

San Diego Cinema Corporation

Operating
Grossmont Studios
338 Spreckels Building

San Diego, Calif., April 17, 1925.

Grossmont Studios, Inc.,
920 6th St.,
San Diego, Calif.

Gentlemen:

I am handing you herewith, statements to March 31st, 1925, on the two (2) companies who have produced pictures at the studio, both of which are self-explanatory.

Regarding the Stearns Company, it was arranged, with the approval of Mr. Fletcher, that we allow this organization to operate at cost on account of the fact that it would get some activity at the studio and create a better effect on the prospective producers who were visiting the plant for the purpose of figuring out its possibilities. This arrangement is really a publicity proposition.

The Elfelt statement is complete on his first picture, but a complete settlement has not been made as yet, and this I will attend to upon my return from Hollywood, at which time I will have a collection from him.

We are allowing you the total amount of profits on this unit on account of the fact that the rental arrangements have not been complied with, and this will also apply on the Reel Production, a statement of which will be coming in in this months' settlement.

I trust the above is satisfactory to the S-L stock holders particularly, and it should be taking into consideration the fact that we had so much to overcome in connection with the former derogatory acts of their original executives, and more so on account of the fact that you have put forth so much effort, together with a large sum of money, and I have been working to date without a cent of income, this having covered a period of some six months since we started negotiations on this deal.

Yours very truly,

SAN DIEGO CINEMA CORPORATION

By Harry M. Owens
President

HMO:A

San Diego Cinema Corporation

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San Diego, Calif., April 1, 1925.

Elfelt - King Picture

	As Billed	Cost	Profit
Carpenter Labor	78.42	68.03	10.39
Electrical "	86.65	73.41	13.24
Painting "	19.75	17.00	2.75
Lamp Rental	58.50		58.50
Power Plant	75.00	20.00	55.00
Sets	16.73	6.73	10.00
Material	32.24	25.81	6.43
Miscellaneous	37.52	37.52	
	<hr/> 429.80	<hr/> 268.63	<hr/> 161.17
10% Labor & Mtl. charge	24.20		24.20
TOTAL	<hr/> \$ 454.00	<hr/> 268.63	<hr/> 185.37

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San Diego, Calif.,

April 1st, 1925.

	<u>B.F. Stearns - Picture</u> Billed	Cost
Electrical labor	195.51	195.51
Carpentry "	110.12	110.12
Carbons	11.99	11.99
Lumber	10.75	10.75
Power	68.30	68.30
W' man	15.75	15.75
	<hr/>	
	412.42	412.42

San Diego Cinema Corporation

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338 Spreckels Building

San Diego, Calif., April 17, 1925.

Colonel Ed Fletcher,
920 8th St.,
San Diego, Calif.

Dear Colonel:

As per advices this morning, I am leaving for Hollywood to be gone a few days in connection with various matters.

Regarding the Reel Productions, for which you provided production money in the amount of \$2400.00, I will give you a complete itemized statement on this, together with the trust agreement to be signed by the laboratory, upon my return. The substance of the statement is as follows:

Total Production cost - - - - -	\$3,806.37
Less laboratory credit - - - - -	<u>1,200.00</u>
	\$2,606.37
By Ed Fletcher - - - - -	\$2400.00
1/2 United Guaranty - - - - -	<u>160.00</u>
	<u>\$2,560.00</u>
	<i>San Diego</i> - \$ 46.37

Under Reel's contract, if he goes \$250.00 over the estimated \$3500.00, he only receives 40% instead of the 50% in the profits, therefore giving us an additional 10% by going over this amount, and I put this clause in the contract as a penalty against him if he did not keep within the estimated amount.

Yours very truly,

SAN DIEGO CINEMA CORPORATION

By Harry M. Cowan
President

HMO:A

San Diego, Calif.,
May 4, 1925.

Grossmont Studios, Inc.,
San Diego, California.

Gentlemen:

Herewith find statement on Frederick Reel Co. who produced one picture during April. The total charge to the producer amounted to \$425.00, same being on a basis of cost of actual material and labor and lamp rentals, to which is added the customary studio charge of 10%.

The actual studio earnings under the above amounts to \$160.89, as per the following statement for which check is enclosed herewith:

	<u>Charge</u>	<u>Cost</u>	<u>Profit</u>
Dodge Truck and driver 46 hrs. @ \$1.00 per hr.	\$ 46.00	\$ 36.25	\$ 9.75
Carpenter labor and material on sets including papering and painting	101.12	83.78	17.34
Lamp rentals	100.16	20.00	80.16
Elect labor	91.58	91.58	-----
Props	47.50	32.50	15.00
	<u>\$386.36</u>	<u>\$264.11</u>	<u>\$122.25</u>
Plus 10%	38.64		38.64
Studio Charge	<u>\$425.00</u>		<u>\$160.89</u>

Our present line-up on production for May is the two McGowan units production of which is being financed by Mrs. Reid. Each of these units will pay a studio profit of approximately \$200, they requiring more sets, etc. than companies like Reel. In addition there will be a profit of \$40.00 per month made on the rental of Mr. Hart's building, making a total of \$440 for May earnings without additional producing units which we hope to provide.

In turning over the total of these rentals, I am working ~~still~~ gratis beside paying necessary studio salaries.

Yours very truly,

Harry M. Owens

Ed Fletcher Papers

1870-1955

MSS.81

Box: 23 Folder: 29

General Correspondence - San Diego Cinema, Inc.



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