Data and Decision in the Contemporary Studio

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Abstract:

The 2014 hack of Sony Pictures Entertainment has left in its wake a comprehensive archive of contemporary studio decision making. Relying on unfiltered email correspondence, this essay examines the production culture of high-level decision makers in both its ordinary operation and in a crisis situation. In its ordinary guise, upper-echelon executive culture relies on gatekeeping rituals to foster belief in the corporation's purposes. Email operates as corporate private sphere, encouraging the performance of insider-ness while also serving as a pseudo-public channel for strategic decision making. In a crisis, top executives attempt to preserve the centrality and independence of decisions despite their reliance on dataflows. In the case of *The Interview* (2014), intracorporate networks attempted to insulate the studio from the consequences of its own movie while simultaneously shoring up extracorporate relations with the creative community. The focus on top-down decision making helps connect research into management cultures with both strategy and textual production. The ethics of relying on stolen documents are also considered.[2]

Keywords: *The Interview* (film), Sony, Production, Cyber Security, Politics

On July 14, 2014, Amy Pascal, chair of the Motion Pictures Group of Sony Pictures Entertainment, emailed Doug Belgrad (president of the Motion Pictures Group), Stefan Litt (executive vice president & CFO), and Lauren Glotzer (EVP of corporate development):

> some thoughts about organizaton
> movies studios are the slates of movies they produce
> two way to look at performance of any motion picture company
> 1.how well do we make decisions?(slate ultimates)
> 2. how well do we manage our decisions(the company)?(ebit)[3]

Pascal lays out two different metrics for performance, one directed at a movie's ultimate profitability, one directed at the management of the company's process. The remainder of her email sets out a massive data-gathering task that she hopes will help the company better understand the studio's (and the industry's) process. She wants to know what *kinds* of movies should go into a slate, where "kinds" include genres, origins (adaptations, spec scripts, acquisitions of brands), scales, and much besides. Pascal is engaging in one of the cyclical rituals of the motion picture business: an effort to get some hard data to "bust some myths" about

what succeeds and what does not. For the moment, and uncharacteristically, she is trying on the idea that the studio should not consider the quality of the films it produces independently of the operationalization of quality via profit. Looking at the initial questions in the email again, we see that she wants to evaluate decisions rather than movies; and thanks to the Sony hack, we now have access to both the emails and many of the supporting documents that went into the studio's midyear strategic-planning efforts. As a result, we can track the interplay of data and decision making in the contemporary studio far more precisely than ever before.

The attack on Sony Pictures Entertainment (SPE) may indeed have been, as the *Harvard Business Review* described it, "the most devastating hack in corporate history."[4] But in its wake, it has also left the most important publicly available archive of information on a modern media enterprise and likely on any contemporary corporation whatsoever. The publication of hundreds of thousands of emails and documents in April and June of 2015 by Wikileaks has made it possible to sift, sort, uncover, and reconstruct Sony's operations in richer detail than most of us believed would ever be possible. In particular, the email spools of high-ranking executives open up the company's decision-making history in ways that even the most embedded journalism would not be able to approach. At the same time, the relatively indiscriminate "data dump" of supporting materials will eventually make it possible to tell stories that no human actor or collection of actors would likely imagine—stories of flow and function seemingly beyond intention.

In this preliminary account, I explore both the routine and the crisis-period operations of a high-level work culture. At the same time that Pascal was undertaking a rigorous inventory of the studio's strengths and weaknesses relative to the industry at large, SPE was attempting to cordon off any potential negative consequences of producing *The Interview* (dir. Seth Rogen/Evan Goldberg, 2014). The film, and Pascal, would be the hack's most prominent casualties.

An Archive of Illegality: Ethics

The precise timeline of the hack is widely available and will doubtlessly be refined as more information becomes public through data analysis, criminal investigation, and corporate litigation.[5] The exfiltration of SPE data likely began mid–2014 and continued through the fall. On November 21, the hackers identified themselves as "Guardians of Peace" (GoP) and threatened to leak the stolen data. Their threat was ignored (in many cases, the email went directly to spam). Three days later, GoP posted the first files on Pastebin and launched an attack that caused the wholesale erasure of thousands of Sony workstations and servers. The next day (November 25) GoP placed five movies on torrent sites.[6] They continued to release large sets of files directly to journalists for nearly a month, including the email spools of upper-level executives. The studio attempted to restore its network operations and moved from crisis to crisis as new revelations were reported in a wide range of media outlets. In December, Sony abandoned the theatrical release of *The Interview*, only to face public condemnation from President Obama on December 19. The final GoP release, a collection of screenplays, occurred that same day. Pascal was forced out on February 4, 2015, and replaced by Tom Rothman, who was serving as Chairman of Columbia's sister studio, TriStar. On April 16, Wikileaks published about half of the stolen documents and emails; the organization posted the remaining materials on June 19.

When Wikileaks published the stolen Sony documents, it altered the hack's status, turning an *event* that had been largely filtered through select journalists into something like a standing

reserve, an *archive* of illegality available to all. In its initial press release, Wikileaks emphasized that while Sony is known as an entertainment company, it is "a large, secretive multinational corporation . . . with ties to the White House . . . with an ability to impact laws and policies, and with connections to the US military-industrial complex"[7] (connections that only became stronger as a result of the hack). The company's access to and involvement in MPAA lobbying efforts in favor of the contentious Trans-Pacific Partnership, in attempts to revive the Stop Online Piracy Act (SOPA), and in a loose organization opposed to Google (dubbed "Project Goliath") made it a natural target for Wikileaks's longstanding interest in an open internet.[8] As a major player in the attempt to secure the profitability of the global flow of information, Sony inevitably would have important interactions with national and international institutions with complementary and competing interests. For Wikileaks, the hack was thus a window into the evolving politics of information, and its significance was justification enough to release the documents.

But the leaked materials range far beyond the explicitly political. Indeed, while much of my subsequent discussion might plausibly pass a test for political significance, the overwhelming bulk of these materials do not rise to the level of "geopolitical conflict." How—aside from a belief in radical transparency that I don't happen to share—might one justify pawing through undisclosed corporate operations?

I don't claim to have a particularly robust argument to present in my defense. However tainted the materials are, I believe they can be used if they support other, competing disciplinary norms. As Toby Miller has pointed out, the documents of "private bureaucracies" are one of the "core elements" necessary to analyze the media.[9] Amanda Lotz and others have stressed the difficulty of gathering verifiable information in the absence of those documents.[10] Worse, work on contemporary studios is hampered by the dominance of self-serving corporate and executive narratives. For John Thornton Caldwell, the result is an "'inverse credibility law': the higher one travels up the industrial food chain for insights, the more suspect and spin-driven the personal disclosures tend to become."[11] If the aim is to provide as accurate a portrait of studio operations as possible, then delving into the hacked emails and documents offers a vital corrective to these other, less embedded self-presentations. In that sense, these materials are simply the digital equivalent of much of the archival material that has supported the study of the classical Hollywood system: the Production Code Administration files; the Selznick collection; the Mannix, Tevlin, and Schaefer ledgers; and so on.

One can object that the Sony materials were not donated for research. But given that no contemporary studio has elaborated a plan for the regular processing and release of historical corporate materials, scholars are unlikely *ever* to have access to the sort of vital documentation that we often have for their classical Hollywood incarnations, except through hacked materials. Worse, in the wake of the Sony hack, studios appear to be moving toward much more rapid and wholesale deletion policies.[12] I would join Ross Melnick in suggesting that studios adopt a sensible policy of corporate archiving, regular processing, and systematic release following an appropriate delay, as an aid to scholars, to their corporate reputations, and, not least, as a way of neutralizing some of the scandal value attached to the inevitable leaks and thefts of corporate data.[13]

Even for researchers who are willing to make use of the Sony materials, the Wikileaks version poses additional problems. There is no overall finding aid that might direct our attention. Instead, searches are done mainly by string, but searching that way for particular authors,

dates, email suffixes, and the like inevitably exposes any researcher to materials that would not, under ordinary archival practices, be available. No reasonable scholar wants to see these emails, and yet there they are. (Something similar holds for document searches.) At the same time, documents are scrubbed of their metadata (creators and creation dates, for instance); many are converted into PDFs; the numbering system is idiosyncratic; and there are no video files. Until the Sony materials are properly catalogued, researchers will both see too much and too little. Only if a library or other organization acquires its own copy of the hacked materials and processes them afresh will scholars be able to avoid inadvertent exposure and be sure that they are seeing the most accurate documentation of the studio's workings.

Methods: Studio Strategy and Textual Practice

Historians of upper-echelon studio decision making such as Tino Balio, Bernard F. Dick, Douglas Gomery, Richard B. Jewell, Peter Lev, and Thomas Schatz have reconstructed the histories of the classical Hollywood studios by relying on trade accounts, memoirs, interviews, and memoranda, occasionally benefitting from documents that were later withdrawn from circulation (Jewell especially).[14] Through a canny combination of induction from studios' production slates, sharp readings of the studios' marketing presentations to the sales staff, and the internal documents that have survived, they have managed to convey both the richness of the production chiefs' involvement with day-to-day operations and the company's overarching aims.

Without access to those decision makers, though, contemporary media industry studies has, in effect, moved to where the light shines brighter, concentrating on the more readily accessed work cultures of middle managers and craft workers. The resulting internal focus has come under critical pressure. Timothy Havens, for example, rejects the "production of culture" stance because it "adopts a functionalist, micro-level approach to describe in detail how intermediaries operate within the organization, how environmental changes alter decision-making practices, and how media organizations differ from other kinds of industries."[15] A similar critique comes from David Hesmondhalgh, who wonders how the accumulation of management case studies might issue in a theory.[16] The obverse, a prescriptive vision of the media industries in the name of a critical political economy, relinquishes the surface variety offered by particular cases in the name of a hardheaded reckoning with necessities of cultural production under capitalism.

Caldwell attempts to "move beyond the now tired antithesis between political economies . . . and cultural studies" by concentrating on the constructions and fluctuations of identities from below-the-line workers to corporations and the industry as a whole.[17] At the level of industrial identity, he proposes a typological matrix in which (1) particular practices (2) appeal to certain identities via (3) (affective) metaphors with (4) an economic goal.[18] Similarly, the editors of *Making Media Work* suggest a pragmatic division between managerial discourse, disposition, and tactics. For many production contexts, that triad would sufficiently complicate "the functionalist and prescriptive approaches" to the industry.[19]

But at the very highest levels, where Caldwell's inverse credibility law holds, the matrix of identity and the managerial triad must be extended to include both strategy and textual practice. When the head of production at one of the majors contends that the industry has shifted in a particular way, such management discourse possesses perlocutionary force beyond simple reflexive practice. When Lynton and Pascal speak (or write), they (propose to) make and remake the company's strategy. At the other end of the scale, their authority comes to ground in the management of texts. At the top, Pascal invokes the irrefutables of economics (slate

ultimates and EBIT) in order to begin a process of strategic evaluation; at the bottom, she (along with Lynton, and Sony CEO Kazuo Hirai) worries over the particularities of the studio's most public products. How clearly Sony sees itself in its texts is, ultimately, a question about the intensity of its self-reflection.[20] But whatever the general contours of that intensity, the studio believed that *The Interview* would be a public manifestation of its corporate strategy. The successful execution of that strategy depended on the successful management of the production. In the crisis surrounding *The Interview*, then, we see a rarefied group of intermediaries whose quasi-functionalist "decision-making practices" have indeed been altered by changing contexts within and outside the corporation, but who attempt to retain as much of the decision architecture as possible in order to maintain a belief in the centrality of corporate decisions, their management, and their success.

The study of corporate decision-making processes begun by Chester Barnard and Herbert Simon stressed the complex interactions among data, architecture, and evaluation structures, contextualizing the executive decision in myriad ways.[21] Today, the growing (and largely European) field of strategy-as-practice is reinvigorating the study of decision contexts, albeit with some of the flaws of the "production of culture" school.[22] At the same time, the cant of corporate leadership has highlighted "deciders," their guts and glories, their visionary status, their loneliness and longsuffering, all at the expense of broader decision contexts.[23] There is an elegance to the binary yes/no of a decision to go to war or to greenlight a movie. Yet even that moment is artifactual. As Richard Caves has explained, the option contract regime helps convert the binary into a series of yellow lights, punctuated by go/no-go moments.[24] Within those surroundings we can read our way into an almost unfathomable array of possible contexts for the decision. What is more—and what is uniquely possible as a result of the Sony hack—we can begin to reconstruct the protocols of decision making within which the binary takes hold. That is, the datacontexts and decision architectures allow us to see how a decision comes to be seen as a binary, to see how alternatives are sloughed off, becoming unrealized impossibilities that support not only the ultimate decision but also the idea that what lies at the heart of a studio *is* a decision rather than a decision-making process.

It may ultimately require but a few bytes to register a decision, but the process leaves in its wake hundreds of megabytes, sitting on compositors' hard drives, backed up to central servers, resting in executive Outlook spools or assistants' Gmail accounts, memorialized as broken links that browsers have tried to follow on iPads. Within the contemporary studio, decisions and their data are willy-nilly archiving themselves all over the organizational chart, ready to be exfiltrated.[25]

In this light, the Sony emails are not simply repositories of unvarnished truth. Rather, they provide rare instances of what Caldwell might call the "fully embedded deep texts" of upper management.[26] They serve as a useful expansion of the studies of middle-level management in *Making Media Work* and an important check on the processes of identity formation Caldwell discusses. In such private emails, executives not only perform important rituals of responsibility—doling out credit for successes (*The Equalizer*, 2014),[27] shifting blame for flops (*Aloha*, 2015)—they offer insight into the ways in which various components of the organization's strategy are articulated within the unique "work world" of upper management. These strategic activities include: (1) Reckoning with economic absolutes ("slate ultimates"), and the production of discourse that makes economics paramount. (2) Negotiating intercorporate relations within the Hollywood oligopoly, whether those negotiations result in joining an industry-wide effort to thwart Google or partnering with another distributor or

production company to share revenue or costs on a particular project. (3) Managing both internal and external labor. Internally, there is the attempt to cultivate belief in the purposes of the particular corporation ("family" discourse; talk of "our guys") that might supplement merely transactional employer-employee relations. Externally, high-level labor management looks toward the "creative community" and the delimitation of situations when a decision should be viewed as a signal to the community as a whole and when it should be viewed as a particular decision taken vis-à-vis an individual (someone "crazy," a "minimally talented spoiled brat").[28] (4) Appealing to various state and quasi-state actors for reasons of economics, national security, and reputation, as when high-level politicians and diplomats are understood to be responsive to constituent reactions to particular films or when those high-ranking officials are consumers of culture themselves (Obama's taste).

These emails constitute the corporate private sphere, a communication channel that can pass almost instantly from the measured, objective, and practical concerns of a multibillion-dollar company to the intemperate, personal, and intimate thoughts shared by friends who do more than simply "work" together. Within that sphere, executives are encouraged to perform their insider-ness while simultaneously maintaining their receptivity to pseudo-public strategic decision making of the sort demonstrated by Pascal and Lynton. Their emails demonstrate gatekeeping functions and provide evidence of an industry-wide sense of entitlement. When Pascal and Rudin discuss Obama's taste in movies and speculate that he only likes films with black main characters, their discussion helps draw the studio executive and the producer closer on the assumption that only close friends would risk causing such offense.[29] A charitable reading would be that they were joking about precisely the sorts of stupid things other, *actually* racist people would say, but in the context of racially charged exchanges about Kevin Hart,[30] it becomes clear that the corporate solidarity that the exchanges perform is not simply the effect of the discourse but the alibi for the illicit expression. At least as important as any particular exchange is the possibility that in another conversation, in another private channel, exactly the opposite is being said. However close Pascal and Rudin appear in their racial joking, she is willing to blame him when it suits her purposes. When the preview audience report for *Aloha* is negative, she tells her subordinates, "Scott didn't once go to the set / Or help us in the editing room / Or fix the script."[31]

As Many Times as It Takes

In contrast to these ordinary decision contexts, the editing of Kim Jong-un's cinematic death illuminates the transformed operations of the studio in crisis and demonstrates how utterly wrong the players within the decision framework could be about the stakes of their own actions. In June 2014, Sony had been put on notice by the Democratic People's Republic of Korea (DPRK) that *The Interview* amounted to "an act of war" that would result in retaliation.[32] Throughout the fall, the studio continued to operate according to a decision logic in which the North Korean government posed no real threat and the controversy surrounding the film could be managed through a process of negotiation and adjustment. Still, there was enough worry about the film's proximity to reality that the depiction of Kim's death occasioned a sustained renegotiation of the film's balance between creative autonomy and market suitability.

The story that we can glean from the email archive is the tale of a decision made at the very top of the Sony Corporation, one in which particular personality traits and readily apparent organizational imperatives seem decisive. Among the decision makers we find Pascal's gnomic empathy, Lynton's theatrical equanimity, Hirai's accommodating boosterism, and Rogen's

stoner sincerity; chief among the decision criteria we find a need to balance openness to the creative community with wariness about market results.

In response to the June DPRK protest, the company pursued its peculiar brand of quasi-diplomacy. On the one hand, the dustup seemed to be little more than a North Korean overreaction that would play into the studio's desire for free publicity.[33] On the other, it was worrisome enough that on June 17, Lynton and Belgrad discussed possible implications for the parent company. Lynton wanted Sony's name pulled off the publicity (leaving only Columbia), and Belgrad agreed.[34] The "One Sony" logo had only run in front of the Columbia logo for six months, but it was an important alteration for Hirai. As he explained to the *Hollywood Reporter*, "It has the Sony logo first, and then it fades into the Columbia lady . . . It may be a small thing, but last time I checked, it's a Sony company, and I want people to know it's a Sony company."[35] For *The Interview*, the studio cut the Sony logo entirely and shifted to a "retro" Columbia logo "(which works great)," Belgrad noted. Despite the exchange, a Sony-branded teaser featuring an image of the Kims was mistakenly released. Pascal blamed herself, but the next minute sent an email to Belgrad venting at "marketing" for screwing up.[36] A week later, the studio was working furiously against a deadline to alter the theatrically released teaser trailer so that it would not include the shot depicting the Kims. Belgrad, Pascal, Lynton, President of Theatrical Marketing Dwight Caines, and Executive VP of Creative Advertising Michael Pavlic worked late into the evening. Belgrad, as usual, asked the crucial question and was the only executive to realize that the internet never forgets: "Do you want us to make the adjustment? (To be clear, the older version of the trailer where that shot appears will still live online)." Pascal said yes, Lynton agreed, and Pavlic, who had "a team standing by," swung into action.[37] These last-minute textual alterations were highly unusual, but show how quickly the studio assumed a geopolitical problem could be solved through close textual management rather than strengthened information security protocols.[38]

Figure 1. *Left*, the opening shot of the original teaser trailer on the left, featuring the Kims, and the subsequent logo; *right*, the revised trailer, with the opening shot blown up and the Columbia logo debranded.

At the same time, Lynton took the unusual step of reaching out to Bruce Bennett, a North Korea specialist at the RAND Corporation, the legendary quasi-military think tank. Lynton is a board member there, and Bennett is the author of *Preparing for the Possibility of a North Korean Collapse*, which argues that the assassination of Kim Jong-un is the likeliest path to regime change.[39] The Lynton-Bennett emails shift back and forth between good-natured joshing and in-the-know posturing, as when Lynton tells Bennett that the State Department supports the assassination logic behind the film: "Spoke to someone very senior in State (confidentially). He agreed with everything you have been saying. Everything."[40] Ties between the major studios and the US military are deep and abiding; the Sony hack shows that the ties between the studios and the military-diplomatic apparatus can be scaled up as needed. In the case of the studio's ties to RAND, the think tank relied on Lynton to help book Hollywood luminaries for its events, soliciting (say) James Cameron or Christopher Nolan for a panel on space exploration, or lining up Mark Wahlberg for a PSA encouraging active-duty service personnel to participate in a study of sexual assault in the military.[41] When necessary, Lynton was able to reverse the relationship, drawing on RAND's expertise to help him deal with a thornier political problem than usual. The attack thus actualized the virtual and near-virtual political scheming that initially attracted the studio brass. Part of what had made *The Interview* an interesting project was the way it allowed the studio to publicly advocate the assassination of Kim while preserving a gauzy deniability that could be winked away in confidential discussions.

However revelatory, this players-in-institutions model is likely to miss the role of data in the studio's decision. Changing the logo and corresponding with an outside expert are relatively discreet events; email may make them easier, but the older telephone/telex/memo configuration could easily have supported these decision networks. When it comes to textual manipulations, though, data has a qualitatively transformative impact. When the teaser needed to be disavowed, a replacement with a computer-altered shot was prepared immediately. The ability to make such sweeping last-minute changes underpinned the discussion of Kim Jong-un's death scene.

In this case, the shot in question is but one actualization of the underlying digital assets: the computer-generated helicopter, the captured image of Randall Park, the fireball effects, the licensed Katy Perry song, and so forth. The whole shot could be cut, but as we see from the exchanges, that old-fashioned meat-cleaver approach is no longer necessary, nor are the filmmakers' options limited by a handful of printed takes. Instead, the combination of an enormous digital file, the 24/7 availability of expert labor, and the ready shareability of reduced versions of the shot allows the creation and ratification of particular aesthetic options to be pushed much farther down the workflow and much further away from the editing suite than ever before.

Yet for all the studio's savvy about and dependence on the new possibilities of digital cinema, it continued to cling to outmoded ideas of control and circulation just as it clung to its version of technocratic cloak-and-dagger geopolitics. For *The Interview*, the ultimate decision was to pluralize the different release versions on the assumption that the particular version of Kim's death that was available in theaters or for home video within a given territory would decisively shape critical and popular response. The existence and circulation of a more graphic version for the US market—however readily it might bleed into a territory where the scene had been muted—was of no concern. The reasoning here is superficial and ill-considered. On the one hand, there will be alternate versions of the scene ready-to-hand for executives, whether based in the United States or Japan; on the other hand, and somehow at the same time, the decisions

made by those executives still exercise sufficient control over the circulation of the crucial images as to blunt any significant outcry.

Two weeks after the initial reports about North Korean anger, the studio began the process of negotiating with Rogen and Goldberg over "how we depict Kim Jong-un's burning face." On July 8, Belgrad suggested Pascal trade changes to the face for the "moving logo" the filmmakers wanted. Already, he sensed that the changes to the face would be "a process," "an ongoing conversation."[42] The next day, Lynton argued against that approach: "Yeah we cannot be cute here. What we really want is no melting face and actually not seeing him die. A look of horror as the fire approaches is probably what we need."[43] Thinking only about the geopolitics, Lynton wanted the shot *removed*; thinking about the studio's standing in the creative community, Belgrad and Pascal imagined the text as a site of *negotiation*. None of them imagined that their decision and its process were also an *accumulation*, the virtual piling-up of incriminating data, what security expert Bruce Schneier calls "the exhaust of the information age."[44]

The editing process unfolds during July until Belgrad brings in Arnon Manor, "(OUR GUY) . . . TO START WORK ON 'SONY' VERSION."[45] A week later, Manor sends along the revised version "addressing Doug's note about the color of the head explosion goop."[46] Rogen continues "driving [Pascal] nuts," and she fears he will keep at it until the Christmas release.[47] There is no significant progress until late September. Then Manor prepares three versions that will be seen, not only by Belgrad and Pascal, but also by Lynton and Hirai. "Jesus. This is intense," Rogen responds. A flurry of activity accompanies the move up the corporate ladder. Pascal and Belgrad discuss not wanting to alienate Rogen, Goldberg, and James Franco while still dialing back the shot. Belgrad, the sharp conciliator, suggests giving them the graphic version they want for domestic release while substituting a tamer version internationally. Rogen is enthusiastic: "Great. If the international people want to replace me with a cgi panda, we are cool with that."[48] On Friday afternoon, September 26, Rogen sends a new version and follows up to anxiously ask whether they have received it. Pascal writes back that she's watched it one hundred times. She and her assistant prepare an email to Hirai, linking to three versions of the shot sent along by Manor and Rogen. Late on the twenty-seventh, she and Lynton speak separately to Hirai, who agrees to the domestic/international split. By September 29, the shot seems resolved, and Pascal suggests to Rogen that he thank Lynton and Hirai; like a dutiful son, he does.

Figure 2. Still from the release version of Kim's death in *The Interview*.

It was a state-of-the-art moment that brought passionate filmmakers together with executives who could balance the internal demands of the project, the imagined demands of the "creative community," expanded corporate interests, and geopolitical concerns. For those of us who have attempted to determine the relationship between studios and their conglomerate parents, the lack of evidence has been deeply frustrating. Most media CEOs are prone to offering banalities in public; and their behind-the-scenes involvements are usually minor. Faced with such a gap, one can either assume the studio operates on its own or one can create an elaborate protocol for reading the studio's aspiration to corporate relevance through its movies.[49] In the Sony case, the independent fiefdom would seem the most logical—most of the available emails from Kaz Hirai are utterly run-of-the-mill dinner confirmations, approvals such as "I am fine with the speech draft,"[50] and tepid interventions in the management of intracorporate relations with Sony Classical[51] or the Michael Jackson estate.[52] In September, Michael Burns, on behalf of Lionsgate, wrote directly to Hirai about "working together" and creating a "direct dialogue." Hirai responded by brushing him off: "Given our entertainment business strategy, I don't believe a meeting with me would be fruitful or a good use of your time. However, we are always interested in the possibility of smart collaboration between studios at the operational level and in this regard I would encourage you to be in touch with Michael Lynton and/or Nicole Seligman to discuss possible opportunities."[53] Whatever Lionsgate wanted—and it must have been important enough for Burns to attempt to involve Hirai from the beginning—was less important to Hirai than maintaining the more usual arrangement of corporate decision making. From the studio's point of view, this is a gesture of support.

And yet even Hirai does not want to be seen as uninvolved. In May, he told the *Journal* that he was "suggesting changes to movie endings" and offering script notes; executives were horrified at the thought.[54] In this context—one that seems both generally applicable to the industry and in particular to Sony—*The Interview* constitutes a spectacular exception.[55] At a crucial moment, Hirai was sent three versions of the death scene and asked to choose among them. He was, as usual, accommodating, but even that amounted to a way of covering for Lynton and Pascal. Lynton was already on record as hoping to avoid the direct depiction. At the same time, Rogen and Goldberg were zealously advocating for the joke, the over-the-top payoff of the film's characterization of Kim as a self-sentimentalizing madman on the run from bromantic Americans in thrall to their own ability to bring about media-driven regime change. The "popping" of the head and the splattering of "chunks" were necessary to convey the ludicrous viscerality of the consequences of these gentleman stoners out on the spree. Hirai brought both a long familiarity with the scene's photo-real cartoon violence from his decade overseeing Sony's videogame interests and a belief that the particular decision was less important than the precedent it might set.

Lynton shared that commitment. Asked by the *Harvard Business Review* whether he had any regrets over deciding to make *The Interview* or to name Kim Jong-un, he was unequivocal: "No. Once you decide to go forward with making a movie, you're under an obligation to yourself and the creative community to ensure that it gets out. We stayed true to that."[56] This is precisely the sort of credibility wagering that Caves points to as one of the great dangers of creative industrial work: it is very hard to pull the plug because every decision can become a signal to the industry as a whole.[57]

Those were the principal strategic interests at play. At the same time, we can see how those interests were brought to a moment of decision by the deployability of an immense corporate and international technological infrastructure. Multiple teams were able to marshal digital assets to create strikingly different versions of the same scene with very short turnarounds. Those versions could be shared as simple email attachments of fourteen megabytes, or they could be linked to and hosted on the company's system for digital asset-sharing, PIX. The process was redundant, subject to last-minute correction, and open to input from a wide range of parties.

It was also entirely misguided. Assuming the hack was the work of the North Koreans, none of the edits made a bit of difference. The regime's forces did not wait until they had screened a cut of the film before going after Sony's infrastructure. (If the hack originated elsewhere, the back-and-forth over facial embers and head chunks was wholly irrelevant, however important artistically and however important a representation of the studio's pro-talent stance.) The studio took the sort of self-regulating, negotiated decision making that undergirds ordinary moviemaking and routine diplomacy to be the model for its relations with the DPRK or other potential hackers. What is more, the very processes of easy data creation, broad distribution, and sloppy archiving that made the studio a responsive, flexible negotiating partner, increased its exposure to the devastating breach.[58]

By the summer of 2015, Lynton was able to shift into the more familiar register of public strategizing. Pascal had been fired, but Lynton survived. He explained to the *Harvard Business Review* how, at the worst of the crisis, SPE became an autocracy: "We set up a command central to ensure that all decisions were made with my understanding and knowledge and approval. That basically became a full-time job, which meant everybody else had to operate the business." This arrogation bolstered the myth of the decider at the heart of the modern corporation and signaled that Lynton intended to stay. He had been planning his exit from Sony for a while, angling for the presidency of NYU, but now he was publicly reembedding.[59]

What made staying possible? Surely involving Hirai helped mask Lynton's failures, and surely the ability to scapegoat Pascal for her intemperate emails (especially the exchange about Obama) helped insulate him. But just as important was Lynton's self-justifying belief that decisions were inherently forward-looking. Reconsidering the embarrassing revelations, he downplayed them. "In some cases we had to pick up the phone and apologize. But for the most part, people shrugged it off. The Hollywood community, while close, is also transactional. People want to make movies and television shows. And frankly, I think a lot can be forgiven in that process."[60] Lynton had always advocated something like corporate repression—turning "a blind eye," directing employees not to "rubberneck—meaning 'Don't go and look at the emails,'" and taking his own advice: "I didn't even look at my own." Now he was pinning the company's redemption on a belief in a community where memories mattered less than access to capital. He called it forgiveness, but it looked more like power, restored.

Conclusion

The story of Sony's executive operation in a period of breakdown represents only one thread through the hacked materials. At the most abstract level, we find far more evidence of the studio's deployment of capital and its return on investment than its 10-K's reveal. Within the strategic decision-sphere itself, we are able to survey executive responsibility for a range of interventions in particular projects: from greenlight to casting, marketing, scene, shot, and line. As documents of a social world, the emails provide evidence of both the microrituals of

exclusion that have maintained the industry's white male dominance and the ways in which exceptions to that hegemony (such as Pascal's and Caines's tenure) are negotiated. In contrast, although the Sony hack offers only filtered access to the work lives of below-the-line employees, the materials demonstrate what sorts of information about and collusion over Hollywood labor exist. But whether we train our eyes upward toward the relative abstractions of the studio's capital flows or downward to its flexibilized labor inputs, we now have access to the layer of executive mediation through which one is joined to the other. At that layer, as I have hoped to show, personal peculiarities, industry-specific executive norms, and the imperatives of late capitalist corporate life accumulate into and find justification for systemic tendencies—rank prejudices, subtle biases, obvious mistakes, canny negotiations, and the ever-present need to elaborate the organization's own imperatives as strategy and text. And at that layer, executive decisions are everywhere supported by a data infrastructure that they continually seek to transcend.

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[2] This project emerged from a roundtable at the 2015 Annual Conference of the Society for Cinema and Media Studies. I would like to thank my fellow panelists, Emily Carman, Michelle Cho, Ross Melnick, Kevin Sanson, and Kristen Warner; the Media Industries SIG for their support; and the two anonymous readers for their superb suggestions under tight time pressures.

[3] Pascal to Doug Belgrad, Stefan Litt, and Lauren Glotzer, July 12, 2014, 68675; all punctuation, capitalization, and grammar in the original. As with all Sony emails and documents in this essay, it comes from the Wikileaks archive. Subsequent citations include sender, receiver, and the Wikileaks email or document number. Slate ultimates are perhaps the most closely guarded financial information in the industry. *Ultimates* refers to a film's overall profitability, including theatrical and home-video releases and ancillary revenues. The 2013 figures were released as part of the hack. *EBIT* designates earnings before interest and taxes, aka operating profits or operating income. See Tatiana Siegel, "Sony Hack Reveals Top-Secret Profitability of 2013 Movies," *Hollywood Reporter*, December 5, 2014.

[4] Adi Ignatius, "'They Burned the House Down': An Interview with Michael Lynton," *Harvard Business Review*, July/August 2015.

[5] For an infosec perspective, see RiskBased Security (RBS), "A Breakdown and Analysis of the December, 2014 Sony Hack." For an in-depth journalistic account, see Peter Elkind, "Inside the Hack of the Century," *Fortune,* June 25–27, 2015.

[6] Lynton explained, "We believe they may also have stolen *The Interview*, but if they did, they chose not to release it." Ignatius, "They Burned the House Down."

[7] Wikileaks, "Press Release," April 16, 2015.

[8] Russell Brandom, "Project Goliath: Inside Hollywood's Secret War with Google," *The Verge* December 12, 2014.

[9] Toby Miller, "Can Natural Luddites Make Things Explode or Travel Faster? The New Humanities, Cultural Policy Studies, and Creative Industries," in *Media Industries,* ed. Jennifer Holt and Alisa Perren (New York: Wiley-Blackwell, 2009), 192.

[10] Amanda Lotz, "Building Theories of Creative Industry Managers: Challenges, Perspectives, and Future Directions," in *Making Media Work: Cultures of Management in the Entertainment Industries,* ed. Derek Johnson, Derek Kompare, and Avi Santo (New York: New York University Press, 2014), 28.

[11] John Thornton Caldwell, *Production Culture: Industrial Reflexivity and Critical Practice in Film and Television* (Durham, NC: Duke, 2008), 3.

[12] Mark Seal, "An Exclusive Look at Sony's Hacking Saga," *Vanity Fair*, March 2015; Mae Anderson, "Sony Hacking Fallout Puts All Companies on Alert," *Boston Globe,* December 19, 2014.

[13] Ross Melnick, "A Cold Day in Culver City: Why the Sony Hack Further Complicates Future Archival Access for Scholars," *in media res*, March 13, 2015.

[14] Tino Balio, *United Artists: The Studio Built by the Stars* (Madison: University of Wisconsin Press, 1976); Bernard F. Dick, *Engulfed: The Death of Paramount Pictures and the Birth of Corporate* Hollywood (Lexington: University of Kentucky Press, 2001); Douglas Gomery, *The Hollywood Studio System: A History* (London: BFI 2005); Richard B. Jewell, *RKO Radio Pictures: A Titan is Born* (New York: Columbia University Press, 2012); Peter Lev, *Twentieth Century-Fox: The Zanuck-Skouras Years, 1935–1965* (Austin: University of Texas Press, 2013); Thomas Schatz, *The Genius of the System: Hollywood Filmmaking in the Studio Era* (New York: Pantheon, 1988).

[15] Timothy Havens, "Toward a Structuration Theory of Media Intermediaries," in *Making Media Work,* 42.

[16] Lotz, "Building Theories of Creative Industry Managers," 30; David Hesmondhalgh, *The Cultural Industries* (London: Sage, 2002), 35–36.

[17] On "industry lore," see Caldwell, *Production Culture*, and Havens, *Making Media Work,* 50.

[18] Caldwell, *Production Culture,* 237.

[19] Derek Johnson, Derek Kompare, and Avi Santo, "Introduction: Discourses, Dispositions, Tactics: Reconceiving Management in Critical Media Industry Studies," in *Making Media Work: Cultures of Management in the Entertainment Industries*, ed. Derek Johnson, Derek Kompare, and Avi Santo (New York: New York University Press, 2014), 3, 8.

[20] A reading of *Aloha* would help clarify the intensity of the studio's self-reflection, but for reasons of space I cannot include it here.

[21] Hunter Crowther-Heyck, *Herbert A. Simon: The Bounds of Reason in Modern America* (Baltimore: Johns Hopkins University Press, 2005).

[22] Melissa Cefkin, ed., *Ethnography and the Corporate Encounter: Reflections on Research in and of Corporations* (London: Berghahn, 2009); Gerry Johnson, Ann Langley, Leif Melin, and Richard Whittington, eds., *Strategy as Practice: Research Directions and Resources* (New York: Cambridge University Press, 2007); Paula Jarzabowski, *Strategy as Practice: An Activity-Based Approach* (London: Sage, 2005); Damon Golsorkhi et al., eds., *Cambridge Handbook of Strategy as Practice* (New York: Cambridge University Press, 2010), esp. "Critical Discourse Analysis as Methodology in Strategy as Practice Research," 217–29.

[23] If Herbert Simon is the scholarly paradigm, George W. Bush's *Decision Points* (New York: Broadway, 2011) is the polar opposite. In between, and oscillating uncomfortably, we find the *Harvard Business Review*, with its fawning interviews, its broad overviews, such as Leigh Buchanan and Andrew O'Connell's "A Brief History of Decision Making," January 2006, and its "cutting-edge" theorizations, such as John Beshears and Francesca Gino's "Leaders as Decision Architects," May 2015.

[24] Richard Caves, *Creative Industries: Contracts between Art and Commerce* (Cambridge, MA: Harvard University Press, 2000).

[25] Perhaps the most notorious accidental archiving in recent motion picture history concerns Pixar's *Toy Story 2* (1999). The movie was accidentally erased from the firm's computers; the backups had not worked in a month, and all that saved the film was a working copy of crucial elements on technical director Galyn Susman's home computer. The video extra is available on the *Toy Story 2* Blu-ray: "Studio Stories: The Movie Vanishes." "How Pixar Almost Deleted Toy Story 2," kottke.org, last modified May 14, 2012.

[26] Caldwell, *Production Culture*, 347.

[27] Jason Blumenthal to Pascal, September 29, 2014, 31855; Martin Bachman to Pascal, September 29, 2014, 27079; Pascal to Brett Hogg, September 30, 2014, 158033; Pascal to Karel Devries, September 30, 2014, 142188; and Henry Louis Gates to Lynton, September 29, 2014, 132095.

[28] Alex Stedman, "Leaked Sony Emails Reveal Nasty Exchanges and Insults," *Variety*, December 9, 2014.

[29] Matthew Zeitlin, "Scott Rudin on Obama's Favorite Movies: 'I Bet He Likes Kevin Hart'" *Buzzfeed*, last modified December 10, 2014. The Rudin-Pascal emails are not included in the Wikileaks archive.

[30] Clint Culpepper to Lynton and Pascal, March 8, 2014, 35102.

[31] Pascal to Belgrad, Michael de Luca, Hannah Minghella, November 14, 2014, 141631. The preview report produced by Nielsen is "CC Movie Nov 13 report.docx.pdf," 3115.

[32] The first Western report appears to be Julian Ryall, "North Korea Slams US Film The Interview about Kim Jong-un," *The Telegraph*, June 20, 2014. An email from Megan Klein to Lynton, Pascal, Nicole Seligman, Jeff Blake, Dwight Caines, Charles Sipkins, and Jean Guerin, June 25, 2014, 49826, includes Choe Sang-Hun, "North Korea Warns U.S. over Film Mocking Its Leader," *New York Times*, June 26, 2014.

[33] In September, Steven O'Dell, president of Sony Pictures Releasing International, felt that controversy would help drive global audiences. See his email to Martin Bachmann and Ralph Alexander, September 4, 2014, 188313.

[34] Lynton to Belgrad, June 17, 2014, 130267. (As with many of these emails, the UTC date stamp puts it on the eighteenth, but for Lynton in Los Angeles, the phone call and emails occurred in the evening of the seventeenth.)

[35] Gavin G. Blair, "Sony CEO Details Hands-On Approach to Entertainment Division," *Hollywood Reporter*, May 26, 2014.

[36] See Pascal to Belgrad, June 24, 2014, 141194; Pascal to Belgrad June 24, 2014, 147370.

[37] See initial email thread included in Pascal to Lynton and Belgrad, June 24, 2014, 164464. See the altered version, without the Kims' faces and with the retro logo here.

[38] Blame for that failure would necessarily be shared. In this case, though, Sony's chief information security officer Phil Reitinger was in the process of resigning. His last day was September 5, and his departure came as a surprise. See Jason Spaltro to Leah Weil, August 12, 2014, 115407.

[39] RAND published the book; Bruce W. Bennett, *Preparing for the Possibility of a North Korean Collapse* (Santa Monica, CA: RAND Corporation, 2013). In his emails with Lynton, Bennett notes that Kim Jong-un's assassination is the likeliest scenario for North Korean collapse (47–49). At the same time, Bennett discussed preparations for a North Korean regime collapse in the popular press. See, for example, Bruce W. Bennett, "Commentary: N. Korea Could Fall Faster Than We Think," *Korea Herald*, June 3, 2013. In the wake of the hack, Bennett discussed

DPRK responsibility and US responses in *Newsweek.* See Bruce W. Bennett, "Commentary: Did North Korea Hack Sony?," *Newsweek,* December 11, 2014, and Bruce W. Bennett, "Is the North Korean Regime Out of Control?," *Newsweek,* December 23, 2014. The first journalist to highlight Bennett's involvement was William Boot, "Exclusive: Sony Emails Say State Department Blessed Kim Jong-un Assassination in 'The Interview,'" *Daily Beast,* December 17, 2014. Bennett discussed his role further with Elkind.

[40] Lynton to Bennett, June 26, 2014, 128714. Bennett spoke with Ambassador Robert King, Special Envoy for North Korean Human Rights Issues, about the threats. King considered them "typical North Korean bullying, likely without follow-up, but you never know with North Korea" (Email forwarded by Lynton to Seligman, June 26, 2014, 139029); Bennett thought "North Korea couldn't have given you a better media build-up!" (email forwarded by Lynton to Pascal, 139253).

[41] Michael Rich (RAND) to Lynton and Naveena Ponnusamy (RAND), October 10, 2014, 122007; Ponnusamy to Lynton, October 10, 2014, 117306; Lynton to Ari Emanuel (WME), July 18, 2014, 137422.

[42] Belgrad to Pascal, Andrea Giannetti, July 8, 2014, 38034.

[43] Lynton to Pascal, July 9, 2014, 139959.

[44] Schneier, *Data and Goliath* (New York: W. W. Norton, 2015), 17.

[45] Belgrad to Pascal, Giannetti, Minghella, July 26, 2014 (July 25, PDT), 54051.

[46] Manor to Belgrad in Belgrad to Pascal, August 2, 2014 (August 1, PDT), 44337.

[47] Pascal to Lynton, August 15, 2014, 160369.

[48] Rogen to Belgrad, Pascal, Goldberg, J Weaver, September 24, 2014, 71748.

[49] For different solutions to this problem of studio intention, see Jerome Christensen, *America's Corporate Art: The Studio Authorship of Hollywood Motion Pictures* (Palo Alto, CA: Stanford University Press, 2012) and my *The Studios after the Studios: Neoclassical Hollywood (1970–2010)* (Palo Alto, CA: Stanford University Press, 2015).

[50] Hirai to Lynton, May 21, 2014, 125406.

[51] Hirai to Lynton February 11, 2014, 116549.

[52] Hirai to Lynton, February 9, 2014, 122246.

[53] Hirai to Michael Burns, Lynton, Seligman, September 19, 2014, 119019.

[54] Lynton to Seligman, May 26, 2014, 138670.

[55] Martin Fackler, Brooks Barnes, and David E. Sanger, "Sony's International Incident: Making Kim Jong-un's Head Explode," *New York Times,* December 14, 2014.

[56] Ignatius, "They Burned the House Down."

[57] Caves, *Creative Industries*, 142.

[58] As Lynton described it, "ease of communication and access to data are part of what makes business operations run efficiently. But the more you have up there, the more vulnerable you are to hacking." Ignatius, "They Burned the House Down."

[59] Zeitlin, "Emails Suggest Sony's Lynton Wanted to be President of NYU," *Buzzfeed*, last modified December 16, 2014.

[60] Ignatius, "They Burned the House Down."

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