June 2013

NATO of California/Nevada DICTORIAN NATO of California/Nevada

Information for the California and Nevada Motion Picture Theatre Industry

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Program Set For June 19 Annual Meeting

CinemaScore founder Ed Mintz; Teri Schwartz, Dean, UCLA School of Theater, Film and Television, join lineup

Ed Mintz, founder and president of Las Vegas-based CinemaScore, and Teri Schwartz, Dean, UCLA School of Theater, Film and Television, have joined the lineup of speakers set to address the Annual Membership Meeting of the National Association of Theatre Owners of California/Nevada. The meeting will be held June 19 at The Landmark Theatre in the Westside Pavilion in West Los Angeles. A complimentary continental breakfast will be served beginning at 9:00 a.m., with the meeting to begin at 10:00 a.m.

Founded in 1978, CinemaScore is the industry leader in measuring movie appeal and success by polling audiences on opening night. With audience members filling out ballot cards in multiple cities right at the theatre, movies are graded from A to F with the results establishing a movie's grade - - its overall "CinemaScore." Mintz' boxoffice forecasts based on opening night "CinemaScores" have proven remarkably accurate over the years.

With the meeting also including a presentation by boxoffice reporting service Rentrak, we should be able to get a sense of just how much a movie's likeability quotient actually translates to its boxoffice performance.

Teri Schwartz, appointed Dean, UCLA School of Theater, Film and Television in 2009, previously served as founding dean of the Loyola Marymount School of Film and Television. She is an award winning feature film producer whose many films garnered nominations for Academy, Emmy, Golden Globe, Grammy and MTV awards including "Sister Act" and "Beaches." Recently, Schwartz received the prestigious American Spirit Award from the Caucus for Producers, Writers and Directors for her special achievement in educating new filmmakers, and in 2012, she was honored as Variety's 2012 Media Mentor of the Year. We are extremely pleased that Dean Schwartz will be joining us and we look forward to her remarks.

The program will also include the introduction of the Association's officers and board of directors for the coming year, announcement of this year's winners of the Association's annual post-secondary education scholarship competition, and the winners of grants for graduate students attending the USC School of Cinema and Television, and those attending the UCLA School of Theater, Film and Television.

As previously noted, there will be a presentation by leading boxoffice reporting service Rentrak, with Daniel Livek, manager, client relations, reviewing recent boxoffice performance and industry trends and forecasts.

Also on the agenda is a presentation by Movie Heroes, Inc. partners Matt Sconce and Keith Walker who will discuss their innovative business concept and the grassroots marketing campaign mounted to resurrect the Met Cinema, a five-plex previously forced to close its doors for lack of business in rural Oakhurst, California.

See page 2 for Membership Meeting Programming

Registration is now open through Friday, June 14th. Click <u>HERE</u> to register or go to the Meetings and Seminars section of the Association website <u>www.NATOCalNev.org</u>. Attendance is open to members only. Representatives from corporate headquarters and field locations are encouraged to attend as the information presented will provide a good insight into many different aspects of our industry.



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

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NATO of California/Nevada 2013 Annual Membership Meeting Fact Sheet

WHEN

Wednesday, June 19th

9:00am - Continental Breakfast 10:00am - Two hour Business Meeting begins

WHERE

The Landmark Theatre

10850 W. Pico Blvd., Los Angeles, CA 90064

In the Westside Pavilion shopping center on Pico Blvd. west of Westwood Blvd.

SPEAKERS

- Daniel Livek, Rentrak
 - □ Will review recent box-office performance and industry trends and forecasts.
- Ed Mintz, CinemaScore
 - □ Will discuss how CinemaScore measures movie appeal and success through audience polls on opening night.
- Matt Sconce and Keith Walker, Movie Heroes, Inc. -
 - □ To present innovative business concept and grassroots marketing campaign that resurrected the Met Cinema.
- Teri Schwartz, Dean, UCLA School of Theater, Film and Television
 - An award winning film producer, Dr. Schwartz received the prestigious American Spirit Award for her special achievement in educating new filmmakers, and she was honored as Variety's 2012 Media Mentor of the Year.

MEETING HIGHLIGHTS

- Introduction of the 2013/2014 Board of Directors
- Announcement of the 2013 NATO of California/Nevada Scholarship winners
- Introduction of the Fellowship recipients from the UCLA and USC Film Schools.
- Screenings of award-winning short films by our Fellowship recipients.

REGISTRATION

Go to the Seminars and Meetings section of our web site at www.NATOCalNev.org and click on the HERE in Click HERE to register to get to the registration form.

- 1. Complete all requested fields
- 2. Click on the REGISTRATION CONFIRMATION box
- 3. Review the information for accuracy
- 4. Click on the PROCESS REGISTRATION box. A new screen will appear with a message confirming that you are registered.
- 5. Contact NATO of CA/NV if you do *not* receive an email confirmation within two hours to confirm that your registration was received, or phone (310.460.2900) for any difficulty while registering.



NATO of California / Nevada Reacts to State Wide Measures

The National Association of Theater Owners of CA/NV has had a successful six months of results in the ongoing fight to keep our industry economically viable. By teaming with allies and various branches of government, we have been able to extend our reach and aggressively defend our members' ability to serve their customers.

Local Soda Taxes

NATO of CA/NV took the lead in educating voters on two soda tax initiatives in Richmond and El Monte, CA on the November 2012 ballot. Local voters were being asked to approve one cent per ounce levies on all sweetened beverages sold within those cities. Recognizing that the proposed taxes represented a disastrous burden on theatre concession operations, NATO of CA/NV joined a broad coalition of industry groups led by the American Beverage Association. We coordinated with the campaign to produce on-screen trailers in English and Spanish as well as in-theatre promotional materials to educate theatre-goers on how the tax would affect them. The Cinemark and Regal member theatres located in Richmond and El Monte displayed the trailers and campaign materials for three months prior to the election, educating tens of thousands of local residents. Thanks in part to this high-profile theatre program, both taxes were soundly defeated by a more than two-to-one ratio.

Statewide Soda Tax

Despite this clear rejection of soda taxes locally, the fight continues at the statewide level. The current California legisla-

tive session saw the introduction of SB 622, which would impose a one cent per ounce levy on most sweetened beverages within California. Recognizing the ongoing threat of activism on this issue, the American Beverage Association started a statewide campaign network to monitor and respond to all attempts at restricting the beverage market. NATO of CA/NV continued to assist with these coalition efforts. Milt Moritz met with state legislators to help educate on the unintended consequences of the proposal. Under strong opposition, SB 622 failed to meet a legislative deadline and is considered dead for this session.

Theatre Admissions Tax

NATO of CA/NV members recently closed out a major victory in Nevada (see separate story, page 4) against an effort to impose an eight percent tax statewide on movie theatre admissions. NATO of CA/NV members joined forces and once again assembled a campaign and retained a top local lobbyist to educate targeted state legislators.

Five days after the tax proposal first surfaced, a full campaign was ready to roll out to every Nevada member theatre, representing approximately 98 percent of screens throughout the state. The day after the first legislative hearing on the proposal, our lobbyist was informed that the theatre tax would not move forward. Thanks to the fast and effective organizing by member theatres, the proposal was never able to gain any traction in the Legislature.

Regulation of Alcoholic Beverage Service in Theatres

With more and more theatres introducing alcohol beverage service, NATO of California/Nevada met with the Director and Deputy Director of the State of California Department of Alcoholic Beverage Control (ABC) to address the conditions for serving alcoholic beverages in theatres. The concern to theatre owners was the regulations being imposed namely the "over 21 auditoriums" and separate point of sale locations for the dispensing of alcoholic beverages. These conditions fell under previous requirements for restaurants. After numerous meetings with the Department and explanations as to how theatres operate and addressing the various concerns of the ABC, we were

able to get separate basic conditions for Theatres. No longer would "over 21 auditoriums" be mandated, all sales and service of alcoholic beverages would be allowed for consumption in the general seating areas. Alcoholic beverages would be allowed to be sold from concessions stands where food is also sold by anyone over the age of 18. With these new set of conditions any theatre previously licensed may request to have conditions modified.

With the strong support of our Membership, NATO of California/Nevada has shown that as a collective body the various challenges to our business can be met to achieve positive results.





Nevada Theatres Nix "Flix" Tix Tax!

NATO of California/Nevada members recently proved the power of their network when a proposal surfaced in Nevada to impose an eight percent statewide tax on movie theatre admissions. Immediately upon learning of the proposal, NATO of California/Nevada contacted association members to implement a state-wide campaign response. Local legislators were so informed of the impending theatre campaign in the event the proposal was to move out of committee.

This campaign had the advantage of a successful template – the 2003 Don't Tax Our Movies program that sidelined a theatre ticket tax proposal in Nevada ten years ago.

Understanding the threat that this tax proposal represented, NATO membership approved an action plan to educate key state legislators. Based on prior experience, the key arguments against the tax are:

- Movie theatres contribute to the economy by providing jobs and by bringing increased business to nearby restaurants and shops.
- · It is counterproductive to tax a business that provides economic benefit to the local economy, since a downturn in movie ticket sales might impact the restaurant and retail sector.
- Movies are still the best family entertainment value for your dollar outside of the home. Movie ticket prices have increased the least among all major forms of entertainment over the past decade.

Five days after the tax proposal first surfaced, a full campaign was ready to roll out to every Nevada member theatre, representing approximately 98 percent of screens in the state. The campaign was timed to follow the Star Trek premiere to capitalize on the launch of the summer

movie season.

This comprehensive campaign consisted of:

• A:30 second trailer alerting theatre goers to the tax and urging them to

contact their legislators;

Lobby kiosks containing postcards to legislators along with a container for patrons to deposit completed cards;

One-sheet lobby posters;

- · A website, www.stopmovietax.com, with facts about the tax and a "contact your legislator" tool;
- · Buttons featuring the campaign logo for all theatre employees;
- A contest to encourage theatre managers to implement the campaign to its fullest.

Once the campaign launched, theatre managers would collect the postcards from the lobby kiosks daily, and send them in preaddressed envelopes to their local assembly member and state senator. An earned media campaign would increase the visibility of the campaign.

The day after the first legislative hearing on the proposal, our lobbyist was informed that the theatre tax would not move forward. The pending campaign had achieved its results.

This effort would not have been possible without the phenomenal support from every member circuit.

Reminder to Members – If you have not already done so please return your spreadsheet of theatre locations and screen counts to the NATO of CA/NV office so the Association can be prepared in the event of a new challenge





Record Setting Attendance at Summer/Fall Film Product Seminar

A record number of 590 member guests at the 2013 NATO of CA/NV Summer/Fall Film Product Seminar were kept busy from early morning until late afternoon beginning with a continental breakfast and ending with an exclusive showing of the thrill-packed movie *Fast & Furious 6*.

The Association appreciates the support of its member hosts Regal Entertainment Group at the LA Live Theatre in Downtown Los Angeles and AMC at the AMC Metreon Theatre in San Francisco. Between the studio presentations, panel discussions, Meet and Greet, drawings, meals and screenings there were many details to pay attention to and the management and staffs at both theatres did everything to ensure that guests had a good time and the programs ran smoothly. Thanks go to our sponsors ACS Enterprises, Inc; MOC Insurance Services and REGEN Energy

for their generous support.

Ten studios presented 62 titles and participated in Meet and Greet tables, a panel discussion, give-aways and drawings. Thanks go to the Marketing Representatives from Walt Disney Studios Motion Pictures, Fox/Fox Searchlight, Lionsgate/Summit Entertainment, Relativity Media, Weinstein Co., Focus Features, Sony, Warner Bros., Paramount and Universal Studios for their support. No one knew what to expect from the lunch time Panel Discussion but all agreed that it was a good addition to the program, one that will return.

It is often said that a picture is worth a thousand words so please enjoy the stories behind the photos of the seminars. And keep reading PREVIEWS for details on all of the Association's meetings and benefits.



Long-time sponsor MOC Insurance Services was represented by Nick Dieter, Johanna Alvarez and Steve Elkins shown here during the Meet and Greet session following their presentation addressing a topic on many minds, health insurance.



James Corner and Ana-Paula Heath of REGEN Energy introduced their energy saving systems. REGEN Energy also gave away nano iPods to a lucky drawing winner at each seminar.



Adrian Alvarado and Jose Nunez were the faces of ACS Enterprises at the Southern California seminar. The Association is grateful to ACS Enterprises, the initial Film Product Seminar sponsor, who has extended its support to the Association and to our members for many years, through the various services their company provides.



Regal hosts Sam Sitar, promotions manager and Ashley Birkett acting General Manager, flank Milt Moritz, president, NATO of CA/NV. This was the second time that the Regal Entertainment Group graciously welcomed our members to the LA Live Theatre for a film product seminar.



Standing between NATO of CA/NV's Charlene Sievers, director membership services, and Milt Moritz, president; AMC Metreon General Manager Mike Tieger proudly displayed his appreciation plaque for the warm hospitality extended by his efficient theatre staff.



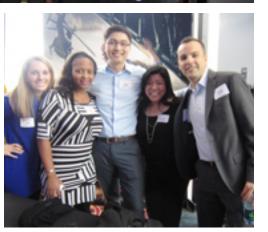
Summer/Fall Film Product Seminar Northern California

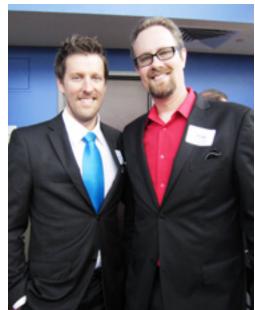


















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