Solution

https://www.goldderby.com/article/2019/2019-oscars-best-picture-nominees-made-most-money-profit/

2019 Oscars: Which Best Picture nominee made the most money and which was the most profitable?

- Paul Sheehan February 15, 2019 2:00PM

"Bohemian Rhapsody" didn't win Best Picture at the Oscars on February 24, but it is already the biggest winner among the eight nominees in terms of profitability based on production budgets. This biopic of **Freddie Mercury**, the front man for **Queen**, cost $50 million to make and it has taken in a whopping $850 million worldwide.

Return on Investment (ROI)

Subtracting the production cost from the gross, and then dividing the remainder by that same production cost, yields a very rough estimate of the return on investment (ROI) or profit. The studio costs don't account for every dollar spent as they don't include marketing and Oscar campaigns while only about half of the takings end up back in the hands of the distributors. In the case of "Bohemian Rhapsody," the math works out as follows:

Formula:

 	$850 million gross – $50 million production cost = $800 million, $50 million production cost **= 16:1 or 1,600%** (ROI)

Task:

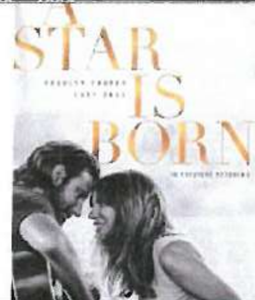
Calculate the ROI of the other nominated pictures, including Best Picture winner Green Book, to determine which picture is the most profitable (ROI). Use the information below

No other Best Picture contender comes close to matching that gross-to-cost ratio. Of the other seven nominees, "Black Panther" has made the most money, with a global box office haul of just under $1.35 billion. However, it cost in excess of $200 million to make.

Two other films in the running for the top Academy Award have cracked the $100 million mark at the box office. "A Star is Born" cost $40 million to produce and has earned $420 million to date. while "Green Book" had a budget of $23 million and takings to date of $109 million.

"BlacKkKlansman" was filmed for $15 million and has grossed just under $90 million while "The Favourite" was also put together for $15 million and has receipts of $71 million and counting.

The other two Best Picture nominees cost more to make than they have made: "Vice" is thought to have production costs of $60 million and has box office receipts of just under $57 million. And "Roma," which cost $15 million to produce, had a limited theatrical release before streaming on Netflix and earned just under $4 million.

 	*Formula:* 1.35 bil – 200 mil $= \frac{\$1150}{200}$ = 5.75:1 or 575%
 	*Formula:* 420 mil – 40 mil $= \frac{\$380 \text{ mil}}{40 \text{ mil}}$ = 9.5:1 or 950%
 	*Formula:* 109 mil – 23 mil $= \frac{\$86 \text{ mil}}{23 \text{ mil}}$ = 3.75:1 or 375%

	*Formula:* $90 mil − $15 mil = $75 mil / $15 mil = 5:1 or 50%
	*Formula:* $71 mil − $15 mil = $56 mil / $15 mil = 3.75:1 or 375 %
	*Formula:* $57 mil − $60 mil = −$3 mil / $60 mil = ·05:1 or −5%
	*Formula:* $4 mil − $15 mil = −$11 mil / $15 mil = −0·73:1 or −7.33%

Questions:

1. List the movies in order of profitability (return on investment).

1 (highest ROI)	Bohemian Rhapsody	1600%
2	Star is Born	950%
3	Black Panther	575%
4	Green Book	375%
~~5~~ 4	The Favourite	375%
~~6~~ 5	Black Klansman	50%
~~7~~ 6	Vice	−5%
~~8~~ 7 (lowest ROI)	Roma	−7.33%

2. Name the movie that qualitatively won the Oscar for Best Picture.

Roma – Best Foreign Picture / Green Book Best pic

3. Name the movie that had the highest Gross profit at the Box Office.

Black Panther $1.35 bil

4. Quantitatively which movie was the most profitable?

Bohemian Rhapsody 1600 %

5. Name the movie which made the highest loss.

Roma −7.33 %

6. From the selection of movies which one would you pick and justify your answer.