

NATO of California/Nevada

PREVIEWS

Information for the California and Nevada Motion Picture Theatre Industry

CALENDAR of EVENTS & HOLIDAYS

Columbus Day Observed

October 9

Sexual Harassment Prevention Training Seminar

October 10

Northern California -
Century Walnut Creek 14 TheatreOctober 12
Southern California -
REG Edwards South Gate Theatre

SHOWEAST

October 23-26

Daylight Saving Time ends

October 29

Halloween

October 31

Film Product Seminar

November 9

Northern California -
Brenden's Concord 14 TheatreNovember 14
Southern California -
Mann's Chinese 6 Theatre

Announcement of Academy Awards nominees

Jan. 23, 2007

Academy Awards presentation

Feb. 25, 2007

Film Product Seminars To Include Tour of World-Famous Site

The 2006 NATO of California/Nevada Fall/Winter Film Product Seminar already promises to be one of the most anticipated events as product reels and advance film clips will be shown, in many cases, for the very first time as a record 120 films are scheduled to be released from Thanksgiving through the first week in April. This seasons' event will be held at two exciting new venues as attendance for NATO of California/Nevada's semi-annual product seminars continues to grow. The Northern California seminar, on November 9th, will be at Brenden Theatres Concord 14 followed by the Southern California seminar on November 14th at Mann's Chinese 6 Theatre in Hollywood. As in the past, studio marketing representatives from all the major film companies will treat all to early previews of the holiday and winter line-ups and an overview of the promotion and marketing plans for their respective releases. Because of the venue for the Southern California location, our host Mann Theatres is making arrangements to provide a behind the scenes tour of their flagship, Grauman's Chinese Theatre, (see separate story) prior to the start of the product seminar. Grauman's Chinese Theatre is adjacent to the Mann's Chinese 6 Theatre. Guests must sign up in advance for this special guided tour of the world famous Grauman's Chinese Theatre and forecourt. (See Registration Form on Page 2)

There will be plenty of time for visiting with other managers and the marketing reps at the 9:00AM continental breakfast, sponsored by ACS Enterprises, Inc. and during the lunch break. The presentations will begin promptly at 10:00AM.

As in the past, these seminars and the tour are only open to the employees of NATO of California/Nevada members. Registration will close on October 25th or once capacity has been reached. Please fax or mail the completed forms, if registering for a group a single



Lobby of the Mann's Chinese 6 Theatre



Brenden Theatres' Concord 14

sheet containing the requested information is preferred, or email the information to us at Office@NATOCaNev.org.

Be among the first to preview the entertaining holiday and winter releases, sign up for the November 9th Concord and November 14th Hollywood Film Product seminars today. ▼

See Registration Form on Page 2

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

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Fall/Winter Film Product Seminar Registration Form

Please send the following information for each registrant
(if registering more than one person the requested information can be sent on one sheet)
via email to office@natocalnev.org or fax it to 310/460-2901.

Name and position: _____
Company name: _____
Theatre: _____
Email address: _____
Daytime phone number: _____
Location: _____

November 9th
Brenden Theatres
Concord 14
 1985 Willow Pass Road
 Concord, CA 94520

November 14th
Mann Chinese
6 Theatre
 6801 Hollywood Blvd.
 Hollywood, CA 90028

I plan on joining the
tour of Grauman's
Chinese Theatre at
9AM: Yes No
 Undecided

Reservation Deadline October 25th

Guided Tour of Grauman's Chinese Theatre

A special guided tour of Hollywood's landmark Grauman's Chinese Theatre will be provided to those attending the Southern California product seminar in November. The behind the scenes tour will begin at 9:00 am. Grauman's Chinese is the flagship of Mann Theatres, the host of NATO of California/Nevada's Southern California Fall/Winter Product Seminar.



motion picture glamour a reality as the young and old "try on" the hand and footprints of the stars.

The Chinese, as it became known over the years, has hosted more world premieres than any other theatre. It was the first motion picture theatre to host the Academy Awards in 1944, 1945 and 1946.

In 2007 the Grauman Chinese Theatre will celebrate its 80th anniversary. The entire theatre recently completed a total refurbishing and still stands as one of the top tourist attractions in Southern California. With its fabulous forecourt that boasts the hand and foot prints of over two hundred personalities, including those of Mary Pickford, Douglas Fairbanks and Norma Talmadge who started the tradition that has lasted almost eighty years, this world-famous location makes

It was the first motion picture theatre to introduce CinemaScope and Stereophonic Sound with the world premiere of *The Robe* on September 25, 1953.

In 2001 the Chinese 6 in the Hollywood & Highland complex was built and themed after the flagship Grauman's Chinese.

Advance signup for the tour is necessary. See form above for seminar registration and tour signup information. ▼

The Business of Movies

Reprinted from the New York Times

Published: September 1, 2006

To the Editor:

Re "Caught on Film: A Growing Unease in Hollywood" (Business Day, Aug. 19):

Change doesn't equal crisis. We plainly face challenges, many of which are not unique to the movie business. But we are not simply identifying the hills to be climbed; we are actively learning about the needs of our customers and making changes to better serve them.

We are investing resources to better understand the perceptions of the industry and why people engage in piracy. We're taking steps with our partners in the theater industry to meet the demand for better value in the moviegoing experience. And we're embracing the digital transition in a host of ways, like high-definition DVD formats and more than a dozen new online movie and television services around the world.

In sum, rumors of our decline are, well, rumors. The motion picture industry is one of America's greatest assets. Given all the creative minds in our country and in our industry, I think that our chances of success are excellent.

Dan Glickman
Chairman and Chief Executive
Motion Picture Association of America
Washington, Aug. 25, 2006

California State Fire Marshal and AIA Work In Tandem

In an unprecedented move, the AIA and the California State Fire Marshal's Office worked together to develop a coalition of various interests in the highly contentious issue of building heights and areas as they are now controlled in the ICC's *International Building Code*. Asking the ICC's General Committee to deny 29 proposed changes to the height and areas, the AIA representatives and the State Fire Marshal will be working to form a task group with the ICC's Code Technology Committee. The goal of the task group would be to develop one comment to resolve these questions which will be heard next May in Rochester, NY.

Kate Dargan, Acting California State Fire Marshal and member of the National Association of State Fire Marshals stated we are doing this "in order to allow all ICC members to stand together and advocate for a model Building Code that represents the best in building safety, we as a group are committed to addressing the issues raised in these submittals and seeking an acceptable resolution."

David Collins, FAIA, consultant to the American Institute of Architects Codes Advocacy Program, stood at the microphone with Dargan to urge "the denial of the changes so that we can move quickly to begin the process of resolution of this long standing issue."

A large contingent of fire and building code officials from California led by Dargan attended the ICC code hearings along with representatives from every state, the Caribbean, Asia and South America.

Changes had been proposed to the ICC on heights and areas in the 2006 cycle by the Alliance for Fire and Smoke Containment and Control, American Institute of Architects, Building Officials of Florida, California Fire Chiefs Association, California State Fire Marshal's Office, ICC Tri-Chapter of Building Officials, National Association of State Fire Marshals.

The changes covered a wide range of elements within the code such as the base area for specific occupancies to one that called for the complete removal of the heights and area limits some of which date back more than 7 years and have been repeatedly denied by the ICC committees and membership. ▼

Year-To-Date Box-Office

YEAR-TO-DATE 267 days starting Sunday, January 1, through Sunday, September 24, 2006
Average ticket price for 2006 is estimated

Year	Avg. Ticket Price	Ticket Price Change	Total Gross	% Change vs. Previous Year	Attendance	% Change vs. Previous Year
2006	\$6.61	3.12%	\$6,946,664,332	6.16%	1,050,932,577	2.94%
2005	\$6.41	3.22%	\$6,543,842,058	-6.73%	1,020,880,196	-9.64%
2004	\$6.21	2.99%	\$7,015,962,372	-	1,129,784,601	-

-Source: Exhibitor Relations Co.

TECHNICAL *Corner*



Dolby Digital 101: Class in Review

By Ken Jacquart, Cinema Product Manager, Motion Picture Division, Dolby Laboratories Inc.

The recent NATO of California/Nevada Digital Cinema 101 seminars held at Dolby Laboratories in San Francisco and Burbank touched upon many of the technical fundamentals of d-cinema.

The seminar began with a presentation and discussion of the various terminologies that are used around d-cinema and went into the day to day operations.

Great efforts have been made to ensure that all of the digital cinema manufacturers will produce equipment that is interoperable. All movie content from any studio will be packaged in such a way that it can be loaded into any digital cinema manufacturer's equipment and played back on any digital cinema model projector that meets certain agreed upon specifications.

For more information regarding technical specifications of digital cinema, a copy of the DCI Digital Cinema Specification can be downloaded at <http://www.dci-movies.com>

For more information regarding digital cinema recommendations from NATO, download a copy of the NATO Digital Cinema Requirements document at <http://www.natoonline.org>

Following are just a few excerpts from the digital cinema terminology overview.

E-cinema (electronic cinema), generally refers to a class of equipment that is consumer / professional in quality but not of **D-cinema** quality (digital cinema). E-cinema equipment is typically used today for preshow advertising systems.

Most digital projectors today at its core use **DLP** (Digital Light Processing), a Texas Instruments technology. It involves the use of Digital Micromirror Devices (**DMD**). These "chips" contain more than 2 million mirrors that can each be controlled independently to allow more or less light to reflect through to the projector lens. Each mirror produces a pixel of light on the screen. There are three DMD's in each projector, one each for red, green and blue which combine through a prism and project onto the screen.

Texas Instruments has licensed three companies to include their DLP technology in their digital cinema projectors. Those companies are Barco, Christie Digital, and NEC / Digital Projection. Each of these projectors include the same TI "engine", but differentiate themselves by their individual feature sets. Good sense would be made by exploring all three manufacturers to determine your own specific needs.

Resolution refers to the number of pixels. A **2K** DMD chip measures 2048 x 1080 pixels and accommodates both Scope (2048 x 858) and Flat (1998 x 1080) ratios. The "2K" refers to the fact that there are slightly more than 2,000 pixels across the chip.

Bit Rate is the amount of data that is flowing between two devices. Use an analogy of a garden hose and the amount of water flowing through it. Higher bit rates generally mean higher quality but also mean more demanding requirements of the equipment.

Compression reduces the file size of data and helps to reduce the bit rate requirements. A

(Continued on page 5)

Digital Cinema Glossary

With the advent of Digital Cinema coming soon to your local theatre, a whole new learning curve is upon us. Like many new technologies, digital cinema can sometimes seem to have a language all of its own. Dolby Laboratories, inc. has prepared a short guide which explains some of the key terms and buzz words used to describe the operation, performance and features of digital cinema and the equip-

ment used in the presentation.

Through the courtesy of Dolby Laboratories, inc. copies of this glossary are available to our members. For a free copy send your requests to: NATO of California/Nevada, 11661 San Vicente Blvd., Suite 830, Los Angeles, CA 90049 or via E-Mail: office@natocalnev.org. Please include your name, theatre name, position, address and phone number. ▼

(Dolby Digital 101, continued from page 4)

common example of compression that many of us use today is WinZip on our computers. This similar methodology is used to compress video information to a more manageable size.

A **Server** is generally the piece of equipment that contains the storage of the digital movie content. It serves the movie to the rest of the system. Think of this as your film platter.

Hard Drives are contained within a server and contain spinning disks which actually hold the data. These hard drives are arranged in a **RAID 5** array which is a technique used to provide redundancy and parity of the data so one drive can fail without losing a single bit of data.

Ethernet is a method of connecting digital equipment on a network so they can communicate with each other. This requires that each device have an Ethernet address. Think of an Ethernet network as a telephone system. The telephones themselves are all connected, but communication can only occur if the telephone number is known.

Alternative Content is content other than the movies. Digital cinema provides additional opportunities for revenue streams from events such as concerts, sporting events, live events, etc..

Encryption is used to protect data. All digital cinema movies are encrypted. A digital movie cannot be played back unless it is unlocked with a key and is played back on specific registered equipment. Keys can be delivered to a cinema by email, USB storage devices, CD's or even with the digital cinema content itself. The key and content are perfectly safe traveling together because the content will only unlock and play on the specific registered equipment contained within the cinema multiplex.

MPEG-2 (Motion Picture Experts Group) is a video compression format that is predominately used in the consumer and broadcast environment. Up until the recent adoption of JPEG2000, it was also used for digital cinema movies. It continues to be used for preshow advertising.

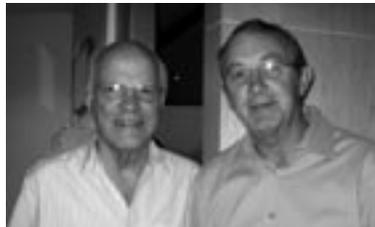
JPEG2000 (Joint Photographic Experts Group) is the video compression format that is used for digital cinema movies today. Each frame of action is made up of an individual TIFF file. This state-of-the-art compression is superior to that of MPEG-2. It's XYZ color space contains more colors than the human eye can see and also has a much higher data rate. ▼

Do you have a question about the operations of your booth? Feel free to submit questions or suggestions for upcoming Tech Tips to techtips@dolby.com. We look forward to hearing from you.



On behalf of our members NATO of CA/INV wishes to thank our Dolby hosts and presenters: Ken Jacquart, Christy Ventura, Louis Eales and Tim Schafbuch

Seminar Attendees



Milt Moritz of NATO of CA/INV and Peter Dobson of Mann Theatres



Kevin Gallagher and Jay Reisbaum of Laemmle Theatres



Don Vuong, Mann Theatres; Louis Eales, Dolby Laboratories and Jerry Van de Rydt, Rydt Entertainment Systems



John Hall, Universal Pictures and Jerry Pokorski, Pacific Theatres



Phil Hacker-Century Theatres, Louis Eales, Dolby



Donny Clemena, John Sittig and Nathan Hatfield of Pacific Theatres



Mike Getz and Jonathan Zorne of Sierra Cinemas



Cecilia Carnejo and Chris Leep of REG UA Arden Fair with Milt Moritz



Priscilla Ramirez-Galaxy Porterville 9, Nathan Paul-Galaxy Tulare 10

Web Access For The Disabled Under The ADA

By Kathleen E. Finnerty and Gregory Hurley, Greenberg Traurig, LLP

The ADA has recently been extended to include cyberspace. According to a recent court decision, ADA accessibility requirements can now be the basis for a lawsuit requiring websites to be accessible to disabled persons.



Earlier this month, in *National Federation of the Blind v. Target Corporation*, a court in the Northern District of California determined that certain websites are subject to the Americans with Disabilities Act (the ADA) when it allowed a lawsuit against Target.com to survive a motion to dismiss. This decision marked a dramatic shift in the way the Court now requires websites with a nexus to physical stores to comply with the ADA, much like brick and mortar facilities.



legal issue was not addressed.

In recent years, the Courts have split as to whether “places of public accommodation” as defined by the ADA must be actual, physical places or whether “places of public accommodation” has a more expansive meaning, including virtual facilities. The Third, Sixth and Ninth Circuits have held that places of public accommodation are limited to actual physical places. See *Parker v. Metropolitan Life Insurance Co.*, 121 F.3d 1006 (6th Cir. 1997) (holding that “the clear connotation of the words in §1218(7) is that a public accommodation is a physical place”); *Ford v. Schering-Plough Corp.*, 145 F.3d 601 (3rd Cir. 1998) (holding that “the plain meaning of

(Continued on page 7)

Background

Most of us make extensive use of a mouse to navigate the Internet. Many disabled persons, e.g. the visually impaired or those with limited hand functions, simply can't. Without accessible protocols being built into a website, the experience would be like surfing the web blindfolded. Protocols for designing an accessible website use “alternative text” - invisible code embedded beneath the graphics. A visually impaired individual can use screen reader software that vocalizes the alternative text and describes the content of the webpage. Many of these readers convert the screen text to something either audible or tactile. For example, if there is a button to push to advance to the next screen, the screen readers say “NEXT-BUTTON.” If presented with a form in which to enter a name and address, the screen reader will say “NAME” in the name field, or “COMBO BOX” to move through the choices until the numeric or alpha abbreviation desired is found.

Seven years ago the National Federation of the Blind (NFB) and several site impaired individuals sued America Online, Inc. (AOL) in Massachusetts, alleging that AOL's website was inaccessible to persons with disabilities. The plaintiffs claimed that, unlike other ISPs, AOL's website was not compatible with the screen-access software commonly used by the blind. The suit alleged ADA violations, and sought an injunction against AOL and a mandate that AOL change its software and website. However, AOL agreed to make certain changes, the lawsuit was settled, and the novel



(Web Access for the Disabled, *continued from page 6*)

Title III is that a public accommodation is a place”); *Weyer v. Twentieth Century Fox Film Corp.*, 198 F.3d 1104 (9th Cir. 2000) (holding that places of public accommodation are actual, physical places). The First and Seventh Circuits have indicated that places of physical accommodation are more than actual physical structures. See *Carparts Distribution Center, Inc. v. Automotive Wholesalers Assoc. of New England, Inc.*, 37 F.3d 12 (1st Cir. 1994) (holding that public accommodations encompass more than actual physical structures); *Doe v. Mutual of Omaha Ins. Co.*, 179 F.3d 557 (7th Cir. 1999) (noting in dicta that a place of public accommodation encompasses facilities open to the public in both physical and electronic space, including websites).

National Federation of the Blind v. Target Corp

In *National Federation of the Blind v. Target Corporation*, Case No. C 06-01802 MHP (N.D. Cal. Sep. 6, 2006), the Plaintiffs alleged that Target.com lacked features that would make it compatible with screen reader software; hence it was inaccessible to the blind. Defendant, Target Corporation, claimed that Target.com is not a “place of public accommodation” within the meaning of the ADA, therefore the lawsuit should be dismissed. Specifically, Target claimed that the Plaintiffs failed to state a case because they did not allege that any individual was denied access to a physical, or “brick and mortar” store. Previous Ninth Circuit law required a plaintiff to allege a “nexus” between the challenged service and the place of public accommodation. However National Federation of the Blind argued that unequal access to the website, Target.com, denied the blind full enjoyment of the goods and services offered at the “brick and mortar” target stores, which are places of public accommodation.

The court unequivocally rejected the argument that the ADA applies only to services in a physical place. The court observed that the statute applies, by its literal language, to services of any place of public accommodation and therefore applies to online goods and services as well. The court did, however, reason that the discrimination from the online services still must in some way deny physical access to a store.

The Effects

Any business that utilizes a website to promote its goods and services should take note of this case and audit its website to insure that all reasonable steps are being taken to permit accessibility by the disabled. While this recent case, when read narrowly, applies only to businesses with both online and brick and mortar operations, it demonstrates a significant trend toward greater appreciation by the court of on-line access for all. Although the ADA does not mention the internet or the world wide web, because the law is vintage 1990, just as retailers are evolving to address business challenges in the internet realm, so too will the courts grapple with legal challenges for virtual sales and services sites. As the issues proceed through the courts, website accessibility is well situated to become the next cottage industry for ADA plaintiffs and class action lawyers. ▼

Mr. Hurley, a Shareholder of Greenberg Traurig's Orange County Office, chairs Greenberg Traurig's National Accessibility group and is a nationally-recognized expert on disability law. Mr. Hurley can be reached at 714-708-6500 or at HurleyG@gtlaw.com. Kathi E. Finnerty (FinnertyK@GTLaw.com) is a shareholder in the Sacramento office of Greenberg Traurig. Both are members of the firms' ADA Practice Group, one of the few such groups in the nation. Ms. Finnerty has represented over 350 facilities from wineries to banks to national big box retailers in ADA litigation, compliance and risk mitigation.

Minimum Wage Increase Finalized

Governor Schwarzenegger signed SB1835, making the California minimum wage one of the highest in the country. The first increase takes effect January 1, 2007. It raises the minimum wage for California's non-exempt employees from the current \$6.75 per hour to \$7.50 per hour. The second increase to \$8.00 per hour takes effect January 1, 2008.

The increase also may affect some of your exempt executive, administrative and professional employees whose minimum salary requirements are tied to the state minimum wage. For these exempt employees, the minimum salary will increase from the current \$2,340 per month to \$2,600 per month (\$31,200 per year) on January 1, 2007 and to \$2,773.33 per month (\$33,280 per year) on January 1, 2008.

These changes require California employers to post a new state minimum wage poster and wage order as of January 1, 2007. The Department of Industrial Relations and Industrial Welfare Commission are responsible for creating the new postings. ▼



Films To Video: Projected Release Schedule

available at www.natocalnev.org

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Statistics

National Association of Theatre Owners
of California/Nevada

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ADDRESS SERVICE REQUESTED

Your Chance To Check Your Memory

If you're wondering whether memory problems that you or a loved one experience are just normal forgetfulness or early symptoms of dementia, you may want to participate in a free screening this fall. The Alzheimer's Foundation of America (AFA) has declared November 14 National Memory Screening Day, and the organization is sponsoring free confidential screenings around the country. To find a screening site near you, contact the AFA at 866-232-8484 or visit www.nationalmemoryscreening.org/.

Source: Mind, Mood & Memory, Massachusetts General Hospital

