

Summer 2009

The TRAILER

Minnesota, Iowa, Nebraska
North and South Dakota

The Newsletter of North Central NATO

Makes and Saves Your \$\$'s

Scholarship Winners Announced

New Wrinkles in Cell Phone Battles

Plus.....much more inside!

Studio Economics

— Part 2

NC NATO Convention Wrap Up





Preview of Coming Attractions...

August 25-26ShowSouth Convention
Chateau Elan Winery and Resort, Atlanta, GA.

Sept. 9-11Rocky Mountain Regional
Theatre Convention
Radisson Salt Lake City Downtown Hotel,
Salt Lake City, UT

Sept. 15-16NATO General Membership
and Board of Directors Meeting
Fairmont Hotel, Newport Beach, CA

October 26-29ShowEast Convention
Orlando World Center Marriott, Orlando, FL

2010

Jan. 21-31Sundance Film Festival
Park City UT

Feb. 1-4United Drive In Theatre Owners
Association National Convention
Kissimmee, FL

Feb. 2Academy Award
Nominations Announced

March 7 ...Academy Awards Telecast on ABC-TV

March 15-18Showest Convention
Bally Hotel, Las Vegas, NV.
(last of Showest conventions with NATO participation)

Sept. 28-30NATO of Wisconsin
Geneva Convention
Grand Geneva Resort, Lake Geneva, WI
(Moved from May 2009)

2011

Mar. 28-31National NATO Convention
Caesar's Palace, Las Vegas, NV
(replaces NATO's participation in Showest)

Want Ads

THEATRE CIRCUIT FOR SALE

4 West central Minnesota theatres with a total of 11 screens are for sale. Includes real estate with room to add 5 more screens. Please write Korwood Cinemas, PO Box B 208, Paynesville, MN 563622 or email ps50@lakedalelink.net.

PLACE YOUR WANT AD HERE FOR FREE!

North Central NATO members may place wants ads in the Trailer at no charge. Here's a good opportunity to sell your surplus equipment, find parts and equipment, advertise job openings, or even look for jobs. Email ads to jeff@loganmovie.com.



Courtesy of NATO of Wisconsin's "Reel News"

Advertising Opportunities Available...

In response to many requests, the Trailer will again begin accepting advertising. President Jeff Logan said, "Accepting advertising in the Trailer from our supplier friends will let us afford to make the Trailer an even better magazine. The ads provide a cost efficient way for these suppliers to reach us, their theatre customers. I also believe that many of the theatre owners will be interested in the ads as they look for these products and services."

Anyone wanting information on advertising in the Trailer may call Jeff Logan at 605-996-9022 or email jeff@loganmovie.com. You may also contact editor Natalie Misiaszek at natalie.smprinting@midconetnetwork.com.



A “Big Picture” View of Studio Economics from the Theatre

By Jeff Logan, President,
North Central NATO

In the last issue, we covered theatre economics. In part 2 of this series, it's time to turn our attention to the economics of the studio side of the industry.

The Achilles' heel of the theatre business is the supply of movies. Even the best run theatres are 100% dependant on the movies the studios supply to them. Do the movies appeal to the public mood at that moment?

For all our negotiations and differences of opinion, the studios are, in a very real sense, our best friends and business partners. We want them to succeed. When they make entertaining movies that appeal to the public, we both make money and prosper.

The disturbing news is that even with theatre ticket sales up, total studio revenues are down. Several studios have had to lay off personnel. The reason of course is that DVD sales are way down. For the past two years, DVD sales have been dropping. This started happening even before the economy took a nosedive. It has just recently dived to dangerously low levels. What the highly paid studio executives seem to be overlooking is that the average Joe working man has found better, cheaper and easier ways to get movies than buying DVD's at Walmart or even renting them at video stores.

Recently, more and more people are using Netflix or any number of legal or illegal download services. The problem isn't that people are watching fewer movies at home; they're watching just as many as ever. The problem is that they are shifting the way in which they get those movies and the studios haven't figured out how to make as much money as they used to from these DVD sales from these new mediums.

The answer for the studios is fairly obvious. **The studios need to figure out how to make as much money from the new delivery systems that are cannibalizing the DVD revenue stream. Make the new delivery systems pay their fair share so they can replace the lost revenue from the DVD sales that they are damaging.** The trick is figuring out how to get more money out of the new delivery systems.

First, the studios should raise the prices they charge Netflix and the download services for the movies. This may force Netflix and the download services to raise their prices to fair market levels. That's what the studios have in effect continually done to the theatres the past thirty years. Netflix and the download people are in effect discounting the studios product with their low prices. The studios don't permit theatres to discount their movies to these low levels, why should

they permit Netflix and the download services to do the same thing? These services are way past having to offer low prices to “introduce” their new services. They are now established business models that now need to pay their own way and their fair share.

Itunes has proven that their \$1 per song model works. One dollar is an attractive and acceptable price to consumers for a song and it delivers decent revenue to the record company. Netflix and the download services may have to be forced to find that price point that delivers enough money but is still appealing to the consumer. If a 3 minute song is worth \$1, a 2 hour movie ought to be worth \$5.

The whole video rental business was made possible when the courts ruled in favor of the “first sale doctrine.” In it, the courts ruled that once a consumer (rental store) purchased a movie, it became theirs and they were free to legally rent it, sell it, give it away, or do whatever with it except copy it or exhibit it publicly. The studios answered this by keeping the price of VHS cassettes high enough to keep that part of their business profitable for the studios. The wholesale price of cassettes used to hover around the \$55 to \$65 neighborhood. The studios felt that at least this gave them a fair share of what the store made from renting that video numerous times.

This was a high price and the video store had to rent that cassette a many times to get its investment back and begin to show a profit. Once the cassette was paid for, however, the movie was like a flat rental movie in a theatre—the store kept all the revenue once the initial cost was paid. Rentrak was started to shift the bulk of the profits away from the store back to the studio. Rentrak instituted a percentage deal whereby the video store could “purchase” more copies of a movie for a low up front cost but then had to pay a percentage of each rental to the studio (through Rentrak).

When DVD's came out, the studios calculated they could make more money if they could cut out the video stores altogether. They priced the movies low enough that consumers would prefer to buy them rather than rent them. New movies began selling on DVD for \$19 to \$29. Older movies are dumped in sale bins for \$5 and \$10. The studio now sold more movies to consumers than the limited number they used to sell to video stores. Studio revenue went up with this new model. Now that this model is broken, the studios need to come up with a new business model to make this same high amount of money from the internet and Netflix.

When reinventing the industry, the studios must

— continued on page 9

Winners of 2009 North Central NATO Scholarships Announced

Mike Schwartz, chairman of the Scholarship Committee announce the winners of the 2008 North Central NATO scholarships at the gala banquet held Tuesday night, April 14 during the North Central NATO Convention held at the Sheraton Minneapolis West Hotel in Minnetonka, Minnesota..

Winner of the \$1,000 Pepsi Cola Scholarship is Lenore Popp of the Brickhouse Cinema in Foley, MN..

Winner of the North Central NATO \$1,000 scholarship is Kevin Melhaff of Muller Theatres' Willow Creek 12 in Plymouth, MN.

Winners of the four \$500 North Central NATO scholarships are: Katie Simons of Fridley Theatres in Spencer, IA., Michael Schinderling of the Huron Luxury Cinemas in Huron, SD., Elizabeth Quincer of the Cozy Theatre in Wadena, MN., and Kerry Shannon of the Luxury 5 Cinemas in Mitchell, SD.

The scholarships are awarded annually by North Central NATO. Judging is done by a volunteer panel of educators from the Twin Cities area. All employees of North Central NATO member theatres are qualified to enter. They must seniors in high school or currently enrolled in a post-secondary educational institution. They must submit a copy of their most recent high school transcript and complete an essay.

Application forms will be included in the winter issue of "The Trailer." All area theatre managers are urged to encourage their employees to enter. For more information on the scholarships, contact scholarship chairman Mike Schwartz at the Historic State Theatre in Jackson, MN at 307-421-5063 or mandnbook@aol.com

North Central NATO thanks the Pepsi Cola Company for their \$1,000 scholarship and all the exhibitors who contribute to the scholarship fund through their silent auction bids, raffle tickets and membership dues.

New Wrinkles in Ongoing Battle with Cell Phones

Cell phone usage by both customers and employees continues to be a problem for theatre owners and managers. Following are two new considerations in this ongoing battle.

EMPLOYEE USAGE

Theatres are urged to adopt a cell phone usage policy for their company and include it in any written employee handbook or rules. Most companies prohibit use of personal cell phones during working hours.

If any employees drive as any part of their job, include in your rules a prohibition against using a cell phone while driving a company vehicle or driving a personal vehicle for work purposes. Inattentive driving due to cell phone usage may result in an accident that could cause negligent liability to come back on the company.

Operationally many theatres require employees to leave their cell phones with their coats and purses at their employee locker, employee lounge or check them at the managers office.

Under no circumstances are they allowed to take cell phones or purses to their work stations. This eliminates those employees who may try to sneak usage of cell phones by texting friends while working.

PATRON USAGE

Some theatres have found another irritating piece of technology can actually be used as a weapon against cell phones. Some projectionists have armed themselves with small, compact laser light pens that are now available for around \$5.00. When they see a cell phone being used in and auditorium, they point the laser light at the face of the cell phone from the projection booth. The cell phone user usually quickly gets the idea and shuts off their phone. The projectionist will look over each auditorium after starting that movie. They will give cell phone users a few seconds or a minute during the beginning of the previews to finish their text or conversation and then hit the phone with the light if the user persists in using the phone.

This is a variation of the technique of ushers shining a flashlight on the feet of people who have their feet on the seats in front of them. It makes it easy to reach those people in the middle of a section of seats who can't be talked to without walking in front of other patrons.

There is a downside, to using a laser light in this manner, however. It may give some other patrons in the audience the idea to bring their own laser light to the movie to shine at the screen or other patrons. The projectionists try to aim carefully and shine the laser at the phone for the shortest time possible so it hopefully isn't noticed by other patrons.



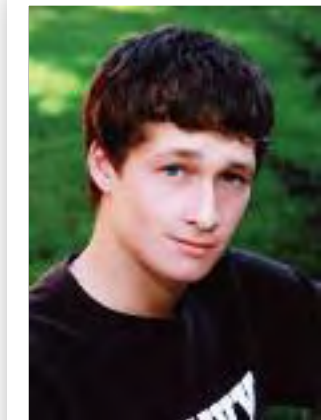


Kevin Melhaff (left) of Muller Theatres' Willow Creek 12 in Plymouth, MN won the NC/NATO \$1,000 scholarship. He thanked North Central NATO for the scholarship and said, "You have made my tuition burden that much more manageable and I thank you for that. The management at my theatre posted signs encouraging my coworkers to congratulate me so that was pretty cool as well."



Lenore Popp (above) of the Brickhouse Cinema in Foley, MN. won the Pepsi \$1,000 scholarship. She will be attending the University of Minnesota Twin cities campus this fall majoring in marketing. She also plans on participating in the university's orchestral symphony and will play tennis. This self-described country girl who was raised on a farm is excited for this new opportunity and wonders how she will adapt to city life.

Kerry Shannon (right) of the Luxury 5 Cinemas in Mitchell, SD won a \$500 scholarship. She will be attending Northern State University in Aberdeen, SD majoring in Secondary Education and Social Sciences. She has worked at the Luxury 5 for two-and-a-half years starting when she was a sophomore.

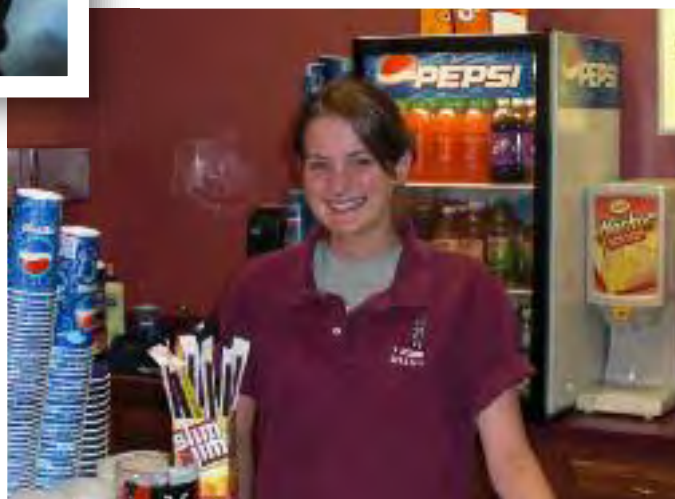


Michael Schinderling (above) of the Huron Luxury Cinemas in Huron, SD won a \$500 scholarship. He will be attending the twin cities campus of the University of Minnesota majoring in Spanish and Portuguese studies. He is also interested in theatre, choir and writing stories and poetry. Michael has worked at the theatre for two-and-a-half years.



Elizabeth Quincer (right) of the Cozy Theatre in Wadena, MN, won a \$500 scholarship and follows her older sister in winning. She will be attending Concordia College to major in Biology with minors in Chemistry and Neuralgic Science.

Katie Simons (left), who works for Fridley theatres in Spencer, IA, won a \$500 scholarship. She will be attending Calvin College in Grand Rapids, MI. where she will study Spanish and bilingual education. She has worked at the theatre for over two years and loves it. She plans on continuing to work at the theatre when she comes home for breaks.



North Central NATO Convention Wrap-up...

The 10th annual North Central NATO theatre convention kicked off Tuesday April 14 at the Sheraton Minneapolis West Hotel in Minnetonka. This marked a return to this hotel which met with praise and approval from those attending.

BOARD MEETING

The board of director's meeting started at 9:00 am while some circuits concurrently held their own circuit manager's meetings in other meeting rooms. Dale Haider reported that North Central NATO now represents 790 screens in the five states and both the general fund and scholarship accounts are financially healthy. It was reported that the talks to merge this convention with NATO of Wisconsin's Geneva Convention are now on hold since that convention has moved to the fall with the anticipated demise of Showeast after next year. Mike Schwartz of the Historic State Theatre in Jackson, MN was appointed to fill the "outstate" Minnesota seat on the board which has been vacant since Juanita Onen left the business.



Jay Minzlaff of Marcus Theatres was appointed the new legislative committee chairman for Minnesota replacing Dale Haider who resigned that job to concentrate on his other North Central NATO duties as convention chairman and vice president. Other routine business was conducted at the meeting with much attention being given to a proposed Iowa film rental tax and other legislative matters in the 5 states reported by North Central's legislative monitor, Belinda Judson.

TUESDAY TRADE SHOW

The actual convention opened with the trade show at 12:30. It took two large banquet rooms to hold the 33 vendors who set up booths at the show. North Central NATO thanks the vendors who attended the show and spent time with their theatre customers showing new products and programs. Those vendors include (in alphabetical order): 1 Better Advertising, Big Sky Industries, Bright Star Systems, Cinefx Media, Cinema Scene, Cinema Clips, Clark Products, Conagra Foods, Franklin Designs, Gehl's Foods, Georgia Pacific Paper Co., Harvey Winchell (Just Born candies), Jolly Time Popcorn, Kernel Season's, Nestle's, Phillips-LTI



Lighting, Print Tix USA, Ready Theatre Systems, Reynolds & Reynolds Insurance, Rico's Products, SCA Tissue, Screentrade Magazine, St. Cloud Refrigeration, State Fair Mini Donuts, Strong Cinema Products, Theatrical Bulb Supply, Coca-Cola Company, Icee Company, Vistar, Watson Co. and Winters Janitorial.

The silent auction held in conjunction with the trade show raised \$2,090.

For the first time, a live auction was held for some "big" prizes. Todd Tepley of Cinemagic Theatres acted as auctioneer and raised \$975 auctioning off three big prizes; a hospitality suite for 16 people at a Timberwolves game, Twins tickets and hotel package for two, and a signed Pink Panther 2 one-sheet at the evening banquet.

National NATO's Cinema Buying Group held a meeting at 3:00 for its members. NATO General Counsel Kendrick Macdowell reported on the progress of negotiations to bring the digital conversion to reality.

The afternoon was capped off with a cocktail hour sponsored by Vistar who provided two free drink tickets to each registrant.

GALA BANQUET

The 113 attendees at the convention enjoyed a steak

dinner at the gala evening banquet. After dinner, North Central President Jeff Logan delivered his annual State of the Unit address stressing the increasing importance of a strong regional and national association in these uncertain economic and political times. He also explained how participation in NATO benefits the individual manager and owner who contribute their time. He pointed out that decades ago, the major circuits encouraged their managers to be involved in their communities and the theatre owners associations. From that involvement, those executives gained a broad view of the business and became industry leaders.

In his keynote address, NATO general counsel G. Kendrick Macdowell reviewed the challenges facing the industry and what steps national NATO is taking on behalf of its members. He reported that there are currently 6,000 digital screens out of a total of 36,000 in the U.S. NATO is working proactively on exorbitant credit card interchange fees that theatres and other retailers are forced to pay the credit card companies. With the world's best technology, American retailers pay higher fees than those paid in any other country. NATO is also supporting the Lein Act on menu labeling



that will bring uniformity and reason to efforts to require chain food outlets to post calorie counts on their menu boards along with the prices. Such national legislation would prohibit conflicting, varied, often more far reaching and unreasonable laws that have been proposed in several states.

Joan Graves, senior vice president of the Motion Picture Association of America and chairperson of the Code and Rating Administration spoke on the rating system and how it has evolved over the years. The goal of the system is to provide guidance to America's parents on every movie's suitability for their children. Joan flew to Minneapolis despite being on crutches as she was still healing from being hit by a car outside the MPAA's California headquarters. This was her first trip since the accident and we applaud and appreciate her determination to come to Minneapolis to speak to us.

WEDNESDAY

Wednesday kicked off with a continental breakfast sponsored by Clark Products. Attendees then boarded a bus for Mann's St. Louis Park Theatre for a screening of Sony's "Obsessed."

Following lunch back at the hotel, Joan Graves held an open



forum for the exhibitors answering their questions about the ratings and their problems enforcing it.

She invited theatre managers to email her at Joan_Graves@mpaa.org when they have complaints from patrons about the ratings or they feel that a movie or trailer was given an inappropriate rating.

The afternoon seminars began with a presentation by Pamela Stanton, of Screen-trade magazine on Sexual harassment in the workplace. Using members of the audience, she gave examples of what constitutes harassment and outlined steps companies should take to protect themselves.



Terry Krove, of Krove & Associates presented a seminar on how investing in good employees and employee training pays off in increased profits for the theatre. He offered suggestions on improving theatre staffs and how this impacts the bottom line.

The convention ended on time at 4:30 with closing remarks and drawings for ten more prizes.

Convention Scenes...



first realize that theatres are still the ONLY way the studios can collect money from EVERY pair of eyeballs that watches their product. In theatres, viewership is totally controlled as opposed to any other delivery system. No one knows how many people are watching a DVD or downloaded movie in the home. Theatres return the most money PER VIEWER to the studio than any other medium. Even sub-run theatres, discount theatres and drive-ins contribute to this totally controlled money stream.

Protect the theatre delivery system; don't cripple it. Those movies that open in first run and show real legs like "My Big Fat Greek Wedding" and more recently "Taken" have their theatrical revenue stream cut off when there is still money in them when they are released on DVD and the internet. Often those DVD "street dates" and computer release dates are negotiated long before the picture even opened theatrically. Change that. Don't shorten the theatrical window, LENGTEN it. Stretch the theatrical window from four months to six months. This will wring every drop of money out of every pair of eyeball in the theatres—including the entire holdover engagement, sub run theatres, discount theatres, and drive-ins. Only after the entire theatrical run is exhausted should they decide when to put the movie out on video and computer.

Theatre people know from talking with their customers that there is a sizable percentage of the public who feel (rightly or wrongly) in their mind that they don't have to see a movie in the theatre because they can wait "a few weeks or a month and see it on homevideo anyway." It may be anecdotal evidence, but every theatre manager has had countless people tell them this belief. If the studio executives talked with the common man as much as theatre managers do, they would understand this. Talking with fellow millionaires in the Hollywood hills does not give an accurate picture of the other 99% of America.

Lengthening the theatrical window will raise the theatre gross (and studio revenues) if the public knew it would be 6 months before they could see it on their home screen whether it was through a purchased DVD, Netflix service, or computer download.

The studios homevideo divisions, in particular, make two arguments against long windows. The first is piracy. Shortening the windows to fight piracy is like solving the drug problem by legalizing all drugs. Fight piracy with enforcement, technology, and better controls; not by throwing in the towel. The business analysts from the outside are not visionary when they say that shorter windows are the answer to "changing times" and consumer demand. Shorter windows are an admission that they don't have any idea on how to control the product once it gets into the home video

marketplace. The studios have total control in the theatres.

The second argument for shorter windows is the effort to save marketing costs. The homevideo divisions in particular want to cut their ad budgets by piggybacking closer onto the theatrical campaign. That is short-sighted and self-serving. The home video divisions like to elevate their intellectual self image by sneering at the consumer and saying the public has a short attention span. They claim the American public can't remember a movie after six months, but claim they can after four months. Hogwash! The public will remember a good movie and a good campaign for six months and even years later. People are still talking about last summer's hit movies from a year ago.

Theatres, and especially subrun and discount theatres, learned years ago that they could slash their advertising budgets without hurting their grosses. Subrun theatres don't buy big display ads in the newspaper. They don't buy 60 second spots on the radio. They merely mention the title and maybe, if they get extravagant, one or two stars names and a short catchline. The public makes the association, remembers the original advertising, and remembers the movie. The homevideo divisions can do the same. They don't need to buy 30 second TV spots, they can buy 10 second "teaser" spots and achieve the same results. The theatrical posters, use of each movies key art and title art will trigger the associations in the consumers' minds and they will recall their positive feelings want-to-see desires. Short windows are not a good answer to cutting advertising costs. They are a short-sighted answer that serves only the video division while harming every other division of the studio and the total revenue stream of any given movie.

THE FUTURE

The future of the movie business is bright if the studios take a big picture view of their entire operation. If they aren't swayed by the new technology salesmen who always seem to take the low road and try to sell their new technology by knocking every other older technology. Of course the homevideo divisions, Netflix representatives and computer download salesmen want low prices and short windows. That is an understandable position for these lower level players who are not responsible for or looking at the big picture. But there is much more money to be made by every division of the studio, including the internet systems and Netflix, if the very top brass at all the studios do look at the big picture and play their cards for the long haul. As long as the studios don't screw it up by shortening the windows or drastically cut the number of pictures put into production, all of us—studios and theatres—will prosper in good times and bad.

From the North Central Scrapbook...

The art deco styled RKO Orpheum at 116 E. 3rd Street in Davenport, IA, is the subject of this issue's scrapbook page. It was designed by architect A.S. Gavin of Chicago who also designed the Drake Hotel in Chicago and the Paramount Theatre in New York City. The Orpheum boasted a gold leaf ceiling, crystal light fixtures, black ebony, walnut and marble detailing.

The oldest picture shows the theatre at its opening November 26, 1931. Ginger Rogers tapped a telegraph key in Hollywood to signal the opening of the theatre in the Quad cities. The newer picture shows it after remodeling and receiving a new marquee in 1954. The interior pictures show the lobby, new concession stand and automatic vending machines installed in the 1960's.

RKO billed the Orpheum as the largest theatre in the state of Iowa with 2,708 seats. It played all the major "roadshow" movies of the 1950's and 60's on a "hard ticket" (reserved seat) policy. It also regularly hosted concerts and live performances through the 1960's in addition to its film schedule. The theatre quit regular operation in 1973.

In 1981, the Chamber of Commerce purchased the building and donated it to the RiverCenter for the Performing Arts. After a \$1.3 million dollar donation, it was renamed the Adler Theatre and re-opened in 1984. It now seats 2400 and hosts concerts, Broadway shows, dance and symphony.



The Newsreel



Larry Bentson, the last of the three founding partners of Midcontinent Media, which owned Midcontinent Theatres, TV and radio stations, cable TV, telephone and digital services, among other ventures, passed away April 12 at United Hospital in St. Paul at age 87.



N. Lawrence (Larry) Benston made his radio debut at age 12 when he starred in a children's show for a Twin Cities station. He was paid \$1 and two subway tokens for each episode. He was born in Lidgerwood ND and graduated from St. Paul Central High School. He earned a degree in engineering from the University of Minnesota. He spent three years in the Navy as a lieutenant during World War Two.

In 1952, he joined with his father-in-law, Eddie Ruben, and Sioux Falls Theatre manager Joe Floyd to form Midcontinent Broadcasting and purchased a Sioux Falls radio station that had a construction permit to build a TV station. They built KELO-TV with studios on the second floor of the Hollywood Theatre in that city. At the same time, they put WMIN-TV (now KARE-TV) on the air in the Twin Cities. During the following years, they acquired or built many other TV and radio stations in the Dakotas, Minnesota and Wisconsin. Mr. Bentson served as President of Midcontinent Media until his retirement.

The Midco Company was started by Eddie R. Ruben in the early 1930's as Wellworth Theatres. At its peak, Midcontinent Theatres operated 67 screens in 14 complexes in Minnesota and the Dakotas. Midco sold the theatre circuit to Carmike Theatres in November of 1995.

Bentson followed a family tradition of giving to many causes over the years. In 2003, he and his first wife, Nancy Ruben Benston, established a \$10 million scholarship fund to help incoming freshmen at the University of Minnesota. He was a prominent contributor and supporter of the U of M, the Walker Art Center, Mt. Zion Temple, and Pavek Museum of Broadcasting in St. Louis Park.

The industry and upper Midwest will miss Larry, who was known as a true gentlemen as well as an intelligent and talented businessman and visionary. Midco Theatres was an exceptional corporate citizen and outstanding supporter of North Central NATO with many of their executives serving as officers and leaders of the organization over the years.



This year, Chuck and Julie Wiseheart are celebrating the 90th anniversary of their **Rivoli Theatre in Seward, NE**. The Rivoli has operated continuously as a movie theatre since its opening in 1919. The Wisehearts have owned it since March, 1979. The theatre features huge murals on each auditorium side wall that were done in the 1930's. It now seats 232 in plush new seats from Greystone.



C.E.C. Theatres, based in St. Cloud, MN, announced expansions and remodeling of two of their complexes.

The Amigo 9 in Bemidji, MN will add 1 screen making it a 10 plex. Major renovation will also convert all existing screens to stadium seating and see construction of a brand new, larger lobby. The theatre will have to be closed for approximately 3 months for the project. The new complex is expected to be completed by Mid-November, 2009.

The West 8 in Mason City, IA will gain two additional auditoriums creating the West 10 Theatres. The theatre will remain open during construction and completion is scheduled for November, 2009.

Become famous! Send in news items about your theatre and personnel to the Newsreel. We'll include them in the next issue. Send us news of openings, remodelings, expansions, personnel changes, marriages, anything that might be of interest to your fellow exhibitors. Email Newsreel items to jeff@loganmovie.com or via "snail mail" to Jeff Logan, 209 N. Lawler St., Mitchell, SD 57301.



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Protests at Theatres About Smoking in Movies

A new tactic of anti-smoking crusaders is to picket theatres. About 30 high school students, some in yellow haz-mat suits and wearing gas masks, carried protest signs and a cardboard coffin in front of the United Artists Circle Center theatre in Indianapolis Wednesday, March 25. The protestors hoped to draw media attention to their cause to persuade the MPAA to automatically slap an R-rating on all movies that include smoking.

The effort was led by Indiana's VOICE, a youth-led movement affiliated with the Indiana Tobacco Prevention and Cessation group. Similar groups are active in most states and communities. The issue gained impetus when the American Medical Association first attacked smoking in movies as a major influence on youth causing them to start to smoke. The AMA recently sent a letter of protest to Warner Brothers over the showing of actual packages of brand name cigarettes in the PG-13 comedy "He's Just Not That



Into You." Various groups have cited smoking being depicted in G-rated films such as "102 Dalmatians", "Tarzan", "The Muppets From Space" and PG films like "George of the Jungle" and "The Rainmaker." They would presumably like to see those films re-rated R.

Two years ago, the MPAA expanded the reasons for ratings to include smoking and adds it in the ratings explanations. But they have resisted efforts to make smoking a reason for an automatic "R." This has been the bone of contention with the anti-smoking groups. In February, the Center for Tobacco Control Research and Education group released a report citing tobacco use in movies is cited as an influencing factor by about 52% of teens who start smoking.

Theatre companies would be advised to plan a response should any local anti-smoking groups show up at their theatres to stage a protest to gain media attention.