

An assortment of films is released to the American viewing public every Friday. While some movies generate immediate box office success and remain in the theaters for many weeks, others are quickly removed from the screens and promptly replaced with new box office hopefuls. Have you ever seen

transfer of information between consumers (as measured by CinemaScore reviews).

Ex Ante Model Results

Based upon our analysis of the *ex ante* model, some interesting results are obtained. Although production budget matters the budget variable. Some researchers argue that the production budget has the ability to raise the minimum revenue that a movie might earn, but has a relatively small influence on its potential maximum. This finding of decreasing returns supports the finding that diminishing returns occur at a certain budget level, where the increase in spending is no longer obvious on the movie screen in the form of special effects or key actors (p. 134).

The presence of certain stars increases film revenue, but we believe that stars themselves do not actually cause movies to be successful. More likely, stars select film projects that already have an increased potential for success. Films released during the summer and holiday seasons experience 14.4% and 7.0% higher revenues, respectively.

Violent films tend to earn a fraction of the gross of the original film.

There is a consistent demand for violent films as evident in the importance of the action-adventure and horror genres in our study. On the other hand, comedies and comedy-dramas both also have wide-reaching appeal. Animated and science fiction features have a more hit-or-miss character, perhaps because they have more limited target audiences. These film genres tend to be riskier undertakings for studios relative to violent, R-rated films.

PG-13 is the only significant MPAA rating in our sample, which may suggest that P-earners occur at rates as high as 20% (20(t)IJETB(he)-4(r)7(re)-5(v)-2(e)-5(8)17(e)-5(s),9()6(re)-5()6(no

Faculty Notes

"Estimating Core Unemployable And Workforce Non-Participants: A Study of Pennsylvania's Labor Force", co-authored by **Dr. Jack D. Julian, Dr. David B. Yerger**, and former student **Ms. C. Elizabeth Hall**, was published in the February 2010 edition of the *Journal of Business and Economics Research*.

Dr. James J. Jozefowicz and **Dr. Stephanie M. Brewer Jozefowicz** attended the National Association of Economic Educators Professional Development Conference in Oklahoma City, OK, on February 25-27, 2010. Jim co-chairs the NAEE Professional Development Committee and Stephanie serves on the committee. They both helped to organize the conference.

Dr. Yaya Sissoko - authored with Niloufer Sohradji, at the 36th Eastern Economic Association (EEA) Annual Conference in Philadelphia, PA on February 26 - 28, 2010. He also served as the discussant for another paper and attended the Presidential Address given by N. Gregory Mankiw.

Dr. James J. Jozefowicz and **Dr. Stephanie M. Jozefowicz** were both recognized by IUP for 10 years of service.

- authored by **Dr. Jack D. Julian, Dr. David B. Yerger**, and former student **Ms. C. Elizabeth Hall** was published in the March 2010 edition of the *Journal of Business and Economics Research*.

Dr. Willard Radell's paper, "Economic Logic in Cuba's 2002 Sugar Industry", sponsored by the Association for the Study of the Cuban Economy.

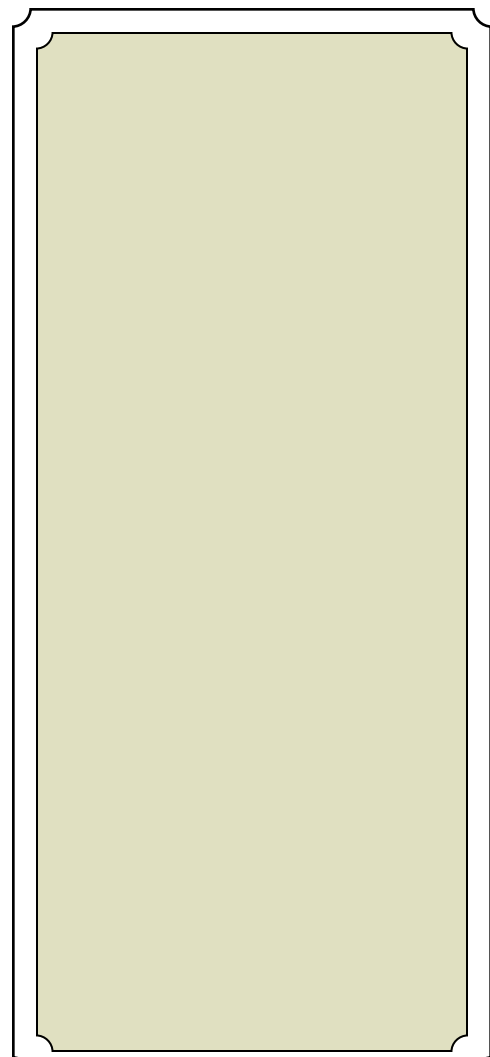
Dr. Sarah E. Jackson presented "The Effect of Legal Intervention on Youthful Offenders" at the Midwest Economic Association Conference in Evansville, IL, on March 19-21, 2010. She also served as a discussant and a session chair during the conference.

Dr. James J. Jozefowicz served as editor of the *Proceedings of the Pennsylvania Economic Association 2009 Conference*.

and we get into heated discussions. But not all committee meetings are all that exciting. After having spent a lot of time in front of the class, it is difficult for me to sit still for an hour-and-a-half at a meeting. But even though these are things I like the least, it is important work. I think most people who love their jobs have to deal with some parts that are a bit unsavory.

SJ: How do you spend your time outside of work?

JJ:



Economics Club

Economics Club News

This semester, the Economics Club has hosted the following alumni speakers:

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Show Your Pride

The Economics Club is selling IUP Economics T-shirts! You can show pride in your association with the IUP Department of Economics and support the Economics Club at the same time. Shirts are available in crimson (100% cot-

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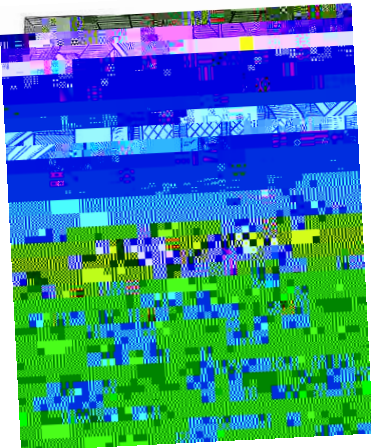
Alumni News

Spring 2010

Department of Economics

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