

PREVIEWS

Information for the California and Nevada Motion Picture Theatre Industry

CALENDAR of EVENTS & HOLIDAYS

National NATO Board Meeting in Chicago

Sept. 14 – 15

Sexual Harassment Prevention Training Workshop

Sept. 20 - San Jose
Sept. 22 - Los Angeles
Oct. 18 - Sacramento

Daylight Saving Time Ends

Oct. 30

ShowEast

Oct. 24 – 27

Fall/Winter Film Product Seminars

Nov. 3 - Northern California
Nov. 9 - Southern California

Election Day

Nov. 8

The Real “Story”: It’s the Movies! No Seismic Shift in Consumer Preferences Compels Unwise Simultaneous Release

National Association of Theatre Owners President John Fithian Responds to Disney Chairman Robert Iger on the Alleged Demand for Simultaneous Release

Washington, D.C. (August 18, 2005) – National Association of Theatre Owners (NATO) President, John Fithian, issued the following statement in response to comments by Walt Disney Chairman Robert Iger during a conference call with Wall Street analysts on Tuesday, August 9.

“Walt Disney’s Robert Iger says American consumers demand it all and demand it now. To placate this instant-everywhere appetite, Iger suggests it may be necessary to release movies in theatres, on DVDs, and everywhere, at the same time.

“Mr. Iger knows better than to tell consumers – or Wall Street analysts – that they can have it all, everywhere, at the same time. He knows there would be no viable movie theatre industry in that new world – at least not a theatre industry devoted to the entertainment products of Hollywood. And he should know that Hollywood studios would be merely one shriveled vendor among many in that new world of movies-as-commodities-only.

“Iger considers the slowdown in theatre box office and DVD growth a ‘wake-up call’ for the industry. I’m not sure who was asleep, but it wasn’t the exhibition industry. Here’s what we know about 2005 – the movies are not as good. They’re not terrible. They’re just not as good. And so the industry has experienced a temporary drop-off compared to 2004 – the biggest box office year in movie history.

“Further, factor out last year’s big grossing specialty surprises – ‘Passion of the Christ’ and ‘Fahrenheit 911’ – and add in the fact that there are fewer wide general releases this year, and the alleged industry ‘slump’ disappears.

“Just to reinforce the point that our industry cycles are driven by movie quality, it is interesting to note that DVD slow-down has roughly tracked the theatrical window. That is, movies that



John Fithian, NATO President

See John Fithian, continued on page 2

SEXUAL HARASSMENT PREVENTION TRAINING WORKSHOPS!

See page 2 for location and dates.

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Charlene Sievers
Director, Member Services

John Fithian, continued from page 1

have done poorly at the box office have tended to fare poorly when released on DVD.

“On the other hand, DVDs that sell well benefit enormously from the advertising platform and national conversation generated by theatrical release. Does it really make good business sense to plunder that \$25-billion-plus worldwide theatrical window without a very solid assurance that even more DVD sales will make up for the lost theatrical revenues? And if you answer that question based on number-crunching in your home entertainment division, are you really willing to bet the farm on the proposition that consumers will rush to watch even more movies at home after you’ve whacked the advertising platform of theatrical release? And have your number-crunchers accounted for the possibility that consumers have basically bought their DVD libraries, and will hereafter be increasingly conservative about their purchases?”

“It’s a product-driven industry. When the movies are really good, the industry does really well. And vice versa. New gizmos and conveniences regularly influence consumer patterns – but there is no seismic shift in the simple fact that good movies make people want to go see movies. Consumers are smart that way. Analysts can get that.” ▼

Third Location Added for Sexual Harassment Prevention Training Workshops

NATO of California/Nevada has added a third venue for the upcoming Sexual Harassment Prevention Training workshops. The interactive workshops, courtesy of the law firm of Greenberg Traurig, will be moderated by Gregory F. Hurley and presented by Diana P. Scott and Lawrence Rosenfeld, and will satisfy the first requirement of the new California state law AB 1825.

In California both corporate employers and individual employees and supervisors face personal liability for workplace harassment. With AB 1825 California has just instituted new harassment training requirements for all employers with 50 or more employees (includes part-time and independent contractors). Supervisors must receive at least two hours of interactive training by January 2006.

The two hour workshops will begin at 10:30AM. These workshops are open to all supervisors, theatre as well as corporate. Attendance is free to NATO of CA/NV members; however it is by reservation only. RSVPs for the Sacramento workshop will be accepted until September 27th.

Tuesday, September 20th
Century 20 Oakridge Theatre
925 Blossom Hill Road, San Jose

Thursday, September 22nd
Mann’s Westwood Village Theatre
961 Broxton Avenue, Los Angeles

Tuesday October 18th
Regal Natomas 16
3561 Truxel Road, Sacramento

Visit http://www.leginfo.ca.gov/pub/03-04/bill/asm/ab_1801-1850/ab_1825_bill_20040930_chaptered.html to view the bill in its entirety.

In Defense of Theaters

By Susan Wloszczyna, Reprinted from USA TODAY

What can I say? I like to do it in the dark and in the company of strangers.

Watching movies, that is.

Like sex, it can be done solo. But it is so much better with others. And, yes, size matters.

My preference was only reinforced at a screening of *War of the Worlds*. It had less to do with the alien-provoked apocalypse that unfolded with snappy Spielbergian precision than with the privileged environment I was lucky enough to be immersed in.

Good, fresh popcorn didn't hurt. But as I stared at the massive 32-by-70-foot screen at the Uptown Theater in Washington, D.C., a cavernous throwback to the days when theaters were rightly called palaces, my senses were overcome — by the rumbling sound system, the towering images, the cooled air that crackled with shared tension. No one talked. No one checked his electronic device. No one raced out to the bathroom.

We were as one, an audience fully engaged.

When was the last time you felt like that while alone, clutching a remote in your sweaty mitts, as the latest DVD release spun amid the distracting detritus of your media room?

Those silver discs are a fling, easily forgotten. Movies in theaters are a commitment, engendering memories that can last a lifetime. You probably can recall your first film in a theater. Can you name the first DVD you watched?

Driving home from *War of the Worlds*, I thought about how blessed I was to have seen such re-issued and restored classics as Kubrick's brawny epic *Spartacus* and Hitchcock's mind-bending romance *Vertigo* at the Uptown. Yes, you can put them on your Netflix wish list or buy them at a discount from Amazon. But the hypnotic power of such Hollywood landmarks on the small screen is magnified many-fold on the big. That is one extra you can't squeeze into a DVD box set.

With DVD, it is too great a temptation to be distracted by life when trying to enjoy art. It took me three grueling nights to get through a home viewing of Martin Scorsese's *Gangs of New York*. I might not have found the brawling barbarians or the clunky narrative any more appealing if I had caught it at a theater. But at least I would have seen it as Scorsese had intended — in one bloody swoop.

Sometimes you can't even say you've actually seen a movie until you see it in a theater. A confession: I tried to appreciate *Citizen Kane*, considered the greatest film ever made, many times on TV. But it always struck me as a stilted, old-fashioned snoozefest.

It wasn't until I saw Orson Welles' masterpiece about the folly

Help Us Set the Record Straight

Industry and general news publications have, in recent weeks, run misguided articles critical of movie exhibitors and the viewing environment that we provide.

In a recent *Daily Variety* article "Can an extreme makeover save the Cineplex?" the reporter endorsed the idea that "if exhibitors don't put more equity into the experience of movie-going, they'll lose the war with the home entertainment market."

NATO of California/Nevada quickly responded by submitting a letter to the editor at *Variety* in order to dispel misconceptions. The letter also allowed us to reiterate the positive aspects of movie-going that the article failed to address, including relative value, upgrades in technology and comfort, the timelessness of the viewing experience, and the perseverance of the industry despite changing times.

More recently, the *Los Angeles Times* issued an editorial critical of NATO and theatres' efforts to compete with home entertainment. We are currently working hard on a public response to this article, as well.

In the coming months, exhibitors may continue to be a target for reporters looking to forecast trends or assign blame for less than optimal box office figures. Our response to the *Variety* article illustrates the importance of monitoring press coverage so that we can seize the opportunity to set the record straight. As a part of our overall promotional efforts, we must remind the public why movie-going is an unmatched form of entertainment and how we continually are making efforts to improve the experience even further.

As an Association member, please forward negative articles like the *Variety* piece to the NATO of California/Nevada office. We need your help so that in the months ahead, we can continue to monitor and quickly respond to negative press coverage of our industry. ▼

of material success as it was meant to be, at an American Film Institute screening for its 50th anniversary in 1991, that I got it. I saw the infamous dolly shot that travels through a window in Kane's childhood home. I saw how the dining table for two grew as Kane's marriage disintegrated. I saw the flames lick at the emblematic Rosebud as the movie concluded. I saw its greatness for the first time.

Yes, tickets are costly, fellow patrons are rude, the floors are sticky, few movies are *Citizen Kane* these days and those obnoxious ads have to go. But remember: In the dark, everything looks better. ▼

Cinema Treasures: New York's Museum of the Moving Image

By Ross Melnick

In earlier issues of *Previews*, my colleague, Andreas Fuchs, brought you some glorious tales of movie and movie theater history. But where can you go to not only read about film history, but to see some of the objects created by more than a century of film production, distribution, marketing, and exhibition history? Well, if you're traveling to New York City in the near future, no trip would be complete without a visit to Museum of the Moving Image in Astoria, Queens, just across the river from Manhattan.

Founded in 1981 and opened to the public in 1988, the Museum's mission is to expand public understanding and appreciation of moving images through screenings and dialogues, exhibitions, education programs, and its extensive collection of over 150,000 artifacts from the 19th to the 21st centuries. This exceptional collection houses theater furnishings; film projectors and cameras; television sets; licensed merchandise; rare photographs; video and computer games; props; costumes; editing, sound, and lighting equipment; fan magazines; posters; and commissioned works of art.

The Museum's core exhibition, *Behind the Screen*, has been praised by *The New York Times* as "a show for the mind as much as the eye and ear" and by *New York Magazine* as "staggeringly comprehensive." Spanning two floors and 14,000 square feet, *Behind the Screen* is an innovative blend of historical artifacts, video clips, interviews, and interactive exhibits that show how moving images are made, marketed, and exhibited.

Exhibition artifacts include a model of the vanished Roxy Theatre in New York; theater signage, lighting, uniforms, programs, postcards, matchbooks, and photographs; concession items; drive-in equipment; lantern slides; and more. The Museum also houses an extensive collection of projection equipment and other technology related to the exhibition of motion pictures.

In November 2004, the Museum celebrated the 100th anniversary of Loews Cineplex Entertainment with *From Penny Arcade to Multiplex: A Special Exhibition in Honor of the 100th Anniversary of Loews*. This exhibit, which is part of *Behind The Screen*, provides an exciting look at the 100-year history of Loews from its founding in 1904 as the People's Vaudeville Company to its place in the exhibition industry today.

The Loews exhibit includes rare promotional items; over 75 historic photographs; vintage postcards; classic ushers caps and a doorman's coat; archival film footage of movie premieres at Loews



theaters; and more. The material is drawn from the Museum's collection as well as from items assembled by Loews Cineplex in honor of its 100th anniversary.

Rochelle Slovin, Director of Museum of the Moving Image and curator of the Loews exhibition, notes, "The marvelous photographs and objects in this exhibition reveal the history of moviegoing culture in America—the architecture of the cinemas and streetscapes, the fashions and automobiles of the moviegoers, and the advertising and publicity that has brought audiences into the theaters decade after decade."

Another exhibit, *Digital Play*, located in the William Fox Gallery, is devoted to the evolving art form of digital media and is comprised of fifteen digital animations and "software toys" from independent makers.

In addition to its galleries, the Museum is a prominent exhibitor of thematic film retrospectives, repertory screenings of classic art films, and diverse new feature films from around the world. Programs are presented regularly in the Museum's 200-seat Riklis Theater, and at screening sites in Manhattan.

The Museum is also part of film history itself with its location on the site of the Astoria Studio, one of the largest motion picture and television production facilities in the United States.

See *Museum of the Moving Image*, continued on page 5



Vintage photo of Loew's Kings Theatre

Museum of the Moving Image, continued from page 4

Originally built as Paramount's East Coast production facility in 1920, the studio was taken over in 1942 by the U.S. Army and renamed the Signal Corps Photographic Center.

The Museum is currently embarking upon a major renovation and expansion of its facility which will nearly double the size of the Museum and will feature new exhibition spaces and digital media galleries; an education center; and a new state-of-the-art movie theater.

The Museum is open to the public Wednesday through Sunday (for hours and directions, visit the Museum website www.movingimage.us) and is located at 35 Avenue at 36 Street in Astoria, easily accessible by subway or by car/taxi.

The next time you're in New York, catch a film or a glimpse of the past, present and future of entertainment at Museum of the Moving Image. See you *Behind The Screen!* ▼

Ross Melnick is the co-founder of Cinema Treasures (www.cinematreasures.org), the co-author of Cinema Treasures: A New Look at Classic Movie Theaters (MBI, 2004), and the Consulting Director of Cataloging & Research at Museum of the Moving Image (www.movingimage.us).

Theatre Selects 20 Area Children To Tour Its Cinema Wonka-Style

By Cole Hons

Reprinted from Centre Daily Times (PA)

This Saturday (7/16) at 9 a.m., 20 lucky boys and girls will get a taste of what goes on behind the scenes of a local movie theater, when Premiere Theatres 12 in State College hosts its first "Morning at the Movies" event.

Just like the children in "Charlie and the Chocolate Factory," which opens Friday and will be shown for free as part of the tour, these youngsters will have the chance to see the inner workings of a mysterious and wonderful place. The only difference being instead of learning about chocolate rivers and Oompa Loompas, they'll most likely be schooled on the mechanics of popcorn machines and projection booths. And instead of walking through a room full of edible chocolates and candies, they will be treated to freshly popped popcorn and soda.

No golden tickets are required for admission to the tour, but it is completely booked nonetheless. Back in May, film exhibition manager John Zenner put up and handed out some flyers at the theater to gauge how much interest there might be.

"After we had a hundred or so e-mails (for 20 spots) we had to do a lottery style of picking out the guests," he said. "It is too bad that we only could do 20 guests, but in the future, we will definitely do more."

Zenner came up with the idea after noticing how many kids peer up at the projection booth and ask questions about the projector or the screen.

"When my kids are old enough, I look forward to showing them how it works," he said, "and I thought that other kids should be able to have the same experience."

Zenner decided to invite children aged 7 to 9, with each to be accompanied by one adult -- a mother, father or other guardian. With 40 people taking the tour, the group will have to break up into smaller units to fit into the projection booth. (The theater doesn't want to risk anyone getting squished, Augustus Gloop-style.)

After this pilot tour, Zenner will make some notes and decide how and when he wants to put together the next one, most likely in conjunction with a family movie's opening.

"For many people, the whole experience of going to the movies is fun, from the marquis to the popcorn to the previews before the movie," he said. "We hope that this gives kids a chance to enjoy movies even more as they learn about how a movie theatre works." ▼

Scholarship Congratulations

Congratulations to Chelsea Lotter who won the first \$7500 scholarship award in the National Association of Theatre Owners of California/Nevada Dependent Children Scholarship Program. Chelsea is the daughter of Scott Lotter, General Manager of Paradise Cinema 7, which is owned by our member company, Tegtmeier Associates, Inc.

Scholarship Thanks

The following letter was received from Mark Sullivan who won one of the four *National Association of Theatre Owners of California/Nevada Fellowships in Film* awards through the UCLA School of Theater Film and Television. His area of study is Animation.

LABOR ISSUES & Updates

State Law Requires Employers to Provide Current Employment Statistics

I received a letter from the Bureau of Labor Statistics regarding the current employment statistics program. The letter requested detailed payroll information for every pay period that includes the 12th of the month. Is it mandatory that I provide this information?

Yes. Under Section 320 of the California Unemployment Insurance Code, the director of employment development is required to make reports to the secretary of labor regarding:

- unemployment;
- hours, wages and earnings;
- the location and nature of industrial, business or other activity of each establishment for the conduct of business;
- performance of services; or
- industrial operations.

Statistical Data Only

Information reported by any reporting employer as required under Section 320 shall be published in statistical form only. The information and the identity of the reporting employer shall not be published or otherwise given to the public or any other governmental agency without prior written permission of the reporting employer.

No publication of statistical data

shall be made which might reveal the identity of any reporting employer, without specific written permission of that reporting employer.

Penalties for Failure to Submit

If any reporting employer fails to submit to the Employment Development Department (EDD) any annual or monthly reports within the time required, or if EDD is not satisfied with the submitted report, EDD may issue a written demand that an annual or monthly report be submitted and the reporting employer is required to submit that report within 30 days after the date the demand is mailed.

An employer that fails to submit the information or supplies false or fraudulent information may be liable for a civil penalty of up to \$1,000. Failure to supply the information is a misdemeanor subject to a fine of up to \$1,000 or up to a year in prison, at the court's discretion. ▼

Source: California Chamber of Commerce Alert

Dear Mr. Moritz:

I am embarrassed that I missed the UCLA awards breakfast. It was midday on the day of the breakfast (i.e., after the breakfast) when I first learned that I had been awarded the NATO of CA/NV fellowship for the 2005-2006 UCLA School of Theater, Film and Television school year. I am delighted by the award and deeply grateful for the generosity of NATO of CA/NV. Please let the association members who were in attendance at the breakfast know that my non-appearance was purely the result of a delayed communication. As you may know from UCLA, my graduate status was interrupted by my U.S. Marine Corps Reserve commitments, which resulted in a trip to Iraq in 2003. Although the Marine Corps Reserve was a great help paying my way through UCLA, it significantly delayed my matriculation date making this fellowship even more of a godsend. This is a great honor and it is sincerely appreciated.

Very truly yours,
(Signed)
Mark Sullivan



Cell Phone Emergency List

This great idea for cell phones for emergency/disaster situations came about following the recent disaster in London. The Ambulance Service launched a national In Case of Emergency (ICE) campaign with the support of Falklands war hero Simon Weston.

The idea is that you store the word I C E in your mobile phone address book, and next to it enter the number of the person you would want to be contacted In Case of Emergency, for more than one contact name ICE1, ICE2, ICE3 etc. In an emergency situation ambulance and hospital staff will then be able to quickly find out who your next of kin are and be able to contact them. It's so simple that everyone can do it. Please do.

Please, share this idea with people you know. It really could save your life, or put a loved one's mind at rest.

FILMS TO VIDEO: PROJECTED RELEASE SCHEDULE

Extended version available at
www.natocalnev.org

3-Iron	9/6/05
Crash	9/6/05
Fever Pitch	9/13/05
Madison	9/13/05
Twin Sisters	9/13/05
Winter Solstice	9/13/05
The Adventures of Sharkboy and Lava Girl in 3D	9/20/05
The Longest Yard	9/20/05
Mindhunters	9/20/05
Robots	9/27/05
Buddy Boy	9/27/05
Lords of Dogtown	9/27/05
The Amityville Horror (2005)	10/4/05
The Interpreter	10/4/05
My Summer of Love	10/4/05
High Tension	10/11/05
Inside Deep Throat	10/11/05
Kicking & Screaming	10/11/05
Kingdom of Heaven	10/11/05
The Sisterhood of the Traveling Pants	10/11/05
Unleashed	10/11/05

For additional listings refer to:
www.homemediaretailing.com
Source: Home Media Retailing

Exhibitor Relations Contact Information

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One sheets & trailers can be ordered
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Focus Features

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Fox/Fox Searchlight

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FOX REWARDS

Fox Rewards Enrollment & Hotline
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Sony Pictures

All materials can be ordered at
www.sonypicturesreleasing.com
or by phone: 877/Deluxe6

Universal

www.exhibitorrelations.com

Warner Bros

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Jesse Chow
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Year-To-Date Box-Office

YEAR-TO-DATE 233 days starting Saturday, January 1, through Sunday, August 21, 2005
Average ticket price for 2005 is estimated

Year	Avg. Ticket Price	Ticket Price Change	Total Gross	% Change vs. Previous Year	Attendance	% Change vs. Previous Year
2005	\$6.45	3.70%	\$6,030,964,171	-7.24%	942,338,152	-9.99%
2004	\$6.22	3.15%	\$6,501,495,207	4.05%	1,046,939,647	1.03%
2003	\$6.03	2.65%	\$6,248,464,172	-	1,036,229,548	-

-Source: Exhibitor Relations Co.

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PREVIEWS

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