

Special Annual Membership Meeting Issue

June 2010

Information for the California and Nevada Motion Picture Theatre Industry

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Top Speakers, Important Topics Headline Annual Membership Meeting

The past year has been a very exciting one for the movie business, one worth reflecting on. It was a year when our business continued to set new records for box-office revenue, and a year when new technology transformed our industry, infusing it with renewed energy. But as we now look to the future, there is, as always, uncertainty - - about the prospects for the coming year's box-office, about how results of the November elections may help or hinder us, about coping with the weighty demands to be imposed by new federal health care legislation - - and so much more.

Well, you're in luck, because at the Association's Annual Membership Meeting on June 23, we have a very strong program of highly regarded guest speakers who will be addressing these and other important areas of concern to exhibition. The stories in this issue will introduce our speakers and offer a preview of the wealth of information to be shared, and why you are so strongly encouraged to attend.

And don't forget to arrive early for the complimentary continental breakfast and a tour of historic Grauman's Chinese Theatre.

Membership Meeting

Where: Mann's Chinese 6 Theatre

3rd Level of the Hollywood / Highland Complex 6801 Hollywood Blvd, Hollywood, CA 90028

Date: Wednesday, June 23rd

Times: Continental Breakfast: 8:30 am to 10:00 am

Tours of Grauman's Chinese Theatre:

8:45 am and 9:15 am

Meeting starts:

10:00 am

Exit:

12:15 pm

Validated parking available in the Hollywood / Highland Complex.

See Inside for Detailed Information on Speakers and Registration



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Charlene Sievers Director, Member Services

Behind The Scenes Tour of World Famous Grauman's Chinese Theatre



Be sure to arrive at the meeting early enough to tour Grauman's Chinese Theatre, arguably the most famous movie theatre in the world. From its opening in 1927 with Cecil B. DeMille's "The King of Kings," this venerable Hollywood landmark has hosted countless premieres and continues to draw millions of tourists from throughout the world to see the handprints and footprints of hundreds of celebrities imbedded in the theatre's courtyard.

At 8:45 a.m., and again at 9:15 a.m., General Manager Laval How will conduct a tour of the theatre, sharing the rich history and highlights of what is still, today, regarded as one of the truly great movie palaces. Included will be a screening of a short historical documentary chronicling the theatre's storied past.

To Register For The Membership Meeting

Go to www.NATOCalNev.org click on the Seminars and Meetings star.

Once there you will see a line below the seminar locations:

Click here for link to registration page.

Click on the word HERE and the following will appear: Membership Meeting Registration Form Click anywhere on that line and a registration form will pop up. Include one name per registration.

Once you complete the form just hit the BOOK BUTTON once and the registration will be completed.

YOUR BOOKING WAS SUCCESSFUL! will appear in red above the meeting description.

To register another person repeat the process.

Contact the NATO of CA/NV office at 310.460.2900 during business hours (8:30AM - 4:00PM Pacific) with any questions or for help with the registration process.

Registration deadline is midnight, Wednesday, June 16th



Motion Picture Tracking – What Is and What Isn't



David Kaminow,
President,
Worldwide Strategic
Marketing for
Sony Pictures

In recent years, motion picture tracking has become a spectator sport, with industry observers, media pundits, online bloggers and other self-professed experts prognosticating on what the opening weekend box-office grosses will be.

David Kaminow, President, Worldwide Strategic Marketing for Sony Pictures will shine an illuminating light on motion picture research and tracking, informing us of its true purpose and dispelling many of the misconceptions about what it is and is not intended to do.

In the face of ever increasing competing entertainment platforms and distribution channels, research and tracking plays an increasingly important role in the marketing and

distribution of motion pictures. Mr. Kaminow will describe a process that can span two or more years in helping to determine what, where, when and how films get released. He will also speak of maintaining the integrity of film franchises and a respect for the audiences which support them.

Through various methods, here and around the world, Mr. Kaminow and his department weigh a great many factors including audience expectations, target messaging, histories of audience behavior, response to advertising campaign materials, ancillary promotions, and much more. Case studies of previous Sony Pictures releases will be a part of his presentation.

This is certain to be a very interesting and informative presentation, following which we will all have a much better understanding of motion picture tracking – what it is and what it isn't.

It's Not "Politics As Usual"



Terri Thomas of Thomas Advocacy, Inc.

With California's ballooning budget deficit approaching the \$20 Billion mark and with November elections, a coming change in administration, it's hardly politics as usual in Sacramento. Terri Thomas of Thomas Advocacy, Inc., the Association's lobbyist in Sacramento will be bringing us up to date on some of the important matters presently before our elected officials and what the various outcomes may

portend for the exhibition community.

As always, but especially now with the State in dire need of added revenue, the subject of increased and added taxes is unavoidable. Among those up for discussion are property tax assessments, payroll taxes, a soda tax, and the threat of a tax on services. Also of concern are such issues as those surrounding gift certificates and their redemption.

Complicating matters are ongoing competing budget proposals from the two major political parties and that of the governor, with other proposals still going through the initiative process in time for the November elections. Ms. Thomas will share her experience and insight in helping us understand what is presently on the table and at stake, and a glimpse of what may lie ahead post-November. There will be many changes in Sacramento, and while we will have to wait for the official results, Ms. Thomas' presentation may help you prepare for the worst . . . or the best!

Ten Reasons Why You Should Attend The 2010 NATO Of California / Nevada Membership Meeting

- 1. Hear what your association is doing to support you and your theatre(s).
- 2. Be informed of Legislative developments impacting your business.
- 3. The New Health Care Law . . . What will it mean for YOU!
- 4. Find out what's new in Digital Cinema and 3D.
- 5. Get a crash course on everything you wanted to know about film tracking and market research.
- 6. What in the world is going on with release windows.

- Get up to speed on the state of our industry, new trends in exhibition and a Preview look of NATO's new CinemaCon 2011 convention.
- 8 Behind the scenes tour of the historic Grauman's Chinese theatre.
- Meet your new Board of Directors and our 2010 Scholarship winners.
- 10. Enjoy a Meet & Greet with your exhibition colleagues over a complimentary continental breakfast.



What Can Be Expected From Health Care Reform? Lots Of Headaches



Janet Grumer of Davis Wright Tremaine LLP

Although regulations for the newly passed Federal Health Care Reform Legislation are not yet written, and will not be fully enacted until 2014, current indications point to numerous major changes that will have considerable impact on employers and employees nationwide, theatre exhibition included. A preview of what lies ahead and how theatres may be affected will be presented by Janet Grumer, an attorney with the law firm of Davis Wright Tremaine LLP.

The changes will involve who must be covered, what must be covered, who

pays how much, and the penalties for noncompliance. And too, there remains uncertainty as to what federal regulatory bodies will be responsible for oversight of the final legislation, be it OSHA, the I.R.S., the Department of Labor, or others.

Of particular interest will be Ms. Grumer's discussion of how the new legislation will apply to health insurance coverage for part-time employees, a group which constitutes a large portion of the exhibition workforce. And with the reform's significant proposed changes relating to dependent coverage, retirement health care coverage, lifetime benefits, pre-existing conditions, preventative care, and cancellations, suffice it to say the whole area of health care insurance stands to be very complicated. Ms. Grumer's important presentation will provide a valuable preview of what may be expected.

A Look at the State Of Exhibition



Patrick Corcoran, National NATO Director of Media & Research

Patrick Corcoran, National NATO Director of Media & Research and California Operations Chief, will deliver a very informative presentation on many of the key areas impacting exhibition today while offering a glimpse of what we may anticipate for the future.

Among the topics Mr. Corcoran will address are trends in box-office revenue, theatre admissions and ticket pricing, and how these factors contributed to the record \$10.6 Billion achieved in theatre receipts in 2009.

He will also provide an update on the state of conversion to digital cinema and 3D-capable installations, along

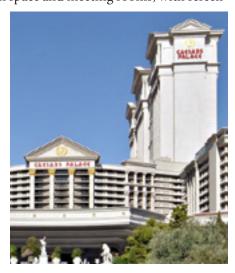
with projected timelines for ongoing installation through the Digital Cinema Implementation Partnership and NATO's Cinema Buying Group. Included will be a look at the public's reception to 3D exhibition and its value relative to the inherent costs.

The subject of home video, and potentially more troubling, video-on-demand, release windows will also be examined.

What should prove to be of great interest to all attending

will be an introduction to National NATO's own First Annual CinemaCon. Scheduled for March 28 – 31, 2011, at Caesar's Palace Hotel and Casino in Las Vegas, this gathering of exhibitors, distributors and suppliers will consume some 300,000 square feet of exhibition space and meeting rooms, with screen-

ings to be held in the hotel's 4,400-seat Colosseum® auditorium. As a non-profit function of National NATO, one of the expressed main goals of CinemaCon is to present programs that are not only important and exciting to the Association's members, but also to deliver as much value as possible at a cost that is accessible to the broadest possible number of those members.



National NATO's First Annual CinemaCon Convention will take place at Caesar's Palace Hotel and Casino in Las Vegas



