Information for the California and Nevada Motion Picture Theatre Industry

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Record Turnout for NATO California/Nevada Annual Membership Meeting

The annual membership meeting of the National Association of Theatre Owners of California/Nevada was held Wednesday morning, June 13, 2012 at the AMC Century City 15 Theatre in West Los Angeles where a record turnout of over 150 members and guests attended.

Following welcoming remarks by Association President and CEO Milt Moritz, Los Angeles Times columnist Patrick Goldstein delivered his keynote address, a call to exhibition that theatres need to be innovative and adapt as the tide of technological advances continues to alter the entertainment landscape. He cited his own newspaper industry, and the music industry's major record labels as examples of how failure to adjust their business models allowed new technology to siphon off major portions of their customer base.

Change, Goldstein said, is going to come. The challenge, he continued, is how do you embrace it, be a part of it, grow with it? Experimenting with theatre programming, innovative theme nights, and live introductions of specialized features were all offered as things to consider to enhance the customer experience and build loyalty. And on the always contentious subject of theatrical release windows, he cautioned that if distributors and exhibitors don't find a way to work together - - a common path to compromise and partnership - - someone or something will overtake them.

While we are familiar with Goldstein as a

journalist, it should be noted that he has more than just a passing knowledge of and affection for exhibition. His grandfather was Mitchell Wolfson, co-founder of Miami-based Wometco Theatres, and he spent many years taking tickets, working behind the concession counter and in the booth. He also attended Film School at Northwestern University.

Congratulations
Fallon Theatres
for Your Winning Ways

The Fallon Theatres, a twin screen theatre in Fallon, Nevada, (pop. 8,000) continues its admirable tradition of having its employees on the receiving end of NATO of California/Nevada Scholarships. For the 15th time in the past 10 years, and twice this year alone, Travis Marker and Crystal Powell, Fallon employees have made the winners list. That is, by far, more

See Fallon, Continued on page 3



Crystal Powell from Fallon Theatres flew in from Reno just to attend the meeting. She is shown above with her brother Bob who accompanied her on her long day's journey.

Continued on page 2



Previews is published by the National Association of Theatre Owners of California/Nevada

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Frank Rimkus Galaxy Theatres

Partick Ryan AMC Theatres

Hal Sawyer Cinemark USA

Raymond W. Syufy West Wind Drive-Ins

Charlene Sievers Director, Member Services

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Upon conclusion of Patrick Goldstein's address, Milt Moritz officially called the meeting to order, and announced the Association's elected officers for the 2012-2013 year. They are Chairman Raymond Syufy, West Wind Drive-ins; Vice President David Corwin, Metropolitan Theatres; Treasurer Frank Rimkus, Galaxy Theatres; Secretary Alan Grossberg; UltraStar Cinemas.

And Board of Directors: Bruce Coleman, Brenden Theatres; Nora Dashwood, Pacific Theatres; Chris Blevins, Regal Entertainment Group; Clyde Cornell, Hollywood Theaters; Lyndon Golin, Regency Theatres; George Krikorian, Krikorian Premiere Theatres; Scott Lotter, Paradise Cinemas; Ted Mundorff, Landmark Theatres; Hal Sawyer, Cinemark USA; and the newest member of the Board Patrick Ryan, AMC Theatres.

Following the introductions, the meeting was then chaired by Raymond Syufy.

Next on the agenda, was a presentation by Patrick Corcoran, Director of Media and Research for national NATO. In commenting on global boxoffice performance, Corcoran noted the emerging strength of such markets as China, India, Brazil and Russia, as well as increased foreign investment in U.S. exhibition from such countries as China, India and Mexico. According to Corcoran, the increase in screens internationally together with their increasing share of

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Pictured above is the NATO of California/Nevada Board of Directors from left to right: Vice President David Corwin, Metropolitan Theatres; Hal Sawyer, Cinemark USA; Chris Blevins, Regal Entertainment Group; Patrick Ryan, AMC; President and CEO Milt Moritz, NATO of CA/NV; outgoing AMC representative Ed Moyer; Bruce Coleman, Brenden Theatres; Scott Lotter, Paradise Cinemas; Treasurer Frank Rimkus, Galaxy Theatres; Ted Mundorff, Landmark Theatres; Nora Dashwood, Pacific Theatres; Chairman Ray Syufy, West Wind Drive-Ins; Lyndon Golin, Regency Theatres; Clyde Cornell, Hollywood Theaters; Secretary Alan Grossberg, UltraStar Cinemas and George Krikorian, Krikorian Premiere Theatres.



Continued from page 2

global boxoffice is affecting the kind of movies being made; more universal themes with wider appeal to international audiences. But even with this shift, the U.S. still accounts for one third of worldwide box-office, and that from only 5% of the world's population.

The 1st quarter domestic box-office in 2012 was up 23% as compared to 1st quarter of 2011, while box-office receipts through the week of June 10, 2012, came to a total of \$4,708,033,568, an increase of 8.9% over the same period 2011.

Following was a very informative presentation from Dora Wong, Director, Public Affairs & Communications, Coca Cola Refreshments. Ms. Wong was joined in the presentation by Matt Rodriguez with the Dewey Square Group, a public affairs firm engaged by American Beverage Association to help combat a measure to appear on the November ballot in the San Francisco Bay area city of Richmond, CA. If approved by the community's voters, the measure will impose a one-cent tax per ounce on the sale of all sugar sweetened beverages, something which could have far reaching affects for our industry.

Next to be introduced was Annie Casaburi, newly seated chairperson of the Association's Scholarship Committee, and herself a prior winner of a NATO of California/Nevada Scholarship. Casaburi announced this year's scholarship winners, each to receive \$10,000 toward their college education.

The winners are Christina Cortese, Cinemark's Century Redwood 20 Downtown; Jaime Dao, Regal's Davis Holiday 6 Theatre; Anna Edwards, Tristone Cinemas' Terra Vista 6 Theatre; Candice Evenson, CinemaWest's Livermore 13 Cinemas; Zachary Ficke, Regal's Edwards Aliso Viejo 20; Jose Gallegos, The Landmark Theatre; Rachel Hastert, Sierra Cinemas' Sutton Theatre; Cassandra Havens, spouse of Rave Brentwood 14 Theatre manager Edward; Matthew Hulley, Regal's Aliso Viejo Stadium 20; Katarina Maria Lovric, Cinemark's Century 25 Union Landing.

Also, Jeff Carl Luerman, UltraStar's Galaxy 6 Theatre;

Travis Marker, Fallon Theatres; Vivian Martin, AMC Orange 30 Theatre; Emilio Merino, Muvico 14 Thousand Oaks; Kevin Monson, Regal's Edwards San Marcos 18 Theatre; Parisa Movahedi, Regal's Edwards Calabasas Stadium 6; Crystal Powell, Fallon Theatres; Claudia Reyes, The Landmark Theatre; Rene Rusconi, Regal's Laguna Village 15 Theatre; Felipe Sepulveda, Regal's Garden Grove Stadium 16 Theatre; Cyrena Shirley, Regal's Palm Springs Theatre; Nicholas Stalder, Coming Attractions Mt. Shasta Cinema; Jonathan Tavasti, Pacific's Lakewood Center 16 Theatre; Kathleen Thornber, UltraStar's Mission Valley Theatre, and Jessica Wong, dependent, whose mother is in the accounting department at Syufy Enterprises.

We were especially pleased to see so many of our new scholarship winners attend this year's Annual Meeting, with a number of them accompanied by proud parents and other family members.

Next to be introduced was filmmaker John Watson, a professor in the USC School of Cinema and Television, who announced the school's five graduate students to share in the \$40,000 grant presented by the Association. His presentation also included the screening of "Locks," a short film by USC Film School graduate Ryan Coogler, a past recipient of a NATO of California/Nevada grant. Following was the announcement of the six students from the UCLA School of Theatre, Film and Television who will share in this year's \$40,000 grant awarded by the Association.

Congratulations were extended to all scholarship and grant recipients, and it was noted that to date, the NATO of California/Nevada Scholarship Program has awarded \$2,287,000 to 391 deserving men and women since the program began in 1996.

Following the awarding of scholarships and grants, the meeting was adjourned.

We would again like to publicly express our thanks and appreciation to AMC Theatres for the use of their beautiful facility and for the courtesy shown by its entire staff.

Fallon, Continued from page 1

than any other theatre in the Association.

None of this happens by accident or mere coincidence. Credit owners/operators Bob and Mary Beth Erickson for instilling in their employees the will and determination to better themselves in aspiring to higher education. What a precious gift you have given them, and we salute you for it.

Excerpt from a thank you letter sent by our 2012 Fallon Theaters' winners:

"... Travis said 'Fallon is unique in how small we are and how, because of our size and the way Bob and Mary Beth run the theater, everyone becomes a part of a theater family.' And it's true: we help each other when we're sick and we celebrate with one another when good things happen. I can't say that doesn't happen in other theaters, but that's what happens here. So, on behalf of the theater family, Thank you."

- Crystal Powell and Travis Marker



Richmond, CA Soda Tax on November Ballot

The Richmond City Council voted 5-2 on May 15 to place a proposal on the Nov. 6 ballot to require local businesses to pay a fee of \$.01 per ounce of "sugar-sweetened beverage" sold or served in the city. To be enacted, the measure will require a simple majority of votes from Richmond residents in the November general election.

The stated purpose of the measure is to combat "high rates of obesity, especially among school-age children (which) threaten the health of the City's residents." A companion measure on the November ballot is a nonbinding advisory measure asking residents whether they would prefer that the proceeds be spent on anti-obesity programs. If both measures pass, the City Council will not be required to spend



any of the proceeds on anti-obesity or health uses. Proceeds from the fee will be placed in the city's General Fund and will be available for any purpose, upon approval by adoption of the annual city budget.

The levy is classified by the City as a "business license fee" and not as a tax. The City will collect and enforce the fee in a similar manner to existing business license fees. Exempt from the fee are entities that are not subject to taxation by the City, and those under 18 years old with less than \$500 annual gross receipts.

"Sugar-sweetened beverage" is defined in the measure as any nonalcoholic beverage, whether or not carbonated, intended for human consumption which contains any added caloric sweetener.

California Labor Commissioner Announces Online System for Minors' Entertainment Work Permit

Los Angeles—The California Department of Industrial Relations' (DIR) Division of Labor Standards Enforcement (commonly known as the Labor Commissioner's office) announced an online system which allows minors, through their parents or guardians, to apply for and obtain the permit required to work in the entertainment industry. The new system also allows verification of the permits online.

"This represents another step towards increasing access for all Californians who rely on DIR for permits, licenses and other work related requirements," said DIR Director Christine Baker. "We have recently launched several new online systems that provide better access to DIR and will continue to expand this initiative across our department."

The Labor Commissioner issues two types of entertainment work permits online for minors: a six-month entertainment work permit which can be renewed, and a one-time temporary entertainment work permit that is valid for ten days. The latter was established by Assembly Bill 1401, which went into effect on January 1, 2012. While the new legislation provided for a fee of up to \$50 to cover the costs of implementing the new system, there is no charge for the six-month regular permit.

The online system also allows for electronic verification of a

valid permit. "We adopted this new system with an eye to the needs of prospective employers and studio teachers who seek to verify the validity of a specific permit," said Labor Commission Julie Su. "Although those seeking entertainment work permits for minors can still apply by coming into one of our offices or sending an application in by mail, they now have another option that is convenient, secure, and fast."

The online permit system for the <u>six month entertainment</u> work permit and the <u>temporary permit</u> can be located in the <u>permits section of the Division of Labor Standards Enforcement's</u> website. Regulations on entertainment work permits for minors are specified in <u>California Labor Code Sections 1308.5 – 1310</u>.

The Division of Labor Standards Enforcement (DLSE) protects employees' rights in the workplace while preserving a level playing field for employers who comply with the Labor Code by adjudicating wage claims, investigating discrimination and public works complaints, and enforcing state labor law and Industrial Welfare Commission wage orders. Additional information on the functions of the California Labor Commissioner is available online at www.dir.ca.gov/dlse.

Employees with work-related questions or complaints can call the California Workers' Information Hotline at 1-866-924-9757.



San Jose City Council Considers Higher Minimum Wage At Meeting

By Tracy Seipel for Silicon Valley MercuryNews.com

It may have started as an attempt to help the common worker, those making minimum wage in high-priced Silicon Valley. But if San Jose agrees to raise the hourly minimum wage in the city, the majority of businesses who employ minimum-wage workers say they'll have to cut employee hours or lay off workers and raise prices.

The polarizing debate is expected to come to a head at Tuesday's City Council meeting, where labor unions want council members to approve raising the minimum wage from \$8 to \$10, but the mayor wants residents to decide on Election Day in November.

"The advocates for this are certainly not looking at the cost," Mayor Chuck Reed said.

The initiative was led by San Jose State students and labor groups earlier this year and qualified for the Nov. 6 ballot last month. They said the issue addresses a staggering need for adults earning the minimum wage to increase their income in order to attain self-sufficiency.

Yet a recent poll by the San Jose Silicon Valley Chamber of Commerce of 250 of its 1,500 members shows many local business owners say both they and their workers will be harmed by an increase in minimum wage.

Of those who said they employ minimum-wage workers, 79 percent said they oppose increasing the minimum wage in the city. If the minimum wage goes up, 67 percent said they would cut back on employee hours, while 43 said they would have to lay off workers.

"My job is to look at the cost benefit to the whole city, and there are clearly some costs to this that these folks don't place much value on," Reed said, pointing to the financial impact on businesses and the estimated \$650,000 annual cost for the city to enforce the ordinance.

In separate memos, Reed and City Manager Debra Figone asked the council to place the initiative on the fall ballot, which would give the city and any impacted residents and businesses more time to study the consequences.

But labor leaders, who support the initiative, are working hard and fast to persuade at least six members of the council to adopt the proposed ordinance on Tuesday -- without going to the voters.

"Whether the council votes to adopt the increase in minimum wage or passes the decision on to the voters, the bottom line is that \$8 an hour is not enough to live on in Silicon Valley," said Councilman Ash Kalra, a labor ally.

South Bay AFL-CIO Labor Council leader Cindy Chavez agreed, noting the chamber also recently opposed a proposed statewide minimum-wage increase from \$8 to \$8.50.

"Anytime we advocate for a fair wage or health coverage or rights at work, our opponents say the sky is falling," Chavez said.

"So what you are hearing is a very traditional debate that has been going on since the minimum wage was established under Roosevelt. What we are saying is: Let people get paid a decent wage, and let's not make that the taxpayer's responsibility."

The proposed San Jose measure is modeled on San Francisco's 2003 minimum-wage law, which includes annual inflation adjustments that raised it to \$10.24 an hour. If approved, the San Jose proposal would raise minimum wage from the current \$8 state requirement to \$10 and include yearly inflation adjustments.

Labor leaders and the San Jose State sociology professor behind the measure say adopting the ordinance Tuesday actually could save the city \$824,000, the amount it would cost the city to place the proposed ordinance on the November ballot.

"If a good policy is in front of you, which we think this is, let's vote right now and save the money," said professor Scott Myers-Lipton, who said some studies show little negative impact on local businesses and employment.

"We were not going to do something that we felt would crush small businesses," said Myers-Lipton.

But in an analysis this month by Michael Saltsman at the Washington, D.C.-based Employment Policies Institute, he said 85 percent of the most credible studies on minimum wage from the past two decades point to a job loss after a wage increase.

The city's own Small Business Development Commission has cited other concerns. Unlike San Francisco, which is surrounded by water on several sides, San Jose is surrounded by other cities without minimum-wage laws beyond state requirements.

If passed, the commission said the ordinance would put city businesses at an economic disadvantage because current businesses would only have to move "across the street" to reduce payroll costs.

"We're stuck with it," Reed said of his options. "All we can do is try to convince the voters it's a bad idea."



Registration Now Open for September Food Manager Certification Course

NATO of California/Nevada has scheduled a Food Manager Safety Certification course for its members on September 11th at the Rave Baldwin Hills 15 Theatre in Southern California and September 13th at Cinemark's Century Bayfair 16 Theatre in San Leandro in Northern California. The day-long class will cover the goals of a sanitation program; the basic principles of a Safety Program; proper cooking and holding temperatures; identify personal hygiene practices; savings on food cost through the implementation of a food safety program; minimizing the risk of an outbreak of food-borne illnesses, and much more. Most states and counties require that there is to be at

least one employee with food safety certification. Those attendees who pass the exam at the conclusion of the seminar will receive this certification. Certifications that were received prior to July 1, 2007 were good for only three years, certifications received after that date are good for five years from the date of the exam.

Our instructor, Jack Koury of the Avalon Resource Group, comes to us with over 30 years of experience in the hospitality and service industry and has had a very high

exam passage rate with the other courses he has presented to our Association members. His presentation technique is entertaining and easy to follow.

Enrollment is available for employees of NATO of California/Nevada members only, at a reduced price of \$75.00 per person. The enrollment fee includes the 8 hour training, the Concession Professional Food Manager Certification training Manual, the accredited examination and lunch. The class will be conducted in English, but exams are available in Spanish if requested in advance.

Participants are encouraged to register early since training manuals will be sent to each registrant upon receipt of enrollment giving early registrants the advantage of more time to prepare for the seminar and exam. Registration forms and checks must be received by August 10, 2012 in the NATO of California/ Nevada office, 11661 San Vicente Blvd., Suite 830, Los Angeles, CA 90049.

Please use the registration form below for individual registrations. Contact the NATO of CA/NV office for group registration forms and instructions.

FOOD SAFETY CERTIFICATION ENROLLMENT FORM

| Name: |
|--|
| Member Company: |
| Theatre Name: |
| Theatre Address: |
| Daytime Phone: |
| E-Mail: |
| I will be attending: |
| ☐ So. California on September 11 th at Rave's Baldwin Hills 15 Theatre, Baldwin Hills |
| □ No. California on September 13 th at Cinemark's Century Bayfair 16, San Leandro |

Check payable to NATO of California/Nevada in the amount of \$75 per person to be mailed with registration form to: 11661 San Vicente Blvd., Suite 830, Los Angeles, CA 90049



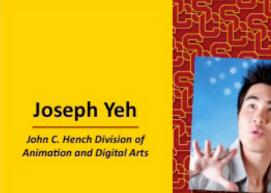
Thanks go to all of the 2012 scholarship judges who are pictured above for their dedication to the program. Front Row (left to right) Milt Moritz, NATO of CA/NV; Kelly Ritchey-Davoren, Pacific Theatres; Natalie Martinez, AMC; Janet Grumer, Davis Wright Tremaine; Charlene Sievers, NATO of CA/NV; Judy Kim, Gardena Cinema; and incoming chairperson Annie Casaburi, Krikorian Premiere Theatres. Back row (left to right) Brian Epling, Brenden Theatres; Paul Richardson, Sundance Cinemas; Steve Elkins, MOC Insurance; (mostly hidden)Jennifer Deering, Reading Cinemas; also partially hidden is Clyde Cornell, Hollywood Theaters, Ken Sheaffer, Cinemark; Damon Rubio, UltraStar Cinemas; Jay Reisbaum, Laemmle Theatres and outgoing chairperson Bruce Wren, Regal Entertainment Group. Missing from the photo is Dale Davison of Metropolitan Theatres.

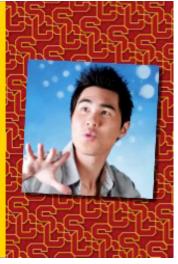
Announcing the 2012 NATO of CA/NV Scholarship Winners

| NAME | EMPLOYER CIRCUIT AND THEATRE | WILL ATTEND IN FALL 2012 |
|-------------------|---|-------------------------------------|
| Christina Cortese | Cinemark's Century Redwood 20 Downtown | UC Santa Cruz |
| Jaime Dao | Regal Holiday 6 Theatre | CSU Sacramento |
| Anna Edwards | Tristone Cinemas' Terra Vista 6 Theatre | Claremont Graduate University |
| Candice Evenson | Cinema West, Livermore 13 Cinemas | CSU East Bay |
| Zachary Ficke | REG Edwards Aliso Viejo 20 + IMAX | UC Irvine |
| Jose Gallegos | Landmark's The Landmark | UCLA Masters program |
| Rachel Hastert | Sierra Cinemas' Sutton Cinemas | UC Santa Cruz |
| Cassandra Havens | Rave Brentwood 14 Theatre, dependent | UC Berkeley, School of Chemistry |
| Matthew Hulley | REG Edwards Aliso Viejo 20 + IMAX | University of Southern California |
| Katarina Lovric | Cinemark's Century 25 Union Landing | University of San Francisco |
| Jeff Carl Luerman | UltraStar's Galaxy 6 Theatre | CSU San Marcos |
| Travis Marker | Fallon Theatres | Brigham Young University |
| Vivian Martin | AMC Orange 30 Theatre | UCLA |
| Emilio Merino | Muvico 14 Thousand Oaks | Cal Poly, San Luis Obispo |
| Kevin Monson | REG Edwards San Marcos 18 Theatre | CSU San Marcos |
| Parisa Movahedi | REG Edwards Calabasas Stadium 6 | UC Berkeley Haas School of Business |
| Crystal Powell | Fallon Theatres | University of Nevada, Reno |
| Claudia Reyes | Landmark's The Landmark | Occidental College |
| Rene Rusconi | Regal Laguna Village 12 Theatre | CSU Long Beach teaching program |
| Felipe Sepulveda | REG Edwards Garden Grove Stadium 16 | Harvard University |
| Cyrena Shirley | Regal's Palms Springs 9 Theatre | Howard Law School |
| Nicholas Stalder | Coming Attractions' Mt. Shasta Cinema | College of the Siskiyous |
| Jonathan Tavasti | Pacific's Lakewood Center 16 Theatre | Kalamazoo College |
| Kathleen Thornber | Ultrastar Mission Valley | Grossmont Community College |
| Jessica Wong | Syufy Enterprises Corporate, dependent | UCLA |
| | | |



2012 NATO of California/Nevada USC Fund for Student Support recipients



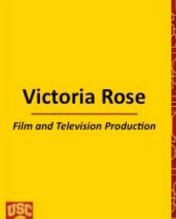






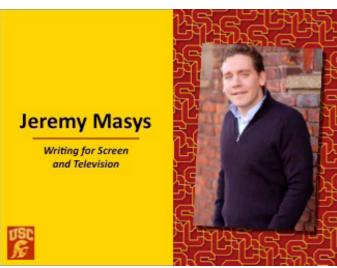
Peter Stark Producing Program













NATO of California/Nevada UCLA Fellowship in Film Award Winners



Brynach Day

Production/Directing

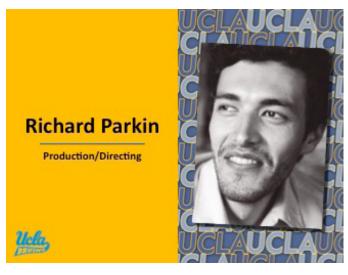


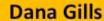


Amy Michalik

Screenwriting







Producers Program







Ben Kopit

Screenwriting





Emezie Okorafor

Animation









Labor Day

September 3

Patriot Day

September 11

Southern California
Food Safety Certification

September 11

Northern California
Food Safety Certification

September 13

Rosh Hashanah

September 17

Autumn Begins

September 22

Yom Kippur September 26



NATO of CA/NV Film Product Seminars

> October 23 Southern California

> October 25 Northern California