NATO of California/Nevada

Information for the California and Nevada Motion Picture Theatre Industry

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Department of Alcoholic Beverage Control to Present **Educational Workshop Exclusively for** NATO of CA/NV Members

The State of California Department of Alcoholic Beverage Control will present a half-day educational workshop for NATO of California/Nevada member theatres' management and alcoholic beverage servers on Tuesday, September 24. The program will be held at the Beach Cities ArcLight Cinema, 831 S. Nash St., El Segundo, California, 90245, and will address the many issues of particular importance to exhibition.

The half-day program is part of L.E.A.D. (Licensee Education on Alcohol and Drugs) and will be conducted by Robin Crabb, L.E.A.D. Trainer, Department of Alcoholic Beverage Control Southern Division. L.E.A.D's mission is to provide high quality, effective and educationally sound training on alcohol responsibility and the law to California retail licensees and their employees.

In view of the growing trend of serving alcoholic beverages in movie theatres, this workshop presents an especially valuable opportunity for theatre management and those employees associated with alcoholic beverage service, and those considering it for the future, to gain greater familiarity with the laws and responsibilities governing that service. The L.E.A.D. training class promises to be very informative and well worth attending.

While there is no state law requiring servers of alcoholic beverages to have a certification, most cities have their own statutes requiring servers to have received training.

Among the topics to be covered are Community Relations; Laws and Liability; Discipline; Sales to Minors; Checking Identification; Alcohol Facts; Sales to intoxicated persons; Illicit drugs; and other laws addressing after hours violations and disorderly/disruptive premises. There will also be a great deal of information of the proper way to respond to various situations that may arise when alcoholic beverages are consumed.

Upon conclusion of the training class, a test will be given, with those successfully com-

pleting the test receiving a certification card stating they have participated in the L.E.A.D. training program.

The program will begin promptly at 10:00 a.m., with a box lunch served at noon, and conclusion at approximately 2:00 p.m.

Those wishing to attend are requested to go to the Meetings and Seminars section of our web site at: www.natocalnev.org to register. Reservations will be accepted until September 19, 2013 or until capacity has been reached.















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Are Your Supervisors Due for Sexual Harassment Prevention Training?

Sexual harassment has been in the news a lot these last couple of months, especially in California. Protect your company and employees from huge lawsuits that can affect productivity and damage reputations by enrolling in the NATO of California/Nevada Sexual Harassment Prevention Training seminars set for October 15^{th} in Southern California and October 22^{nd} in Northern California.

Our experienced presenter, Janet Grumer of Davis Wright Tremaine, will share her vast store of knowledge about sexual harassment and discrimination lawsuits from her dual perspectives, as an attorney and a former exhibition company executive in the interactive workshops. The workshops will provide management employees with practical advice on recognizing sexual harassment and other forms of workplace harassment, including what to do immediately and how to work through ongoing issues. Additionally, the workshops will focus on avoiding claims of retaliation once harassment has been reported.

Cinemark will host the Southern California workshop on October 15^{th} at its Rave Baldwin Hills 15 Theatre at 10:30AM and Sundance Cinemas will welcome members in Northern California on October 22^{nd} at 1:00PM at its Kabuki Theatre in San Francisco. Each two hour workshop will satisfy the requirements of AB 1825 that mandates that <u>supervisors must receive training within six months of their assumption of a supervisory position and again every two years is required by law (for companies with 50 or more employees).</u>

The last NATO of California/Nevada Sexual Harassment seminar was presented two years ago so it is probably time to re-certify long-time supervisors and train new ones. Check your records to see if you or any of your employees need to participate in this workshop; be proactive, whether you have 5, 50 or 500+ employees, consider training all employees about your harassment and discrimination prevention policies. Providing some type of training will show your commitment to a workplace free from harassment and discrimination. Government Code section 12940 (k) states that it is unlawful for an employer "to fail to take all reasonable steps necessary to prevent discrimination and harassment from occurring."

The training classes will be offered free of charge to NATO members and their management employees. All attendees must register online. Click <u>SOUTH</u> to register for Los Angeles or click <u>NORTH</u> to registration for San Francisco. Registration will be open through Thursday, October $10^{\rm th}$.

The NATO of CA/NV Scholarship Program is Coming

Applications for the 2014 NATO of California/Nevada Scholarship Program will be available online beginning in the middle of October. More of the many highly qualified applicants will be able to share in the \$250,000.00 available for post-secondary and vocational education in 2014. Look for details in the October, 2013 issue of PREVIEWS.



BOX OFFICE STATISTICS

The following chart provides a glimpse of the domestic box-office highlights for the period of January through August for the past five years.

Period	Total Box Office Gross for Period	Top Grossing Film for Year/ Period Gross Release Date
2013 1/4 - 8/22	\$7,245,463,889	IRON MAN 3 \$408,569,263 May 3, 2013
2012 1/6 - 8/23	\$7,198,977,542	MARVEL'S THE AVENGERS \$623,357,910 May 4, 2012
2011 1/7 - 8/25	\$6,930,369,810	HARRY POTTER AND THE DEATHLY HALLOWS – PART 2 \$381,011,219 July 15, 2012
2010 1/1 - 8/19	\$7,230,459,085	TOY STORY 3 \$415,004,880 June 18, 2010
2009 1/2 - 8/20	\$6,935,011,842	TRANSFORMERS 2* \$402,111,870 June 24, 2009

^{*}Avatar, with a gross of \$760,507,625, was the top grossing film for 2009, however with its December 18, 2009 release date it does not fall within the period detailed above.

Courtesy of Rentrak

TOP 15 NEVADA THEATRES JANUARY 4, 2013 – AUGUST 22, 2013

Rank	Circuit	Theatre	City
1	Regal Ent. Group	Red Rock Stadium 15 + IMAX	Las Vegas
2	Cinemark	Rave Town Square 18	Las Vegas
3	Cinemark	Las Vegas South Point 16 + XD	Las Vegas
4	Regal Ent. Group	Aliante Station 16 with IMAX	North Las Vegas
5	Cinemark	Las Vegas Santa Fe Station 16	Las Vegas
6	Regal Ent. Group	Texas Station Stadium 18	North Las Vegas
7	Brenden Theatres	Brenden Palms 13 + IMAX	Las Vegas
8	Galaxy Theatres	Green Valley Cinemas 8 + DFX (opened 3/8)	Henderson
9	Cinemark	Las Vegas Orleans 18	Las Vegas
10	Regal Ent. Group	Sunset Station Stadium 13 with IMAX	Henderson
11	Galaxy Theatres	Galaxy Cannery + DFX	North Las Vegas
12	Cinemark	Las Vegas Samstown 18	Las Vegas
13	Regal Ent. Group	Village Square Stadium 18	Las Vegas
14	Regal Ent. Group	Green Valley Ranch Stadium 10	Henderson
15	Regal Ent. Group	Boulder Station 11 Theatre	Las Vegas

Courtesy of Rentrak



BOX OFFICE STATISTICS -

TOP 25 CALIFORNIA THEATRES

JANUARY 4, 2013 - AUGUST 22, 2013

Rank	Circuit	Theatre	City
1	AMC	Burbank 30 with IMAX & ETX	Burbank
2	Regal Ent. Group	Edwards Long Beach Stadium 26 with IMAX	Long Beach
3	AMC	Century City 15 with IMAX & ETX	Century City
4	Pacific Theatres	Grove Stadium 14	Los Angeles
5	Pacific Theatres/ArcLight Cinemas	Arclight Hollywood	Los Angeles
6	AMC	Orange 30 with IMAX & ETX	Orange
7	Regal Ent. Group	Fresno Stadium 21 + IMAX	Fresno
8	Regal Ent. Group	Irvine Spectrum 21 + IMAX & RPX	Irvine
9	Regal Ent. Group	Hacienda Crossings Stadium 20 + IMAX	Dublin
10	Pacific Theatres/ArcLight Cinemas	Arclight Sherman Oaks	Sherman Oaks
11	AMC	Del Amo 18 with IMAX	Torrance
12	AMC	Mission Valley 20 with IMAX	San Diego
13	AMC	Mercado 20 with IMAX	Santa Clara
14	Cinemark	San Jose Oakridge 20 + XD	San Jose
15	Regal Ent. Group	Mira Mesa Stadium 17 + IMAX & RPX	San Diego
16	Cinemark	Redwood Downtown 20 + XD	Redwood City
17	Cinemark	Century Union City 25 _ XD	Union City
18	AMC	Metreon 16 with IMAX & ETX	San Francisco
19	AMC	Santa Anita 16 with IMAX	Arcadia
20	Cinemark	Century Tanforan 20 + XD	San Bruno
21	AMC	Promenade 16 with IMAX	Woodland Hills
22	Pacific Theatres	Pacific Theatres Glendale 18	Glendale
23	AMC	Citywalk Stadium 19 with IMAX	Universal City
24	AMC	Ontario Mills 30 with ETX	Ontario
25	Regal Ent. Group	Ontario Palace Stadium 22 + IMAX	Ontario

Courtesy of Rentrak



Hollywood Takes Spanish Lessons as Latinos Stream to the Movies

By BEN FRITZ for Wall Street Journal

LOS ANGELES—In a small room on the Paramount Pictures lot here, postproduction work is under way on a movie that sounds as derivative as they come: the fourth sequel to "Paranormal Activity."

But flickering on an editor's monitor are the types of scenes rarely seen in Hollywood: Characters are shown visiting botanicas—storefronts where witchcraft is practiced. One woman tries to cure her possessed grandson by ritualistically rubbing a raw egg on him. Much of the dialogue is in Spanish, with no subtitles.

The four previous "Paranormal Activity" films grossed a total of more than \$350 million, thanks in large part to packed theaters in Hispanic neighborhoods. Now, with the next installment, "Paranormal Activity: The Marked Ones," some of the series' most fervent fans will see people who look and speak like them on screen.

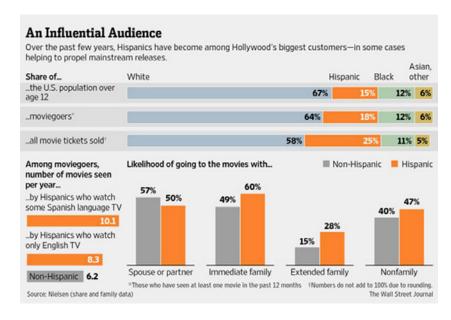
The bilingual film, from Viacom Inc.'s VIAB -0.60% Paramount division, marks the first time a big studio has taken a mainstream franchise and spun it into one about Latino characters and culture.

"Reflecting a regular Latino family, where some people speak only Spanish and some don't know any and some are in between is so real," says the movie's director, Christopher Landon, a self-described "gringo." But it was "something I felt I hadn't really seen in a movie."

In the past few years, Hispanics have become some of Hollywood's best customers. Though 15% of Americans over the age of 12 are Latino, they accounted for 25% of all movie tickets sold in the U.S. in 2012, according to a Nielsen Co. study. The average Hispanic moviegoer went to nearly 10 films in the year, compared with just over six for whites, African-Americans, and Asian-Americans.

Now, the Latino fan base is beginning to change the way Hollywood spends its money, from production to marketing and even theater renovations.

The new industry focus comes at a critical time for the movie business, which is desperate for good news in the domestic market. Attendance at theaters has declined 10% in the past decade, according to industry data, while home entertainment spending is off more than 17% from its 2004 peak.



"The U.S. is a mature theatrical market," says John Fithian, chief executive of the National Association of Theatre Owners trade group. "But unlike any other, we have a growing population and the fastest-growing part of that population, Hispanics, also happens to be the most enthusiastic moviegoers. That's good news for the future of our business."

While reasons for the disparity in viewership aren't clear, Nielsen's study offers a few clues. Hispanics are significantly more likely than members of other ethnic groups to go to the movies in groups of four or more, Nielsen found. They are also nearly twice as likely as other ethnic groups to watch a movie with extended-family members.

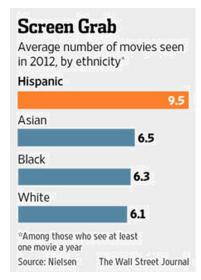
"It's like family time—we're together, but we can escape," said 43-yearold Adrian Carazco after watching "Iron Man 3" on its opening weekend in South Gate, Calif. He attended with his brother Julio and their children.

Robert Rodriguez, the director of "Spy Kids" and "Sin City" who was one of the first Hispanic filmmakers to gain Hollywood's attention thanks to his 1992 independent hit "El Mariachi," says movies were an integral part of his childhood in San Antonio. "We had a family of 10 kids, and we would all march into the theater together and enjoy the communal experience of it," he recalls.

Latino viewers are largely credited with the success of the "Fast & Furious" franchise, which features an unusually diverse cast and was originally set in predominantly Hispanic East Los Angeles. Over Memorial Day weekend, "Fast & Furious 6" opened at No. 1 at the box office, taking in \$117 million—more than the holiday's two other new films combined. Thirty-three percent of ticket buyers were Hispanic, according to exit-poll data from distributor Universal Pictures—higher than any other group of attendees.

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With "Paranormal Activity: The Marked Ones," which is expected to have its release in January, Paramount is betting it can retain the appeal of its most profitable series while energizing a passionate fan base.

Adam Goodman, president of Paramount's film group, said the studio's decision to make the fifth "Paranormal" was inspired by interviews with Hispanic fans in focus groups.

Mr. Goodman said in an email that the movie "is set in a multicultural and bilingual world that we believe will resonate in an authentic way for Hispanic and non-Hispanic audiences alike." (The Spanish dialogue won't be translated when it is distributed globally.)

While the number of Latino-themed projects is growing, it remains small, as does the number of Hispanic actors in leading roles. "Fast & Furious 6," which featured Michelle Rodriguez and Gina Carano, and July's animated "Turbo," whose voice-over cast included Michael Peña and Luis Guzmán, are exceptions.

Several movies with a heavy Latino slant are currently in the works at studios. Will and Jada Pinkett Smith's production company, Overbrook Entertainment, is developing two such projects in which Ms. Pinkett Smith would star. One is "Scribe," a bilingual remake of a Colombian film about a reporter; another is "Salsa," which would also feature actor William Levy, from the Mexican telenovela "Triunfo del Amor."

Independent studio Relativity Media LLC is negotiating to acquire rights to a biopic of Colombian drug kingpin Pablo Escobar, starring Guatemalan-born actor and singer Oscar Isaac.

According to the Nielsen study, action-adventure movies are the most popular with Hispanics, while horror and family-friendly animation also rate highly.

Other types of films don't necessarily cut it.

"Movies based on books or old characters like 'Harry Potter,' 'Twilight' and James Bond don't do well here," says Mohamed Shakhshir, general manager of Regal Entertainment Group's Edwards Theaters South Gate Stadium 20 multiplex, which draws primarily Hispanic crowds.

Theater owners—whose screening choices significantly impact a movie's success—are paying close attention to the growing audience. AMC Entertainment Holdings Inc., the second-largest

cinema chain in the U.S. by locations, uses local Hispanic-population statistics as one of its criteria when selecting theaters for multimillion-dollar renovations. One such venue, with new seats, screens and a bar, is currently under way in San Antonio.

"Your certainty of return on your investment is greater in a Hispanic-populated area than anywhere else," says AMC Chief Executive Gerry Lopez, whose company is owned by China's Dalian Wanda Group Corp.

The industry is tinkering with different ways to attract Latino filmgoers. Some are betting that Hispanic actors will draw loyal crowds; some are relying on bankable Anglo stars for Spanish-language movies. Then there's Paramount's "Paranormal" strategy—taking a known franchise and giving it an entirely new cultural spin.

Making movies specifically tailored to Latinos is tricky, and some believe the strategy can backfire. "Yes, Latinos are avid moviegoers, but we are savvy and hate being pandered to," says Umberto González, a writer for the film news and reviews website latino-review.com. ather than movies about Latino culture, Mr. González says, his readers prefer action movies in which Hispanics are integral to the story line—and are also prominently featured in advertisements.

As of yet, no formula is a shoo-in. And to be sure, studio executives who have hoped that Hispanic-centric films can cross over to a broader market have seen a few disappointments.

Mr. Rodriguez's 2010 movie "Machete," about a former Mexican *federale* seeking revenge on an anti-immigrant Texas politician, drew a disproportionately Hispanic audience, according to exit polls. Still, the film grossed a modest \$26.6 million in 2010. The director says DVD sales were strong, and the sequel to be released in October will be "bigger and more mainstream." New cast members not in the original include Charlie Sheen, Mel Gibson, Antonio Banderas and Lady Gaga.

Pantelion Films is a joint venture founded in 2010 by Lions Gate Entertainment Corp. and Mexico's Grupo Televisa that makes movies for the Hispanic audience, some of which are in Spanish. Its most successful release since launching two years ago, "Case de mi Padre" starring Will Ferrell, grossed only \$5.9 million.

The company's releases have all been inexpensive, however, and Pantelion is now focusing on "films that incorporate Latino talent and Latino themes but have universal appeal and can resonate with a broad commercial audience," says Chief Executive Paul Presburger.

The ranks of Hollywood's overwhelmingly white executive suites are beginning to recognize the publicity value of actors popular in the Hispanic community. For its February comedy "Identity Thief," Universal's casting department worked with multicultural marketing executives to select Génesis Rodríguez, a

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telenovela actress and the daughter of a popular Venezuelan singer, for a role not originally written for a Latina. The studio organized a press day for Spanish-language media around her.

Studios typically spend about 5% of marketing budgets on Spanish-language media, up from about 1% a decade ago. For lower-budget movies aimed primarily at Latino audiences, such as the horror hit "Mama," produced by Guillermo Del Toro and released in January, that amount can double.

To promote the recent science fiction movie "After Earth," Mr. Smith and his son and co-star Jaden appeared on two Univision programs, where the older actor conducted an interview in his passable Spanish. Vin Diesel and Michelle Rodriguez, promoting "Fast & Furious 6," presented an award at the Billboard Latin Music Awards, which aired on Telemundo in April. They were the first movie stars to hand out an award on the show, according to a spokeswoman for the Comcast CMCSA +0.10% Corp.-owned Spanish language network.

Hispanics are more likely than other groups to use smartphones to look up movie information, according to the Nielsen study. Homing in on that habit, marketing firm ThinkLatino worked with Paramount to create an app for the horror film "The Devil Inside." The app rated users to see if they are "possessed."

Some studios have invested heavily in building out Latino marketing capabilities in-house. "We support 75% to 80% of our movies with Hispanic outreach," says Fabian Castro, vice president

of multicultural marketing for Comcast's Universal. Certain films, such as the comedy "Ted" featured no Hispanic actors or obvious hooks, but Mr. Castro's group created material focusing on physical comedy scenes to air on Spanish language TV networks, where slapstick comedy is a staple. For younger Latinos, Universal produced online videos in which an actor wished his teddy bear "Carlito" would come to life like the movie's title character.

All the attention on the Latino audience is a far cry from when Santiago Pozo first noticed Hispanics' taste for moviegoing in 1987 while an intern at Universal. As part of a fifth-anniversary rerelease of "E.T.," he persuaded his bosses to play a Spanish-language print from Mexico in downtown Los Angeles, which is heavily Hispanic. It turned out to be a gigantic hit.

The next year, in 1988, he started a consulting firm, Arenas Group, that markets entertainment to Hispanics. At first, the studios' interest was minimal. "Spanish language campaigns used to consist of translating the press kit, bringing two Latino [reporters] to the junket, and then you could check the box," recalls Mr. Pozo. "For many years, that's how I made a living."

Today, insiders estimate more than 20 consulting firms work with studios on Hispanic advertising and publicity campaigns.

In some cases they help design specific material, as Arenas did for Walt Disney Co.'s "Toy Story 3" with a commercial highlighting a scene in which the Buzz Lightyear character speaks Spanish. In the movie, the toy, voiced by Tim Allen, is malfunctioning. But the voice-over had a newly tuned message: "This summer Buzz is back with an upgrade in Spanish."

Oz Cinemas Unveil Comparison Website

By Patrick Frater for Variety

HONG KONG — Several of Australia's largest cinema operators have combined forces to launch a nationwide cinema information website, Movietimes.

The site (www.movietimes.com.au) provides movie, cinema and session times, facility details and in many cases booking links for 120 venues and nearly 1,000 screens. It is intended to make comparisons easier and to eliminate the need for film-goers to use multiple websites before making their choices.

The service is available in web and mobile versions and an app is expected to be launched in a few months.

It currently includes details for all Event, Hoyts, Greater Union and Village cinemas as well as a number of smaller local cinemas. Not included are Dendy or Palace theaters.

"Over the next few months it is expected that most other cinemas will have their cinema and session information included on MovieTimes making it a truly national service for movie goers," said Mark Emerson, MovieTimes' general manager.

Precise ownership of the site has not been disclosed, though Emerson and the site both describe MovieTimes as: "initially founded as a joint initiative of Event Cinemas, Hoyts Cinemas and Village Cinemas."

The website makes an appeal for currently non-affiliated cinemas to join: "It is free for you to list the movies you are 'now showing' and have 'coming soon,' the session times and the location(s) of your cinema(s). You are also able to list information about your cinema(s) such as address, contact details, parking information and the like."

Australia has one of the world's highest rates of per capita cinema attendance and a large proportion of tickets are pre-booked. "In Australia, there are more movie tickets sold each year than any other form of ticketed entertainment with some cinema sites now experiencing up to 50% of their sales online," said Emerson in a statement.

