

NATO of California/Nevada

PREVIEWS

Information for the California and Nevada Motion Picture Theatre Industry

CALENDAR of EVENTS & HOLIDAYS

**Federal minimum
wage increase**
July 24

Labor Day
September 1

Patriot Day
September 9

**National NATO Board
Meeting, Austin, TX**
September 17&18

**Rosh Hashanah
begins at sundown**
September 29

**Sexual Harassment
Prevention Training
Seminar**
October Date TBD

**Yom Kippur begins at
sundown**
October 8

**Columbus Day,
observed**
October 13

Halloween
October 31

**Daylight Saving Time
ends**
November 2

Election Day
November 4

Veterans Day
November 11

Over 200 Attend Annual Membership Meeting

A record 200-plus corporate and theatre employees of NATO of California/Nevada member companies attended the Association's 2008 annual membership meeting on Wednesday, June 19, at ArcLight Cinemas in Sherman Oaks.



Ray Syufy

Following a continental breakfast in the theatre lobby, the meeting was called to order at 10:00 a.m. by Milton Moritz, Association President and Chief Executive Officer. Raymond Syufy, the Association's Chairman presided over the session.

Before commencing with the official business portion of the meeting, Mr. Syufy introduced prominent movie producer Laura Ziskin, the meeting's keynote speaker.



Laura Ziskin

Ms. Ziskin, whose credits include the "Spiderman" movies, "As Good as it Gets," and "Pretty Woman," recounted how much she enjoyed going to the movies as a child and how her ambition to make movies was seeded by those experiences. Ms. Ziskin remarked "The theatrical experience will and must continue - - every report of its imminent demise over the decades has proven false, because there is nothing like sitting in a dark theatre in the community of your other moviegoers when those lights go down and you feel that sense of anticipation . . ." In acknowledging the partnership between production and exhibition,

she further commented, "You are the end users - - the impresarios - - everything we do leads to you and the way you present the films - - how you market them and the environment you provide is as important as the content we create."

Ms. Ziskin also spoke briefly about the important charitable project she is presently involved in, Stand Up To Cancer, which will be showcased in a landmark telethon to air simultaneously on CBS, NBC and ABC television on September 5. In honor of her efforts, Mr. Syufy presented Ms. Ziskin with a check for \$10,000 toward the fundraising effort on behalf of the Association.



John Horn

Also addressing the audience was John Horn, a staff writer for the *Los Angeles Times'* Calendar Section, who covers theatrical production, distribution, exhibition, celebrities and related areas. Mr. Horn spoke about how the newspaper covers the movie business and, in what is essentially a company town, the challenges of reporting industry news in a way that is appealing to a broader, non-industry readership.

In the business portion of the meeting, Mr. Syufy acknowledged the Association's officers, directors and board members and thanked them for their service.

Next on the agenda was a review of Association news and activities over the past year presented by Mr. Moritz. Among the items noted was the Association's continued growth and representation of almost 4,300 screens throughout California and Nevada, the largest of the national

Membership Meeting, continued on page 2

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West Wind Drive-Ins
Charlene Sievers
Director, Member Services

Membership Meeting, continued from page 1

association's regional units. Mention was made of the enthusiastic reception of the Spring and Fall product seminars, the Food Manager Safety Certification Workshops that were attended by food managers from over 300 theatres, and the Sexual Harassment Prevention Training workshops. Mr. Moritz also provided a status update on a recent proposal by the California State Board of Equalization to expand the list of services subject to the state sales tax which would include a tax on movie tickets. In addition, Mr. Moritz noted that the Association's post-secondary education scholarship program has to date awarded over \$1,250,000 to eligible Association member employees and dependents as well as graduate film students at UCLA and USC.

Mr. Syufy then proceeded to introduce the new slate of Officers and Board of Directors of the Association for the 2008-2009 year. They are: Chairman, Raymond W. Syufy, West Wind Drive Ins; Vice President, David Corwin, Metropolitan Theatres; Treasurer, Frank Rimkus, Galaxy Theatres; and Secretary, Alan Grossberg, Ultra Star Theatres. Members of the Board of Directors are Bruce Coleman, Brenden Theatres; Nora Dashwood, Pacific Theatres; James Dubois, Regal Entertainment Group; William F. Hertz, Sr., Mann Theatres; George Krikorian, Krikorian Theatres; Matt Lee, AMC Theatres; Scott Lotter, Paradise Cinemas; Ted Mundorff, Landmark Theatres; Bruce Sanborn, The Movie Experience; and Hal Sawyer, Cinemark USA.

Next to be introduced was Terri Thomas, the Association's lobbyist in Sacramento. Ms. Thomas touched upon areas related to the state's current budget shortfall, and reviewed various legislative measures before California state lawmakers. Particular attention was given to a piece of proposed legislation introduced by State Senator Alex Padilla (SB 1420), which would require posting of certain nutritional information of restaurant menu boards - - a measure being vigorously opposed by your Association.

The program continued with the introduction of Jay Swerdlow, Chairman of the NATO of California/Nevada Scholarship Committee. Mr. Swerdlow indicated that scholarships for post-secondary education awarded to qualifying field level employees and dependents of home office personnel of member theatres, and grants to graduate film students at UCLA and USC, amounted to a total of \$230,000 for this year. See Scholarship story on pages 6 and 7 for a list of this year's award recipients.

Following Mr. Swerdlow's remarks, Mr. Syufy thanked the members for attending the meeting and called for a motion to adjourn. With a motion received, and seconded, the meeting was adjourned. ▼

Sydney Pollack Said It So Well

Recently deceased, Producer, Director, Writer and Actor Sydney Pollack, a uniquely gifted filmmaker whose screen legacy includes such memorable films as "Out of Africa," "Tootsie," "They Shoot Horses, Don't They?," "The Way We Were," "Three Days of the Condor," and most recently "Michael Clayton," and so many more, reminds us that movies, as entertaining as they may be, are far more than merely a brief escape from our everyday world with this eloquent quote, taken from his Directors Guild of America Testimony to the US Senate Judiciary Committee in 1987.

"... Films are part of our cultural history. Like all accurate representations of who and what we were, they deserve preservation in their authentic form. Like a building, a photograph, or a document it helps locate us in time and gives us a sense of the geography of our lives. We need an accurate understanding of the past in order to point us accurately toward the future."

Like the films they show, exhibitors are similarly part of the cultural fabric of their communities, and should be proud of the role they play. ▼

Annual Membership Meeting



NATO of CA/NV Board of Directors members Secretary Alan Grossberg, UltraStar Cinemas; Treasurer Frank Rimkus, Galaxy Theatres; Scott Lotter, Paradise Cinemas; Ted Mundorff, Landmark Theatres, Chairman Ray Syufy, West Wind Drive-Ins; Nora Dashwood, Pacific Theatres; Hal Sawyer, Cinemark USA; Bill Hertz, Mann Theatres; Chairman Emeritus Jerry Forman, Pacific Theatres; President Milt Moritz and Vice President David Corwin, Metropolitan Theatres.



ArcLight Cinemas hosts and tour guides Robert Brugeman, Roc Hirano, Michael Blazer and Erin Anderson.



Bobby Gran, Jr., Cal-Gran Theatres and Scott Lotter, Paradise Cinemas.



Dale Davison, Metropolitan Theatres; Hal Sawyer, Cinemark USA and Ray Syufy, West-Wind Drive-Ins.



Charlene Sievers, NATO of CA-NV and Terri Thomas, Thomas Advocacy Inc.



Gary Richardson, The Movie Experience; Jerry Forman, Pacific Theatres; Janet Grumer, Davis Wright Tremaine LLP and Jay Swerdlow, Pacific Theatres.



Frank Rimkus, Galaxy Theatres; Milt Moritz, NATO of CA-NV and David Corwin, Metropolitan Theatres.



Jerry Van de Rydt, Rydt Entertainment with Frank Haffar, Maya Cinemas.



Jerry Forman, Pacific Theatres and Allen Gilbert, Metropolitan Theatres.



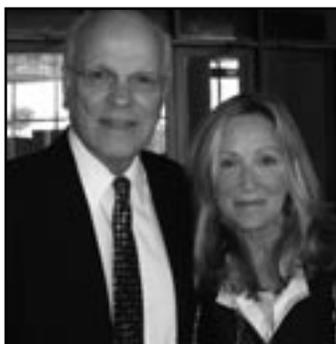
Los Angeles Times entertainment writer John Horn with Producer Laura Ziskin.



Milt Moritz, John Horn, Laura Ziskin.



Milt Moritz, NATO of CA-NV and Bruce Corwin, Metropolitan Theatres.



Milt Moritz and Laura Ziskin.



Charlene Sievers, NATO of CA-NV; Janet Grumer, Davis Wright Tremaine LLP and Annie Casaburi, Krikorian Premiere Theatres.



Scott Lotter, Paradise Cinemas; Milt Moritz, NATO of CA-NV and Bill Hertz, Mann Theatres

Harkins Theatres Wins Dismissal of ADA Case on Captions and Descriptive Narration

By Janet Grumer, Davis Wright Tremaine LLP

NATO of California/Nevada member Harkins Theatres has always maintained a program of exhibiting captioned films for its hearing-impaired patrons, but despite their efforts, Harkins was sued under the Americans with Disabilities Act and its Arizona counterpart in a case alleging that Harkins failed to provide adequate accommodations to patrons with vision and auditory disabilities. In an important decision for the motion picture theatre industry, Harkins won dismissal of the case in Arizona District Court. Plaintiffs have appealed.

In the case, the State of Arizona, a person with a vision disability, and a person with an auditory disability sued Harkins, alleging that Harkins' failure to provide adequate open or closed captions and descriptive narration on all films violated the ADA. Harkins moved for dismissal early in the case, arguing that providing captions and narration would alter the content of the films that it exhibited, and that the ADA requires access to content, but does not require alteration of content.

The Arizona District Court agreed, finding that "[c]aptioning changes audio elements into a visual format" and that "[d]escriptions change visual elements into an audio format." The court held that the ADA "requires public accommodations to ensure that persons with disabilities have access to the services they provide (utilizing auxiliary aids and services if necessary), but does not require public accommodations to alter or modify the content of their services. The requested captions and descriptions would modify the content of the services Harkins offers." *State of Arizona v. Harkins Amusement Enterprises, Inc.*

Richard Lustiger, General Counsel for Harkins Theatres, stated that "Harkins has always and will continue to work to improve the moviegoing experience for everyone and provide access to our patrons with disabilities. This ruling is important to establish that movie theatres are not required to alter the content of the movies they exhibit to accommodate persons with disabilities. Despite this ruling, Harkins is planning to continue its program of exhibiting open captioned films, as it has in the past."

More ADA Statutory and Regulatory Reform in the Works

Both the Department of Justice and the U.S. House of Representatives have been hard at work proposing new regulations and statutes, many of which will affect theatre owners in California and Nevada, if passed.

In addition to captioning and descriptive narration discussed separately, the DOJ has proposed new regulations, which national NATO will be addressing during the public comment period:

ADA, continued on page 5

Department of Justice Proposed New ADA Regulations

On June 4, 2008, the Department of Justice proposed new ADA regulations on a wide variety of issues that, if passed, will affect movie theatre owners. The proposed regulations include the issues of captioning and descriptive narration. The proposals appear to have been drafted prior to issuance of the decision in the Harkins Theatres case, which, together with the issues of availability, expense, and logistics, form a strong basis for industry objection. The DOJ has posed a series of questions for public and industry comment on these issues.

Captioning: The DOJ is presently considering whether, one year from the effective date of the revised regulations, all shows of all movies must be shown in captioned format, or if less frequent showings would be more appropriate, and whether the captions requirement should be tied to digital format movies. The DOJ appears to believe that all digital movies are available with captions.

Descriptive Narration: The DOJ indicated that it believes that narrative description is available with digital movies and that it can be added to most closed captioning systems. The DOJ is considering whether, one year from the effective date of the regulations, all shows of all movies must be shown with descriptive narration, or if less frequent showings would be more appropriate, and whether the descriptive narration requirement should be tied to digital format movies.

National NATO will be addressing these issues and the other proposed regulations affecting theatre owners in their comments to the DOJ. ▼

Janet Grumer is an attorney in the law firm of Davis Wright Tremaine LLP and a former movie theatre executive whose practice focuses on theatre and retail clients, including employment and general litigation issues. She can be reached at 213/633-6866 or janetgrumer@dwt.com.

ADA, continued from page 4

- Requiring that at least 2, or 25% of required assistive listening system receivers be hearing aid compatible
- Limiting “service animals” to domestic animals, and excluding animals for “emotional support”
- Requiring admission of Segways and four-wheel all terrain vehicles in public facilities
- Proposing that a small business will be deemed to have satisfied the “readily achievable” requirement if the amount spent annually for compliance totals at least 1% of annual gross receipts
- Requiring that persons with disabilities have the same opportunity to purchase reserved and open seating as patrons without disabilities
- Permitting the sale of companion seats once all regular seating in an auditorium is sold
- Requiring that all new ATMs have speech output
- Proposing new regulations concerning viewing angles for disabled seating in stadium-style auditoriums

At the same time, H.R. 3195, the ADA Amendments Act, has passed the House of Representatives by a vote of 402 to 17, but is not yet law. Among reforms are a significantly more broad definition of “disabled” under the ADA, including what it means to be “substantially limited in a major life activity; prohibitions on consideration of measures that reduce or eliminate the impact of the impairment in determining whether an individual has a disability (like eye glasses or medication); and covering workers whose employers perceive them to be impaired, regardless of whether they have a disability. The Bill now goes to the Senate for a vote, though a companion bill may be introduced there. ▼

National NATO Encourages Studios to Meet Needs of Sight Impaired Community

With the transition to digital cinema, national NATO’s President John Fithian sent the following letter to the studios and equipment suppliers encouraging their support in meeting the needs of the blind and visually impaired community:

To Our Partners in the Movie Distribution and Equipment Vendor Communities:

The need to provide greater access to motion pictures for our deaf and hard of hearing patrons, as well as the blind and visually impaired, is very important to the exhibition industry. The transition to digital cinema must provide greater access than that possible with today’s film systems. We provide this status report to encourage support of this goal.

As the industry moves forward to improve access in digital cinema, special consideration must be given to closed captions in digital distribution and layout. Digital cinema is the enabler for a new generation of closed caption solutions that allow select patrons to privately observe captions without impacting the movie-going experience for others.

Overall, much progress has been made. Below we highlight the on-going work in this area.

Access Audio Access audio is defined as Hearing Impaired (HI) and Visually Impaired Narrative (VI-N) sound tracks. As the names of these sound tracks suggest, they are intended as supplemental audio for the hard of hearing in the case of the Hearing Impaired track, and narrative audio for the blind and visually impaired in the case of the Visually Impaired Narrative track. When DCI-mandated improvements are implemented in digital systems by early 2009, three standard audio formats will be supported, each format supporting HI and VI-N access audio. At that time, the access audio tracks should be supplied in all digital distributions.

Closed Captions To enable closed captions in digital cinema, NATO is working inside SMPTE to produce a uniform standard distribution format for digital cinema captions. In addition, we are working toward a standard interface for the digital cinema player so that any 3rd party closed caption system can simply plug in without modification. The goal is to incorporate these new standards in digital cinema systems by early 2009, along with the DCI-mandated improvements currently scheduled.

3-D Captions As the popularity of 3-D content grows, the need for 3-D captions becomes apparent. Such captions must be given depth to match that of the primary images of the picture, thereby reducing eye strain. We note that no standards work is now in process for enabling 3-D captions.

This on-going work is coordinated for NATO within SMPTE by NATO consultant Michael Karagosian. Please contact the NATO office or Michael if further information is needed.

Scholarship Program Distributes

The NATO of California/Nevada scholarship judging committee spent many long hours reading, reviewing, evaluating and discussing the record number of applications that were submitted for the 2008 NATO of California/Nevada Scholarship Program. In the end twenty deserving students were selected to receive \$7,500.00 each. Some of these students will begin their college education at their local community colleges; others will go to University of California or Nevada campuses; one graduate student is going to New York to work on her Master's degree and another to Oxford,

England to work on her doctorate.

Both the UCLA School of Theater Film and Television and the USC School of Cinematic Arts received an increase in funding from NATO of California/Nevada bringing the scholarship awards up to a total of \$40,000 for each of the universities. Committees at each of the campuses selected six talented students representing the various programs within their film schools to receive NATO awards.

One thing all these students share is an easing of their financial burden due to the Association's commitment to education.



Scholarship Committee Members Mark Bastian of National Amusements; Bruce Wren of Regal, Paul Richardson of Sundance Cinemas and Janet Grumer of Davis Wright Tremaine review the 2008 applications.



Gary Richardson of The Movie Experience



2008 NATO of CA-NV scholarship winner Ruhandy Glezakos with Scholarship Committee Chairman, Jay Swerdlow, Pacific Theatres

NATO of California/Nevada Scholarship Program Winners

Scholar	Employer Circuit & Theatre Name	Will Attend in Fall
Joseph Barnett	Galaxy's Tulare 10 Theatre	Princeton University
Dalal Budri	Pacific's Beach Cities 16 Theatre	El Camino College
Steven Carey	Krikorian's Metroplex 18 Theatre	CSU Long Beach
Amanda de Souza Costa	UltraStar's La Costa 6 Cinemas	Cal State San Marcos University
Daniel Crotty	Reading International Town Square 14 Theatre	UC San Diego
Lorin DeVoll	Feather River Cinemas	Butte College
Jared Floyd	Fallon Theatres	University of Nevada, Reno
Tempus Fugitt	Regal's Natomas Marketplace 16 Theatre	Cal Poly San Luis Obispo
Justin Galliani	Coast Cinemas	UC Santa Cruz
Ruhandy Glezakos	Mom works at Pacific Theatres corporate	UCLA
Courtney Innes	Brenden Theatres Vacaville 16	Brigham Young University
Stacie Kotschwar	Regal Holiday 6 Theatre	SUNY Binghamton
Tracy Leonard	The Movie Experience at Cal Oaks	Mt. San Jacinto College
Alissa Madeiros	Regal Holiday Cinema 6 Theatre	Santa Barbara City College
Michelle Marachi	Cinemark Northgate	University of Oxford, Oriel College
Margaret Nelson	Fallon Theatres	Gonzaga University
Austin Rose	REG Edwards 18 Cinemas San Marcos	UCLA
Ben Rose	Reading International Rohnert Park 16	Sonoma State University
Skye Strong	Cinemark @ Antelope Valley Mall	UCLA
Amber Tucker	Cinemark @ Antelope Valley Mall	UCLA

\$230,000 in its Three Programs

UCLA Fellowship in Film

Greg Daubenspeck
Film & Television/Screenwriting

Mark Fox
Film & Television/Animation

David Kelly
Film & Television/Directing

May Lugemwa
Film & Television/Producer's Program

Christopher Osborn
Film & Television/Cinematography

Robyn Paris
Film & Television/Screenwriting

USC Fund for Student Support

James Boyda
Division of Critical Studies

Ryan Coogler
Division of Film and Television Production

Cecilia Fletcher
Division of Animation and Digital Arts

Wendy Lee
Division of Film and Television Production

Brianna Little
Peter Stark Producing Program

Hyunjung Rhee
Division of Animation and Digital Arts



NATO of Cal/Nev UCLA Fellowship Winner Receives Multiple Honors

May Lugemwa, winning student of both the Audience award and Marketplace award with Barbara Boyle, chair, UCLA Department of Film, Television and Digital Media.

UCLA Graduate Student May Lugemwa who was one of the recipients of the NATO of California /Nevada 2008 Fellowship in Film award showed her talent once again when she walked away with both the Audience award and Marketplace award at the annual Producers Marketplace event at UCLA. The audience and a panel of industry judges decided that Ms. Lugemwa's winning presentation for "Trinity," a biopic drama about genius scientist Robert Oppenheimer would make the best feature film of the four projects presented at the annual competition.



NATO of CA/INV President Milt Moritz with UCLA Fellowship In Film Award recipients David Kelly, Greg Daubenspeck, Mark Fox and Christopher Osborn; NATO Board Member Ted Mundorff of Landmark Theatres and Barbara Boyle, Chair of the Department of Film, Television and Digital Media at the School of Theater, Film and Television at UCLA June Award Breakfast.



University scholarship recipients surround NATO of CA/INV President Milt Moritz at membership meeting. (L-R) Hyunjung Rhee, USC; May Lugemwa, UCLA; Mr. Moritz; Brianna Little, USC and Greg Daubenspeck, UCLA.



Robyn Paris of UCLA at the Annual Membership Meeting



Scholarship committee members David Corwin, Metropolitan Theatres; Chairman Jay Sverallow, Pacific Theatres and Gary Richardson, The Movie Experience

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INSIDE PREVIEWS

**Over 200
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**National NATO
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**Sydney Pollack Said
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**Broadway's Ticket
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**Scholarship
Program
Distributes
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Three Programs**

ADDRESS SERVICE REQUESTED

Broadway's Ticket Prices Make Movies' Look Cheap

Although the average price of a movie ticket rose by half from 1997 to 2007 (to \$6.88 from \$4.59 -- with pricing for children and seniors included in the calculation) moviegoing remains a bargain when compared with the costs of other forms of entertainment. The Associated Press observed that tickets for the Broadway revival of *All My Sons*, starring Katie Holmes, John Lithgow, Dianne Wiest and Patrick Wilson will be priced at \$116.50, about the same as *Equus*, starring Daniel Radcliffe and Richard Griffiths. Tickets will have a top price of \$251.50 for "best seats in the house" while holiday weeks will see a spike in prices to \$301.50. ▼

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