

DISNEY STILL REELING FROM BLOWBACK

This is the article that appeared in the September 2023 edition of Catalyst, our monthly journal. The date that prints out reflects the day that it was uploaded to our website. For a more accurate date of when the article was first published, check out the news release, [here](#).

Bob Iger has been hanging around Disney seemingly forever, and every time he quits, he re-retires (he's done so at least three times).

When he left as CEO in 2021, he managed to become executive chairman, keeping an eye on his successor, Bob Chapek. Last November, Chapek was shown the door, and Iger jumped back in the saddle as CEO again. He was supposed to retire at the end of 2024, but now that date has been extended to December 31, 2026. He definitely has a grip on the Disney board.

In 2021, Iger's total compensation was \$46 million, more than double what he earned the previous year. His new contract includes an annual bonus equal to 500 percent of his annual salary. Disney chairman Mark Parker says he's worth every penny of it. But is he?

Iger has been busy cutting costs: 7,000 employees lost their jobs, saving Disney \$5.5 billion. The bread and butter of Disney has long been TV (which includes ESPN), but its earnings have taken a major hit. Iger is banking on revenue from streaming services, but that isn't working out too well: it is losing subscribers, and the streaming division has lost more than \$10 billion since it launched its flagship service Disney+ in late 2019.

Disney movies are tanking at the box office. "Elemental," the Pixar film with a "non-binary" character, posted a budget of \$200 million *before* publicity costs; the only question left is

how big a hit it will take. Its first weekend box office receipts of \$29.5 million was Disney's worst-ever opening weekend tally. What saved it from being a disaster were the box office receipts from overseas.

Hopes were high at Disney for "The Little Mermaid" and "Indiana Jones and the Dial of Destiny," but no longer. In both cases, some trendy elements were added, but the public didn't bite. By contrast, consider how well some other Disney movies have done.

"Raiders of the Lost Ark"

Budget \$18 million

Box Office \$390 million

"Temple of Doom"

Budget \$28 million

Box Office \$333 million

"The Last Crusade"

Budget \$48 million

Box Office \$474 million

"Kingdom of the Crystal Skull"

Budget \$185 million

Box Office \$790 million

Grand Total:

Budget \$279 million

Box Office \$1.987 billion

Even the famous Disney parks are not lighting up the sky; traffic is way down. Hollywood Studios had the third-slowest day on July 4 in the past year, not exactly a good omen moving forward. The Magic Kingdom park, famous for its long lines, is now a short wait. One reason for this is the ever-increasing cost of tickets. Families are fed up.

Shareholders are also not happy with Disney's performance. Its

share price is trading at around \$90 or less, the worst outcome in a decade. Two years ago shares were \$190. Since Iger's return, Disney's stock is down 2 percent. Worse, Disney is sky-high in debt, owing \$45 billion. This is not sustainable.

It is more than increasing costs that are plaguing Disney: a series of bad decisions, offending Americans who hold to the traditional moral values that Walt Disney represented, are to blame. By pushing the gay and trans agenda, it has turned off parents across the country.

At work is more than venality—stupidity reigns supreme.

The Christian-inspired movie, "Sound of Freedom," is such a hit that it took in north of \$200 million. Considering that it cost a mere \$15 million to make, any company would be happy to own it. Amazingly, Disney did.

The movie was completed in 2018 and was then bought by 20th Century Fox for distribution. In 2019, Disney acquired 20th Century Fox and all of its entertainment assets, including "Sound of Freedom." And what did it do with it? Nothing. For five years it refused to release it to theaters or make it available for streaming services. After years of haggling, Disney sold it to Angel Studios for a song.

Disney apparently wanted nothing to do with a movie that appealed to religious folks. It is much more at home appealing to radical gay and transgender people, even when its receipts are going south. This shows a supreme stupidity, to say nothing of morally corrupt values.

The Catholic League's award-winning documentary, "Walt's Disenchanted Kingdom," debuted in January and has been seen by millions of viewers; it is available on several platforms, including Amazon Prime. It details how the once family-friendly giant turned against its base by getting in bed with left-wing activists and educators.

Bill Donohue has been clashing with Iger for decades, extending back to the mid-1990s when Disney bought out ABC; he was the head honcho. He presided over a whole lot of anti-Catholic fare. Nowadays, he is presiding over entertainment that is junk food for the mind.

Iger is partly to blame for this sorry outcome. It remains to be seen if Disney will shed its woke brand of politics and get back to normal. If it doesn't, it will get what it deserves.