

## CHAPTER III

### OVERVIEW OF THE THAI MOVIE INDUSTRY

This chapter is provided to serve for the first objectives of this study by describing the historical outlook of the Thai movie industry based on literatures as well as collected data by interviews.

#### 3.1. Development of the Thai movie industry

In order to grasp the stages of development over years, we divided the periods into seven stages according to the development of the industry. The division is basically based on the literatures including: Dome & Sawasdi (2001), The Japan Foundation (1990, 2003). The last two periods (1994-1990 and 2000-present), however, are made by the author's own analysis.

#### **1897 – 1926: Flourishing era of theatre business**

In 1897, just two years later from the world premier of movie screenings by Lumière brothers in Paris, France, the new form of the entertainment, movies or *Nang Farang* (Western shadow theatre) were introduced to Siam (the former name of Thailand). In the very beginning, in Siam, movies are screened temporarily in open grounds at temples or theatres for performing arts, charging fees to the audience. According to Sirikaya (1988), the tickets for movies at that time were rather expensive than other entertainments such as *Likay* and vaudeville shows, so it was regarded as a luxurious good for Siamese people in the beginning. But it gradually became less expensive year by year, with more frequent screenings of the movies.

In 1905, with the experience of the successful screenings in open grounds at a temple in the previous year, a Japanese exhibitor established the first permanent movie theatre named “The Japanese Cinematograph” in *Charoen Krung* road. The exhibitor showed not only Japanese movies but also Western movies every night. The more the

movie theatre became popular among Siamese people, the more the movies were familiar in the name of *Nang Yipun* (Japanese shadow theatre) instead of *Nang Farang*.

The success of the permanent movie theatre eventually led Siamese businessmen to think of setting up their own theatres. A small number of theatres were built in the following years. They were simple, cheap constructions, rather like warehouses, with the frame made from wood and the walls and roof from corrugated iron (Dome & Sawasdi, 2001:7). There were only two distributors / exhibitors of movies at that time, the Bangkok Rupphayon Cinema Company and the Phayon Phattanakorn Company, probably with a high barrier or limited access to import the movie reels from abroad, but they could expand the market through the launchings of new theatres not only in Bangkok but also in local provinces, with cheap costs mentioned above. The fierce competition between them eventually emerged to get more of the audience than the other. The ticket price went down and extra services such as free gifts or discount tickets were flourished to attract more of the audience.

In 1919, however, the Bangkok Rupphayon Cinema Company and the Phayon Phattanakorn Company finally merged together to form a new company named the Siam Film Company, to avoid the extreme competition and to survive in the market. From that year on, the Siam Film Company had dominated the market not only as an exhibitor but also as a distributor for years. Along with the development of the company, the contents of the movies screened were also shifted from unedited short reels about everyday activities or social events toward edited longer feature movies, mainly imported from the U.S. or more specifically, from Hollywood.

While the first movie shot by the Japanese was in 1898, and the Japanese feature movie entitled *Chushingura* (The Treasury of Royal Retainers) by the first Japanese movie director, Shozo Makino, was already recorded in 1910 (Yomota, 2000:42-47), Siamese people had to wait until 1923 to witness the first Thai movie, *Miss Suwanna of Siam*, which is still controversial among scholars whether we can call it as the first Thai movie or not, because the movie was directed and produced by the Hollywood movie-maker, Henry A. MacRae. Sirikaya (1988) points out that the lack of skills and knowledge of making movies in the early era in Siam might have caused the delay of the

development of the Thai movie industry later, especially in production of movies. Besides, the monopolistic success of exhibitors who simply screened foreign movies with live music band and narrators might have made the industry less competitive and eventually less innovative for making their own movies later.

Therefore, it might be quite natural to know that the first movie production unit in Siam was established within the Royal State Railways Department topped by Prince Kambeangbejr, as a government agency named the Topical Film Service in 1922. It was the royal families who introduced and brought the knowledge as well as necessary equipments for film shooting to Siam in the early period. The Topical Film Service produced not only the advertising movies for the Royal State Railways Department but also the private movies receiving requests from other companies and individuals.

Within a few years, the skills and knowledge for movie shooting were spilled over. In 1927, The Bangkok Film Company, a newly established movie production by the Wasuwat brothers, released the first feature-length Thai movie, *Double Luck*, while the Tai Phapphayon Thai Company, a movie production run by a group of former civil servants, also produced their own feature movie, *Unexpected* in the same year. Both movies were well-received by Siamese film fans (Dome & Sawasdi, 2001:9). Coinciding with the beginning of the talkie-era in Hollywood in 1927, the Thai movie industry including movie productions fully began to flourish.

### **1927 – 1946: Emerging era of the first Thai movie productions**

Although the production of feature movies started rather late in Siam, 17 silent Thai movies were produced between 1927 and 1932 (The Japan Foundation, 2003:56). In 1930, three year later from the innovation of the talkie-system in Hollywood, the talkie-movies were spread to Siam and they became popular among Siamese filmgoers, with Thai-translation narrators. Then it was 1931 when the royal government promulgated the 1930 Film Act, which is still effective until now, to censor the contents of movies in advance.

The Bangkok Film Company by the Wasuwat brothers were heavily interested in the new sound system for movie shooting. With great efforts on conducting research on

the technology, they finally launched the first Thai movie with sound in 35-mm film, *Going Astray*, in 1932. With the financial success of the talkie movie, the Bangkok Film Company changed their name into the Sri Krung Sound Film Company and they took the further step by building a fully equipped sound studio and adopting the Hollywood studio system as the production method (The Japan Foundation, 2003:56).

Following the Sri Krung Sound Film Company, the Thai Film Company was established in 1937 to produce more talkies. The founders were Prince Phanuphan Yukol and his friends who had studied films in Hollywood. They bought the latest film equipment and accessories from Hollywood and built a new studio. This company, however, made only five movies before it was forced to close down due to financial difficulties in 1940. Thailand, whose name has been changed from Siam in 1940, also started to be involved in the war.

The severer the World War II became, the more difficult it was to obtain film and chemical solutions in Thailand. Therefore, even the Sri Krung Sound Film Company was faced with a serious financial crisis during the World War II due to the lack of necessary materials. Meanwhile, in the middle of the war, Pridi Banomyong, the then minister of finance, produced a Thai propaganda movie, *The King of the White Elephants*, in 1941 with the crew of the Thai Film Company, in hope to announce the standpoint of Thailand concerning the war abroad. The dialogue was in English and it was screened in Bangkok, Singapore and New York on the same day.

The first generation of the Thai movie productions, in conclusion, was basically busy for catching up with the new technology innovated in Hollywood and even the catch up was not enough due to the financial difficulties and limited access to necessary materials caused by the World War II.

#### **1947 – 1972: 16mm film era with dubbing**

During the World War II, it was difficult to obtain the rather expensive 35-mm film. Although it was popular among Thai filmgoers to see 35-mm foreign movies with sound and translators-narrators in theatres at the time, it was common among Thai movie companies to produce Thai movies in 16-mm film with dubbing practice. It was critically

economical and was still well received by the audience who enjoyed the dubbing performers in theatres.

After the critical hit of the Thai movie in 16-mm film, *Gentleman Bandit*, in 1949, the Thai movie production in 16-mm film blossomed. The barrier to enter the business is not so high but the revenue can be enormous if the movie becomes popular among the audience. A plethora of entrepreneurs rushed into the movie production business and the number of Thai movies released drastically increased from 10 each to 50 each in early 1950s (The Japan Foundation, 1990:57).

Although the first television station in Thailand was established in 1955, movies were still the favorite entertainment of the masses with cheap prices. Along with the development in rural areas and the growth of Bangkok as a capital, new theatres were sprang up in every town in local provinces as well as in many areas in Bangkok. The approximate numbers of theatres as well as the numbers of movies screened at this time are summarized in the following Table 3.1 & 3.2.

Table 3.1

The number of theatres in 1950s–1960s

Location	Number
Bangkok	100 – 150
Outside of Bangkok	700

Source: Dome & Sawasdi (2001:13)

Table 3.2

The number of movies screened in 1950s–1960s

The origin of country	Number
The U.S. (Hollywood)	200 – 300
Other foreign countries	100 – 200
Thailand	60 – 80

Source: Dome & Sawasdi (2001:13)

The golden era of 16-mm film production went along with Mitr Chaibancha, the most beloved all time movie star in Thailand. He played the hero in 265 movies between

1956 and 1970, of which 165 were with Petchara Chaowarat, his favorite co-star (Dome & Sawasdi, 2001:14). Even if the plots of the stories were always the same, the audience was happy to see their stars in screens repeatedly. This characteristic of demand for stars made the movie producers less think of differentiating their movies in qualities such as storylines and artistic values but rather become aggressive to put more advertisements on hoardings instead. Thus it led to the saying that Thai film is like stagnant water, which meant that it was always same (The Japan Foundation, 2003:57).

While the 16-mm film production and the superstar system dominated the mainstream of the Thai movie industry at that time, a few movie directors were keen on showing their ability in 35-mm film format. For example, the Hanuman Film Company, run by Director R. D. Pestonji, produced a 35-mm feature movie, *Santi-Weena*, in 1954, and it received awards in the first South East Asian Film Festival in Tokyo in the same year. This was the first Thai movie recognized internationally. Pestonji also received a prize from the Motion Picture Producer's Association of America, for the best film disseminating Asian culture and increasing understanding between Asia and the West. Thai movies at the time were not exported for commercial purpose but for promoting better understandings of Thailand through the media. The Hanuman Film Company continued to produce 35-mm movies such as *Country Hotel* (1957) and *Black Silk* (1961), both of which were regarded as classical masterpieces of Thai movies by critics later years.

Since late 1960s, movie-makers gradually shifted to 35-mm movie production for several reasons. One is because some of them started to use Hong Kong laboratories which were more advanced and systemized for 35-mm movie production. The other is because the Thai government offered an investment promotion patent to the Thai movie industry under the condition that the patentee must produce movies in 35-mm film format in 1969. Along with these new streams into 35-mm film production, the great success of 35-mm movies, *Tone* (1970), directed by Piak Poster, and *The Sound of the Country* (1970), directed by Ransee Thasanaphayak, as well as the sudden accidental death of the superstar, Mitr Chaibancha, in 1970, accelerated the shifts to 35-mm production. By the end of 1972, almost all Thai movies were made with 35-mm film.

### 1973 – 1984: Progressive era of new wave directors

In 1973, the student movement for democracy rose up and the military dictatorship was fallen down after the famous political incident, the 14 October 1973 revolution. For the first time in Thailand's history, the university students played the decisive roles in the political change. The number of university students, who are regarded as educated people at the time, had increased into considerable figures. A number of courses on film were also opened since the middle of 1960s. The political and social situations at that time were ready to welcome the seeds of new generation.

Sahamongkol Film, one of the biggest movie companies in Thailand now, was established in 1970, while Five Star Production, another one of the oldest existing movie companies, was formed in 1973. Starting with 35-mm production with sound and color from the beginning was an advantage to be the leading companies in the Thai movie industry later, because that became the basic format to produce movies for long decades later on.

Table 3.3

Audience Preference Survey (1976)

Occupation	The origin of the country of the movie				
	Thailand	Japan	Western countries	India	China
Student	5	5	80	3	7
Employees	15	2	70	8	10
Vendors	71	2	10	2	15

Note: The table indicates the viewing preference of 100 Bangkok residents surveyed by Thammasat university students. The numbers are in percentage.

Source: Business in Thailand (1976:51)

So-called new wave directors such as M. C. Chatrichalerm Yugala and Chana Kraprayoon emerged in this period. Both of them studied movies related subjects in the U.S and started their career in Thailand by making movies on social issues such as prostitution, poverty, violence with updated techniques and styles. Although their movies

were considerably welcomed by the audience, educated people, especially younger generations, started to prefer more to see Hollywood movies than Thai movies (see Table 3.3).

Responding to these new demands, the majority of the first-run theatres in Bangkok began to screen only Hollywood and Hong Kong movies. Thai movies consequently lost their chances to appeal in the market and the Thai movie industry met in serious trouble to survive even within the domestic market.

With the pressure from the Thai Film Producers Association, the government promptly decided to support the Thai movie industry by increasing the import tariff on film from 2.20 Baht per meter to 30 Baht per meter in 1977. The distribution representatives stationed in Thailand from Hollywood showed strong dissatisfaction with the government's action and they boycotted the distribution of Hollywood movies in Thailand. Then the opportunities of Thai movie screenings came back. However, many of Thai movie companies failed to improve the quality of Thai movies to fit the new demand from the younger generations during this moratorium period. When the influx of Hollywood movies came back again in 1981 even with the higher import tariff barrier, the Thai movie industry as a whole encountered with severe difficulties again to regain the market share as well as financial stability.

Even worse, the lifestyle in Thailand had been in transition preferring more to stay at home rather than to go out for theatres, due to the emergence of wide variety of TV programs in four Bangkok TV stations, as well as the availability of cheap video devices for home cinema entertainment. Dome and Sawasdi (2001:14) describes the situation of declining theatres at that time as follows:

Over the country as a whole, more than 700 cinemas and 1,000 open-air screens disappeared. Some large cinemas were pulled down to make way for other buildings, especially shopping centres and condominiums which were sprouting up everywhere; others were converted into markets, car parks and even a church. Those that remained were divided into smaller cinemas. The number of films produced in a year fell steadily from over a hundred to less than thirty.



Only one hope was that a few serious movie directors could continue to pursue their artistic values in more updated entertainment format for new generations. Such examples are; *The Angles* (1974), *The Citizen* (1977), *Gunman* (1983), all directed by M. C. Chatrichalerm Yugala, *The Scar* (1977) by Cherd Songsri, and *Son of the Northeast* (1982) by Wijit Kunawud. Euthana Mookdasanit, who is a fresh graduate from Thammasat University and used to be the Assistant Director for M. C. Chatrichalerm Yugala, also debuted in this period, with *The Story of Namphu* (1984) and *Butterfly and Flowers* (1985), which was awarded as the best film in the Hawaii International Film Festival in 1986.

In overall in this period, with the change of people's lifestyle, the attractiveness of theatre business was diminished and the Thai movie productions also faced in difficulties in both terms of getting back the audience and of financial stability as business. However, as the movie production was already in a same vein with the international standard with 35-mm film, the movies released in this period, if not for business, could be introduced later abroad in order to disseminate Thai culture for foreigners and highly acclaimed by foreign critics.

### **1985 – 1993: New genre emerges, movies for teenagers**

While Thai movie productions were continuously struggling with getting back the audience to theatres, in 1985, *Happy Go Lucky*, co-directed by Thanit Jutnukul and Adirek Wattalila, became a smash hit, mainly welcomed by the new segment of the audience – teenagers. It depicted teenage campus lives in senior high school for the first time and became the breakthrough to get back the audience, shifting the target from adults to teenagers. The genre of so-called “teenage comedy” was established and many followed this stream. These movies were called correctively *Kraprong Ban Khasan* (*Blooming Skirt and Shorts*) and after the other critical hit of the teenage comedy, *The Time Is Not Beyond* (1991), teen flicks became the mainstream of Thai movie genres. Even such a movie director as M. C. Chatrichalerm Yugala, who made several movies on social issues, could not avoid the stream and made movies for teenagers, *Daughter* (1995) and *Daughter 2* (1996).

With the understanding of the existence of new segment in the audience, Five Star Production also produced a comedy for younger audience, *Boonchu* (1988) by Bandit Rittakol, which became so popular that the other five series of the title were made in the following years until 1995.

The discovery of the new segment – teenagers – in the audience was, however, a tentative solution in short-run to compete with the dominance of Hollywood movies. Escaping to teen flicks, later coupled with promotions of singers-actors for teenagers, eventually led the Thai movie industry to the deadlock. It is said that Thai movies were dead, while Hollywood movies were exclusively recognized as quality movies.

#### **1994 – 1999: Severe competition and the financial crisis**

In 1993, upon the request from the U.S. government, the Thai government reviewed its tariff classification for movie imports and decided to reduce its tariff on movie imports from 30 Baht, which had been imposed since 1977, to 10 Baht per meter of footage. Along with the new tariff policy, the first multiplex theatre, equipped with modern sound systems and designed to fully enjoy the Hollywood's special effects, was established by EGV (Entertainment Golden Village), the joint venture with Hong Kong's Golden Harvest and Australia's Village Roadshow. Newly formed Major Cineplex, run by a Chinese-Thai family with roots in theatre business, followed EGV immediately.

Getting two kinds of favorable winds, the Hollywood and western movies fiercely dominated the market within a few years. The increase in numbers of screenings of western movies in these years is apparent in Table 3.4.

Under the fierce influx of Hollywood movies in this period, the Thai economy experiences the financial crisis triggered by the de-valuation of Thai baht in 1997. It makes the situation of the Thai movie industry even worse and the number of Thai movies produced in one year finally falls into only 10 in 1999, having the two-year time lag since movie production normally starts two years in advance.

Table 3.4

The numbers of movies screened in Thailand in 1990 – 1999

Country / Area	90	91	92	93	94	95	96	97	98	99
Thailand	69	52	37	44	46	43	30	29	14	10
Western countries	89	80	104	96	150	183	203	219	204	186
China (Hong Kong)	71	100	135	127	117	117	122	87	55	53
Others	3	-	3	2	1	-	-	-	-	-
Total	232	232	279	269	314	343	355	355	273	286

Source: The Federation of National Film Association of Thailand

A new talented director, however, emerged under such a severe circumstance. In 1997, *Deang Bailey and His Young Gangsters (1997)* directed by Nonzee Nimibtr, earned the highest box office revenue at that time with 75 million baht, and the record was soon broken by the same director's next movie, *Nang Nak (1999)*, with 149.6 million baht (Starpics, 2007:111). This breaking news proofed that the audience can come back to Thai movies if the qualities of the movies are good enough, and the multiplex theatres can be also favorable for the Thai movie industry.

### 2000 – Present: Internationalization of the Thai movie industry

In late 90s, not only the Thai movies by Nonzee Nimibtr brought back the audience to Thai movies, but also a couple of Thai movies got the opportunities to be screened in international film festivals. The first penetration was the movie entitled *Fan Bar Karaoke (1997)* by Pen-ek Ratanaruang. It was screened in several film festivals after its world premier at Berlin International Film Festival. The new wave from Thailand continued to flow to the international film festivals in 2000s, followed by the movies by Wisit Sasanatieng and Apichatpong Weerasethakul. The confluence of continual screenings of Thai movies in the international film festivals made the images of Thai movies more clear for the international markets and some of international agencies started to make a business on the sales of the copyrights of Thai movies abroad.

The domestic market also flourished in 2000s. Just after the breaking news of the highest box office revenue of *Nang Nak (1999)* with 149.6 million baht, *Bang Rajan (2000)* by Thanit Jitnukul made a new record of the highest box office revenue with 151 million baht, followed by the renewal of the record again by *The Legend of Suriyothai (2001)* by M.C. Chatri Chalerm Yugala with extremely high box office revenue, which reached to 550 million baht in total (Starpics, 2007:111).

The interaction of domestic revival and international recognition of the Thai movies attracted new investors to enter the movie business and the number of Thai movies produced per year was drastically increased since 2003 as described in Table 3.5.

Table 3.5

The numbers of movies screened in Thailand in 2000 – 2006

Country / Area	2000	2001	2002	2003	2004	2005	2006
Thailand	9	14	25	47	46	37	44
Western countries	186	152	176	182	182	-	-
China (Hong Kong)	34	29	27	35	36	-	-
Korea	0	5	18	23	25	-	-
Japan	1	1	8	42	12	-	-
Others	1	1	2	3	0	-	-
Total	231	202	256	332	301	-	-

Source: Made by the author from several sources such as the Federation of National Film Association of Thailand, Kasikorn Research Center, and other websites in Thailand

From the author's experience in Thailand during 2001-2004, the almost all Thai movies had been screened with English sub-titles even in theatres in Bangkok at that time. It was a new phenomenon of the internationalization of the Thai movie industry and several Thai movies started to be sold in the international markets including the Japanese market. In the beginning, however, they were sold through the international agencies such as the Asia office of Fortissimo Film (The Netherlands) and Golden Network Asia Ltd. (Hong Kong).

Having experienced international sales through the agencies, the Thai movie production companies have just started to launch their own international sales department in order to be closer to the demand in the international markets.

### **3.2. Current situation of the Thai movie industry**

#### **3.2.1. Structure**

The movie industry in general has three stages of the business; production, distribution, and exhibition<sup>1</sup>. The Thai movie industry also has basically the same stages.

Table 3.6

Movie production process

Pre-production	<ul style="list-style-type: none"> <li>-Development of script</li> <li>-Set design</li> <li>-Selection of actor/actress (Casting)</li> <li>-Costume design</li> <li>-Selection of location for shooting</li> <li>-Fund raising</li> <li>-Budget allocation, etc.</li> </ul>
Production	<ul style="list-style-type: none"> <li>-Shooting the movie</li> </ul>
Post-production	<ul style="list-style-type: none"> <li>-Editing</li> <li>-Coordination of the colours</li> <li>-Sound editing</li> <li>-Inserting special effects</li> <li>-Composing music</li> <li>-Inserting credits and titles</li> <li>-Copying the film</li> </ul>

Source: Made by the author based on the data from Sugaya and Nakamura (2002:6)

The production stage can be divided into three more stages; pre-production, production, and post-production. The tasks in each stage can be summarised as described in Table 3.6.

<sup>1</sup> See Litman (1998, Chapter III).

In the distribution stage, the distribution companies and/or producers try maximizing the profits from the produced movies, by selling its films and copyrights to several channels including international markets, known as the process of “windowing.” The typical windowing starts from spreading lots of positive prints to first-run theatres for simultaneous national release. Then it generally becomes available at the second-run theatres as well as a DVD format, followed by pay-per-view, pay cable, and network television. International sales of the movies both in prints and DVDs can be also added in the process of windowing if foreign buyers are interested in them.

In the exhibition stage, at last, theatre owners (i.e., Major Cineplex and SFX Cinema in Thailand’s case) screen the selected movies in their own theatres and manage the schedule of screenings of each movie every week.

In Thailand’s case, as Nukaew (2005) revealed, the Thai movie industry in each stage is under monopolistic competitions. The stages of production and distribution are vertically integrated in some large scale companies such as Sahamongkol Film International and Five Star Production. GTH and RS Film, on the other hand, has separated but closely related production houses for their own distributions; Hab-Ho-Hin Film for GTH and Avant fro RS Film to name the few.

### **3.2.2. Internationalization**

Since its birth of the Thai movie industry, the industry as a whole was keen on adopting new technologies from abroad, starting from film shooting devices, sound systems, 35-mm films, to software for computer graphics and High Definition system and so on. Constantly upgrading the quality of the Thai movies to serve for the domestic demand who knows the quality of foreign movies was the biggest concern for long time. Therefore, in the beginning of the internationalization of the industry, we can say that the factors that made the industry internationalized were motivations and necessity to catch up with the quality of foreign movies. They were basically technical inflows from abroad into Thailand.

However, at the same time, Thai movie companies occasionally sought to penetrate the foreign markets to earn more profits in hope for more financial stability. Whenever they thought they could compete with foreign movies in foreign market equipped with new technologies, they tried to export Thai movies abroad. For example, just after the first experience for Thai movies to receive the international film awards at the South East Asian Film Festival in Tokyo in 1954 for *Santi-Weena*, some of Thai movie companies started to feature Chinese and Hong Kong stars in their own movies in hope to penetrate the foreign market (Sirikaya, 1988:96). As they were basically occasional trials by some of the Thai movie companies regardless of the existence of the demands from abroad, they were not well organized for the internationalization of the Thai movie industry as a whole.

Since 2000s, however, the internationalization of the Thai movie industry gradually formed in professional manner. At first, with been recognized by international markets, international agencies for sales constantly contacted several Thai movie companies and sold the prints and copyrights of Thai movies abroad on behalf of the Thai movie companies. Then Thai movie companies also started to show up in the film market at several international film festivals, equipped with English sub-titles to promote their movies in the international markets. The factor that contributed to the internationalization at this time was the circulation of promising names of Thai movie directors such as Pen-ek Ratanaruang and Nonsee Nimibtr with their innovative qualities in their movies. The certainty of the qualities in several Thai movies made the international sales agency confident about purchasing more Thai movies and selling them internationally. It consequently led to the increase of demand toward Thai movies abroad.

Then, in 2004, GTH established the international sales department since its launching of the company in order to serve for the increasing demand from abroad, and to learn the feedback of foreigners more directly. Sahamongkol Film International also established its international sales section in 2006.

In the phenomena of globalization in many segments in industries, international co-production has also become an increasingly important mode for producing movies in the world. By reviewing literature, Hoskins, McFadyen, and Finn (1997:105) concludes

that “(f)inancial pooling and improved access to the partner’s market would be particularly important advantages” to form the international co-production.

Five Star Production has been keen on conducting the international co-production in this trend. They not only produced the movie entitled *Last Life in the Universe* (2003), featuring the Japanese promising young actor, Tadanobu Asano, directed by the Thai director, Pen-ek Ratanaruang, sharing the financial resource with four other countries’ production companies, but also continued to make another co-production with foreign production companies, which resulted in the movie entitled *Invisible Waves* (2006), starring the same Japanese actor again. As both of the movies were screened commercially in the Japanese market, we can say that the advantage to access to the partner’s market surely existed, if not only the reason for the successful penetration.

### 3.2.3. Existing issues

Although Thai movies started to be constantly exported, whether the international sales from export can be stable or not is still uncertain.

In the case of export to Japan, *The Iron Ladies* (2000) was successful in the term of box office revenue, but the box office revenue of *The Iron Ladies 2* (2002) did not reach the number expected by the Japanese distributor (Negami, 2007). *Ong-Bak* (2003) was a smash hit in Japan but its second series entitled *Tom Yum Goong* (2005) was, again, in a disappointing result for the Japanese distributor, although the popularity of Thai movies and recognition of Muay Thai were surely increased in the Japanese audience through the series of the Muay Thai action movies (Negami, 2007).

Judging from the empirical data, it seems to be still difficult for the Thai movie industry to keep the competitiveness for exporting abroad sustainably. This existing issue will be carefully examined in Chapter V.