

Boss Film Studios

(Ceased operations: August, 1997)

13335 Maxella Ave.

Marina del Ray, California. 90202

While compiling information for this report Boss Film Studios ceased operations. However, a very poignant article was written in the local press which investigated several of the key business aspects which this study probes. Therefore, omitting such information from this report would have been an injustice to the reader.

Los Angeles Times article by P.J. Huffstutter, August 27, 1997 – Page D1

In the latest shake-up in the special effects industry, Boss Film Studios has closed its doors and ended its 15 year history as one of Hollywood's oldest, largest and most respected visual effects shops.

The 90 person studio in Marina del Rey couldn't afford to stay in business, said founder Richard Edlund, a four-time Academy award-winning special effects supervisor known for his work on the "Star Wars" trilogy.

"We're paying for today's projects with tomorrow's profits, and I can't keep things going this way," said Edlund, whose privately held shop won Oscar nominations for seven films, including "Cliffhanger", "Alien 3", "Ghostbusters" and "Die Hard".

"We're averaging about \$20 million [in revenue] a year, and it's not enough to pay the lease, pay the staff and still make a profit."

He cited increased competition from other large shops, including Industrial Light & Magic in San Rafael and Digital Domain in Venice, as well as a growing number of smaller effects boutiques. Some analysts believe the shake-out in the industry, driven in part by technical advances, will leave only a few dominant players and many small start-ups with low overhead.

Company officials also blamed the current boom in computer animators' salaries, as well as huge costs to maintain Boss' hardware supply – which includes at least 60 Silicon Graphics Inc. machines used for generating digital images.