of their own use of computer-generated models, many of them remained fans of the traditional method as well. As Iger had explained to Jobs, he wanted Disney to purchase Pixar, but that was only the beginning. He also wanted to place Pixar's leadership team over Disney's animation department.

Jobs was impressed with the offer and could, in theory, have agreed to a sale without consulting the rest of Pixar's leadership team. He did, after all, own 49. 8 percent of the company's shares. As biographer David Price expressed it, Jobs' vote was really the only one that mattered. [123] Pixar's greatest assets, however, lay in the talents and expertise of its people and in the culture they had built. For the acquisition to work, Lasseter and Catmull had to support the decision as well. Iger arranged meetings with Lasseter and Catmull to discuss the details of the possible acquisition.

Rather than meeting with him at Pixar's corporate office, Iger drove to Lasseter's home to meet with him there. Lasseter soon warmed to Iger and found himself in agreement with him on many issues, but he pulled no punches when it came to expressing his concerns. He described the meeting in an interview: "I said, 'I'm sorry Bob, but there's not one thing Disney has acquired in the last ten years that they haven't mishandled," he said. " How's it going to be different with Pixar? " " Well," Iger told him. " I'm different. "[124] " I really started to believing that this guy was different," Lasseter later said. And then it started getting back into that core of me, of how much I love Disney...the Disney of Walt Disney. "[125] Catmull was similarly impressed. "Bob was a totally, completely different person than we had been used to dealing with," he said. "He understood the value of animation to the studio and the importance of maintaining its quality. "[126] The senior executives of both companies begin meeting to discuss how a combination of the two studios would be managed. They were especially concerned with the preservation of Pixar's creative culture.

The company had, after all, produced a stream of successful films and damaging its creative core would be as financially costly to Disney as it would be demoralizing to the founders. They finally agreed that the Disney and Pixar animation studios would remain in the same physical locations, but Catmull would become president of both. Lasseter, in turn, would be the chief creative officer of the two studios. He would also serve as principal creative adviser to Walt Disney Imagineering, the division of the company that designed the attractions for Disney's theme parks. 127] Disney ultimately purchased Pixar for 7. 4 billion. [128] Steve Jobs had purchased the company twenty years earlier for \$5 million. [129] Iger's offer had been more generous than anything Jobs, Lasseter, or Catmull had expected, but they realized that not all of Pixar's employees would be enthusiastic about the idea of being bought out by Disney. Many of them had expressed their belief that Pixar was capable of operating completely on its own and felt that it should do so. Freeing Pixar from its dependence upon larger studios, however, would require a great deal of work.

They would have to hire, train, and organize a staff of two or three hundred marketing and administrative people to manage the promotion and distribution of their products. Partnering with Disney had freed them from that responsibility, allowing them to concentrate on the creation of the films themselves. As an independent company, Pixar would find itself having to completely shoulder financial risks without the protection of a larger benefactor. That, too, was a serious concern. Giving up the characters they had created for Disney and starting completely over was also a daunting prospect. 130] The Choice: Ultimately Jobs, Lasseter, and Catmull decided to

accept Iger's offer. Their employees at Pixar were stunned by the decision, but Catmull and Lasseter alleviated tensions by meeting with groups of employees and explaining the thought process behind the choice. By the time they had finished, according to Catmull, "everybody understood the decision, and we didn't lose a single person in the process. "[131] When Catmull and Lasseter flew to Burbank and met with five hundred of Disney's animators, they were greeted with bursts of applause.

With Lasseter at the helm, the animators hoped for an end to the layoffs they had been experiencing for the past few years. Catmull and Lasseter soon began to make their mark on the studio, rehiring some of the outstanding animators that had been laid off. These included Joe Musker, one of Lasseter's former classmates, who had co-directed The Little Mermaid, Aladdin, and Hercules. [132] One year after the merger, according to Ed Catmull, the whole process was working out beautifully. Catmull, Lasseter, and Jobs had all assumed different roles.

Catmull and Lasseter had moved into their roles of overseeing both Pixar and Disney Animation. Jobs was part of the six-person Pixar and Disney Animation oversight committee and a member of the Disney board. [133] Epilogue: By the end of the decade, Pixar was still producing hit films and Disney Animation was showing signs of returning to its former glory. Up, released in May, 2009, grossed \$731, 304, 609 worldwide, giving it a ranking of eight in worldwide box office receipts at the end of the decade. The Princess and the Frog, the first feature to use traditional cel animation since Brother Bear was released in 2003.

The feature was well received by critics, but did not achieve the same level of box office success as Pixar's computer generated features nor of traditionally animated features like The Lion King, Aladdin, and Tarzan had in the 1990s. [134] The Princess and the Frog combined computer technology with traditional cel animation to give the film the look of a traditional Disney film only with greater depth and fluidity of movement. The movie continued two Disney traditions. Like The Little Mermaid, The Beauty and the Beast, and Mulan, the heroine of the story was a bright young woman going against the forces of society to pursue a dream.

The choice of New Orleans as a setting the story reflected Walt Disney's own fondness for the famous city, a fondness reflected in the New Orleans Square section of the Anaheim Disneyland. Though the story was sensitively and lavishly presented, the film received criticism from a variety of directions. Though Tiana, the film's heroine, was Disney's first African-American princess, the film still received criticism from some African Americans who thought the prince should have been completely black, and that setting the story in New Orleans was insensitive to Katrina victims.

Some religious groups felt that the use of demonic black magic by the villain was inappropriate and advocacy groups for religious tolerance felt that the film presented voodoo in a negative and stereotypical light. Toy Story 3, released in the summer of 2010, broke the record Finding Nemo had set and became Disney's all-time bestselling animated feature. (Pirates of the Caribbean: Dead Man's Chest, a live action feature film, surpassed both in box office sales, however, and is not Disney's highest grossing feature film. Tangled, a Disney animation feature based on the story of Rapunzel, was

released in November, 2010. Ranked by its opening weekend receipts of \$48, 767, 052 the movie ranked eighth in opening weekend sales compared to all Disney animated features and sixteenth compared to all Disney films. That places it below Toy Story 3, The Incredibles, Finding Nemo, Up, WALL-E, Monsters, Inc., and Cars opening weekend sales, but above every other feature animation produced by Disney and Pixar. The film was still in theaters at the end of the 2000-2010 decade.

Features scheduled for release in 2011 included Pixar's Cars 2 and Disney Animation's Mars Needs Moms. At the end of the decade, John Lasseter had settled into his role in leading both Pixar and Disney Animation, and was busily involved in the development of theme park attractions. A section of Disney's California Adventure based on the movie Cars was scheduled to open in 2012. TABLE 1: Disney's Top Twenty Features Ranked by Worldwide Box Office Gross | Release Date | Title | First Weekend | U.

5/29/09 | Up | 68, 108, 790 | 293, 004, 164 | 731, 304, 609 | 175, 000, 000 | | 8/6/99 | The Sixth Sense | 26, 681, 262 | 293, 506, 292 | 672, 806, 292 | 40, 000, 000 | 7/9/03 | Pirates of the | 46, 630, 690 | 305, 411, 224 | 655, 011, 224 | 125, 000, 000 | | | Caribbean: The Black| | | | | | Pearl | | | | | 11/5/04 | The Incredibles* | 70, 467, 623 | 261, 441, 092 | 632, 882, 184 | 92, 000, 000 | | 6/29/07 | Ratatoulle* | 47, 027, 395 | 206, 445, 654 | 620, 495, 432 | 150, 000, 000 | 7/1/98 | Armageddon | 36, 089, 972 | 201, 578, 182 | 554, 600, 000 | 140, 000, 000 | | 6/27/08 | WALL-E* | 63, 087, 526 | 223, 808, 164 | 532, 743, 103 | 180, 000, 000 | | 11/2/01 | Monsters, Inc. | 62, 577, 067 | 255, 870, 172 | 526, 864, 330 | 115, 000, 000 | | 11/11/92 | Aladdin | 196, 664 | 217, 350, 219 | 504, 050, 219 | 28, 000, 000 | | 11/19/99 | Toy Story 2* | 300, 163 | 245, 852, 179 | 484, 966, 906 | 90, 000, 000 | | 6/9/06 | Cars* | 60, 119, 509 | 244, 082, 982 | 461, 923, 762 | 70, 000, 000 | | 12/21/07 | National Treasure: | 44, 783, 772 | 219, 961, 501 | 457, 804 | | | | Book of Secrets | | | | | | 5/25/01 | Pearl Harbor | 59, 078, 912 | 198, 539, 855 | 449, 239, 855 | 151, 500, 000 | |*Produced by Pixar Studios | Note: This ranking is based on box office receipts and not number of tickets sold. When sales are adjusted for inflation, Snow White and the Seven Dwarfs ranks number ten in domestic gross of all movies ever released in the U.S. Table 2: Disney Animated Films 2005-2010 Ranked by Worldwide Gross | Release Date | Title | 1st Weekend | U. S. Gross Worldwide Gross | Budget | | 6/18/10 | Toy Story 3* | 110, 307, 189 | 414, 984, 497 | 1, 064, 184, 497 | 200, 000, 000 | | 5/29/09 | Up | 68, 108, 790 | 293, 004, 164 | 731, 304, 609 | 175, 000, 000 | | 6/29/07 | Ratatoulle* | 47, 027, 395 | 206, 445, 654 | 620, 495, 432 | 150, 000, 000 | | 6/27/08 | WALL-E* | 63, 087, 526 | 223, 808, 164 | 532, 743, 103 | 180, 000, 000 | | 6/9/06 | Cars*