

have stampeded to purchase Japanese cars and appliances, Scotch whiskey and Italian designed clothing." They argue "the reason why foreign cultural products do less well in the United States than vice versa is because American products have been relatively more appealing to audiences both inside and outside the United States."⁸⁶

Acheson and Maule recognize that the system of distribution and production is different in the United States. They contend this system can be instructive. However, it seems that the answer is not simply about making better more appealing product, although that is certainly part of the answer. While the world acknowledges that the early Hollywood lead created an undeniable advantage to American studios, it seems less clear what Canada and others can apply from the American experience. The concentrated and powerful American industry has provided American access to distribution that cannot be achieved only by changing the kind of product offered.

This discussion certainly reveals that there is room for good stories that Canadians and others want to hear. Technology only creates more demand for product, not less. These stories need not be produced with expensive *Titanic* budgets. Large production budgets do not guarantee a higher return on capital anywhere. A good independent film, like *The Full Monty*, can succeed in the United States and then the global market, but access to distribution must be made easier. Such access is difficult without using a United States distributor or subsidiary. The answer for Canada, at least in part, lies in rethinking distribution and its relationship to Canada's cultural goals. If our goal is about producing Canadian stories, perhaps we should not worry about who distributes the product, but rather getting the product produced as well as the message of the product into the public domain. This may require more support in training and production. Rethinking distribution policy in Canada may be even more important now that Seagram's has purchased Polygram, including its film distribution unit.

v) *Impact of the United States Industry on Canadian Policy*

The strength of the United States industry presents challenges to Canada and to Canadian policy-makers. The American strength means that its position at international trade and investment negotiations is unlikely to change. Canada will continue to make the cultural argument even if it modifies its approach significantly. The greatest challenge for Canada is to meet the challenges of a more globalized industry. It is not only the United States that has global vertically integrated players, Canada increasingly does as well. Canada must find a policy approach that enables Canadian films to succeed in the international market and at the same time preserves space for the telling of Canadian stories at home. Only a domestic policy approach that recognizes the difference between cultural and industrial policy will succeed.

At the international level, Canada must determine what is the appropriate level of

⁸⁶ Keith Acheson and Christopher Maule, *You can't have it both ways*, 9.