

Steve Jobs helped build Pixar with vision, cash

October 7 2011, by Romain Raynaldy

Steve Jobs is best known for turning the ailing Apple into a global icon, but for many his transformation of a small digital graphics firm into animated movie giant Pixar showed equal vision.

Jobs bought [Pixar](#) from "Star Wars" creator George Lucas in 1986 after being forced out of Apple Computer, and at first spent millions of dollars of his own money to keep the graphics firm going.

Pixar has since become one of the most influential and profitable studios in the history of cinema, producing world-beating movies including the "Toy Story" franchise, "Finding Nemo" and "Up" among others.

When he bought it for \$10 million, Pixar was more of a computer company than a creative studio.

"Originally, Jobs's idea was not so much making an [animated film](#) as much as he wanted to develop graphics programs for computers," said Tom Sito, a veteran of Disney ("Aladdin" and "The Little Mermaid") and Dreamworks ("Shrek").

"In the beginning Pixar was a hardware store," he added. "But Steve was won over to the idea of making animated film by the successful short films that Pixar and John Lasseter were making," like "Luxo Jr." and "Tin Toy."

The minor masterpieces by Lasseter -- who went on to become the

creative director of Pixar and Disney -- were promising, but it took vision and courage to imagine that [computer animation](#) could make serious money.

Jobs lacked neither. "He was very good in guiding the company. Because it was all a bunch of scientists and artists who knew nothing about business," said Sito, professor of film at the University of Southern California (USC).

"They were reading books to find a way to have a place in this very high-stakes billion dollar industry. And Jobs gave them the strategy for running the company," he added.

But it required more than good intentions to run Pixar, which was in chronic debt.

"Even though they had successful shorts, and they were doing commercials and they were looking at other ways to expand, still at the end of the month, Steve would have to open his checkbook," said Sito.

"He spent 50 million dollars of his own money in keeping Pixar going," he added.

But the real game-changer came in 1991, when Jobs struck a deal with Disney to produce the first "Toy Story" movie, the first film produced entirely by computers.

The movie was a box office smash and assured Pixar's financial health. But Jobs, with his faultless intuition and marketing genius, also made sure it marked the transformation of Pixar into a global brand.

In 1982 the cult film "Tron" was made for Disney by three computer companies who are today forgotten, because their names only appeared

in the closing credits.

Jobs demanded that Pixar be credited up front.

"[Steve Jobs](#) was very insistent in the negotiations that the name 'Pixar' be at the front of the movie, right next to the name Disney, because he wanted to establish a brand name recognition.

"He wanted Pixar's name to be in the public's mind," said Sito.

Jobs' strategic vision was also reflected in the way Pixar was launched on the stock market, at the same time as "Toy Story" came out in late 1995 -- its box office success impressed investors and bolstered the share price.

Jobs' 80 percent share in the company was valued at the time at \$600 million.

After his return to Apple in 1997, Jobs handed the reins to the creative team at Pixar, who went on to make a series of hits, including "Cars" and "Ratatouille," making \$6.5 billion dollars at the box office.

He remained head of Pixar until it was bought by Disney in 2006, when Jobs took a seat on the entertainment giant's board of directors.

(c) 2011 AFP

Citation: Steve Jobs helped build Pixar with vision, cash (2011, October 7) retrieved 2 May 2024 from <https://phys.org/news/2011-10-steve-jobs-pixar-vision-cash.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--