

Summer 2008

The TRAILER

Minnesota, Iowa, Nebraska
North and South Dakota

The Newsletter of North Central NATO

Makes and Saves Your \$\$'s

**Convention
Merger
Discussed**

**New Logo
Designs
Wanted
Win \$100**

**NC NATO ADDS
WEBSITE**

**Scholarship
Winners
Announced**

*Plus...*much more inside!



Special
Convention Wrap-up Issue



Preview of Coming Attractions for 2008-09...

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

September 17-18 National NATO Board and Membership Meeting
Austin, TX

October 13-16 ShowEast
Orlando World Center Marriott, Orlando, FL

January 15-25 Sundance Film Festival
Park City, UT

March 30-April 2 ShowWest
Bally Hotel, Las Vegas, NV

May 12-14 Geneva Convention
Lake Geneva Resort, WI

WINNERS OF 2008 NORTH CENTRAL NATO SCHOLARSHIPS ARE ANNOUNCED...

Mike Schwartz, chairman of the Scholarship Committee announced the winners of the 2008 North Central NATO scholarships at the gala banquet held Tuesday night, April 15 during the Spring Marketing Conference at the Sheraton Bloomington Hotel.

Winner of the \$1,000 Pepsi Cola Scholarship is Brittany Felt, employee of the State 3 Theatre in Algona, Iowa.

Winner of the North Central NATO \$1,000 scholarship is Joshua Hansen, employee of the Rivoli theatre in Hastings, NE.

Winners of the four \$500 North Central NATO scholarships are: Jonathan Davis of the Spencer 3 Theatres in Spencer, IA, Christine French of the Village Point Cinema in Omaha, NE, Anne Borgman of the Main Street Theatre in Sauk Centre, MN and Candice Lipinski of the Plaza 3 Theatre in Montevideo, MN.

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 be 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 next 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.

The heavy rains that flooded much of Iowa early in the summer damaged two historic theatres in downtown Cedar Rapids. The Paramount theatre had water up to the top of the front doors. Water damaged the historic organ console, sweeping it off its platform which had been raised as high as it would go in hopes of saving it. Engineers and contractors continue to examine the structures looking for structural damage and figuring out how to repair and restore the theatres, which are now used for performing arts.



DESIGN OUR NEW LOGO AND WIN \$100

North Central NATO needs a logo to use on our correspondence, website and convention materials. Knowing the creativity of theatre managers and staffs, the North Central board decided at the Spring board meeting to hold an open design competition and offer a \$100 prize to the person who comes up with the winning design.

You do not need to be a graphic designer, artist, or computer whiz to enter. Anyone affiliated with a member theatre may submit their design for the first ever logo for the North Central States unit of NATO. Drawings, rough sketches or renderings should be submitted by mailing to North Central President Jeff Logan at 209 N. Lawler St., Mitchell, SD 57301 or sent via email at jeff@loganmovie.com. Entries should be emailed or postmarked by the deadline of October 1, 2008. The winning design will be chosen by the North Central board of Directors at the fall board meeting.

The board put no restrictions on the design but offered these guidelines:

1. The design must incorporate the name "North Central NATO" or "NC/NATO."
2. If possible, the design should reflect the excitement and glamour of the motion picture theatre industry.
3. If possible, the design should reflect North Central's 5 state geographic area of Minnesota, Iowa, Nebraska and North and South Dakota.
4. The design should be simple and uncluttered enough that it is easily recognizable and reproduces well even when reduced to a small size such as when used on an envelope return address or made into a lapel pin.
5. The design may (should) use colors but should also be usable in a black and white version when color reproduction or printing isn't feasible.
6. The logo will be judged as a stand-alone static design. Designs may also include optional elements of animation and/or non-copyrighted theme music and/or sound effects when used on a website or film. The design must not rely on animation or other media to be complete.

The entries may be in the form of hard copy final drawings, rough sketches on paper or designs done on computer and sent in jpeg format. Entries should include the designer's name, address, phone number and email address. We will need the social security number of the winning entry so we can issue a check and 1099 form at the end of the year.

From the North Central Scrapbook...

Workers prepare the Bison Theatre in McCook, NE, for its grand (re)opening in the early 1950's.



Want Ads

THEATRE FOR SALE

For sale, 3 screen theatre in central Minnesota. For more details call 320-260-2753

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

2008 CONVENTION MOVES TO NEW HOTEL AND DRAWS RAVE REVIEWS...

Exhibitors enthusiastically welcomed the 2008 North Central NATO convention back to the Twin Cities May 15 and 16. This year the convention moved to the larger and more comfortable Sheraton Hotel in Bloomington. The Sheraton has more guest rooms, more meeting rooms and a much larger meeting space so it was easily able to handle our convention. The hotel comfortably accommodated over 100 theatre owners and managers and 29 vendor booths for the packed two day schedule.

TUESDAY

The North Central board met in the morning and welcomed new board members Jay Minzlaff of Marcus theatres and Brian Fridley of Fridley Theatres in Des Moines, IA. A bylaw change was adapted to give permanent board seats to the top 6 member circuits based on screen count.

In other action, the board also authorized the convention chairman to establish a reduced "retired industry friend" rate to attend the convention. It was decided to keep the North Central dues at the current rate with no increase. Reports were heard on pending legislation, the scholarship program, and the new North Central NATO website. Those items are covered in separate articles in this issue.

The convention opened with the trade show with several new vendors among the regulars. Drawings were held for door prizes for those exhibitors who submitted their stamped "passports." Several items of movie memorabilia, studio jackets and other items were donated for the silent auction to raise money for the North Central Scholarship program.

Sona Gajiwala from Sony Pictures and Susana Castellanos of 20th Century Fox presented their company's slate of summer product and offered promotional tips and plans for those pictures. Product reels from the other studios were also screened at the hotel.

Bright Star Systems,
Strong/NEC Digital
Systems and
Osram

Sylvania sponsored and early evening cocktail hour. The Gala Dinner then began at 7:00 pm in the Veranda Room. Mike Schwartz announced the winners of the 2008 North Central Scholarships (see separate article for the names and cities of the winners).

The Executive director of national NATO, Kathy Conroy, was the keynote speaker. She first reminisced about attending many of the member's theatres while she was growing up in Minneapolis. She then turned to what she believes is a bright the future for the industry and spoke of its strength to meet the many challenges that now face us. She explained how exhibitors are better able to conquer these challenges by working together in national NATO and its regional units.

WEDNESDAY

The day got off to an early start at 8:15 with a continental breakfast sponsored by Clark Foods, Isee Corporation, ConAgra Foods and Kernel Seasonings. Conventioneers then boarded buses for Mann's St. Louis Park Theatre and a screening of Sony Picture's summer release "Made of Honor." Then it was back to the hotel for lunch co-sponsored by AccessIT and North Central NATO.

Operational Seminars sponsored by Vistar of Minnesota and Big Sky Industries filled the afternoon schedule.

Bryan McGee from the Gevity Group, a Minneapolis based Human Resources and management consulting company talked about "Managing and Engaging Employees." He quoted



BRIAN MCGEE FROM THE GEVITY GROUP PRESENTS HIS SEMINAR "MANAGING AND ENGAGING EMPLOYEES".

a Gallup survey that found that good management practices will increase sales up to 22%, increase profit and growth up to 23%, and decrease turnover by 67%.

To accomplish good management, you need to engage your employees. Engage them by setting and focusing on company goals. McGee went on to explain that "employees need to be empowered to become



engaged." You can challenge your staff by 1.) empowering them, 2.) applauding initiative, and 3.) mentoring them. To coach a staff member, you need to 1.) forge a partnership with the person, 2.) inspire commitment and 3.) grow their skills.

When faced with an employee issue, you should avoid prejudice. First gather the facts. When you have determined the truth, act quickly and decisively. You should lead courageously with principled leadership.

Midwest Cinema Service sponsored the first break and refreshments between the seminars. The second break also featured refreshments and was sponsored by QSC Audio.

National NATO executive director Kathy Conroy and State and regional liaison Belinda Judson reported on the latest news and activities of national NATO. They then opened the floor to ques-



KATHY CONROY AND BELINDA JUDSON PRESENT A PANEL DISCUSSION ON THE ACTIVITIES OF NATIONAL NATO AND THE PROGRESS OF THE DIGITAL CINEMA CONVERSION.

tions and comments from the members. Much of the discussion centered on developments in the transition to digital cinema and the Cinema Buying Group. They reported on the progress of the CBG's negotiations with the studios and manufacturers and what exhibitors can expect.

The final, and most dynamic, presentation was by Gary L. Kissinger, anti-piracy investigator for the MPAA. Kissinger

was an FBI agent for 30 years and laced his talk with insights and anecdotes from his years with the Bureau. He is now based out of Chicago and oversees the MPAA's anti-piracy efforts in our states. He explained how the people he has arrested attempted to camcord movies in theatres and how they were caught. Film piracy accounts for billions of dollars in lost ticket sales every year for theatres and studios alike.



MPAA FILM THEFT INVESTIGATOR AND FORMER FBI AGENT GARY KISSINGER TALKS WITH ATTENDEES FOLLOWING HIS PRESENTATION

He said that \$22,750 was given out last year as

rewards to theatre employees who noticed and reported people attempting to camcord movies in their theatres. Some camcording is done by amateurs, local kids or adults who may nonetheless may try to upload the movie to the internet. Other camcording is done by members of organized crime and international rings including drug gangs. As the theatres on the east and west coast get better and tougher at catching film pirates, pirates are moving their attempts to the South, Midwest, Canada and Puerto Rico where they hope the theatres aren't as aware and they won't be caught.

Employees should not attempt to use force to detain a patron with a camcorder or put themselves at risk. The proper procedure is explained in pamphlets that can be downloaded at www.fightfilmtheft.org. Employees can also complete an online training program that qualifies them for a monthly drawing. This is a great "between show project" for staff needing something to do.

The MPAA camcord hotline is 1-800-371-9884. Managers should not hesitate to call that number if they see a patron camcording. Sometimes local law enforcement officers are hesitant to arrest or detain anyone breaking a federal law. Kissinger gave out his personal contact information if a manager has a question or is experiencing difficulty getting local law enforcement to take action. His contact information is:

Gary L. Kissinger

Office: 708-660-0481

Cell: 773-491-4134

Email: gary_kissinger@mpaa.org

Besides the federal laws, Minnesota does have a state law against camcording movies in theatres. It is recommended that managers keep a copy under the glass on their desk or in another readily available place. A copy of the law was sent out in a previous issue of "The Trailer." If you need another copy of it, contact North Central President Jeff Logan at 605-996-9022 or jeff@loganmovie.com

The meeting wrapped on schedule at 5:00. Attendees headed home with full goodie bags and lots of new information to apply to their own theatres.

Our thanks for another great marketing Seminar to convention chairman Dale Haider and his committee: Shari Wilson, speakers and silent auctions; Jake Mueller, product reels and studio liaison; and Dennis Haines, hotel liaison and trade show coordinator.

NORTH CENTRAL NATO ADDS WEBSITE...

North Central NATO has finally joined the computer age and created a website!

Under the direction of CEC Theatres booker and North Central board member, Dwight Gunderson, the website was created and launched this spring. You can log onto it at www.ncnato.org

The process of building the website continues and we hope to post useful articles from past issues of "The Trailer" on the website among other items. Information on the next convention and other North Central NATO happenings will also be posted as that information is comes available. Gunderson's goal is to make the website as timely and useful as possible with a "members only" section accessible to current North Central members only. This content will be "coming soon."

The website provides a contact point for prospective members and press inquiries. The site lists current North Central officers and board members and their contact information. It also contains links to other industry sites including national NATO's website at www.natoonline.org

Check it out and email in your comments and contributions to webmaster Dwight.



FUTURE OF NORTH CENTRAL CONVENTION EXAMINED; POSSIBLE MERGER WITH GENEVA CONVENTION EXPLORED...

Changing circumstances necessitate the North Central Board examine the future of our annual convention, the Spring Marketing Conference. We have been approached by NATO of Wisconsin to coordinate efforts with their Geneva Convention held every spring in Lake Geneva, WI.

On and off for the past year, the two boards have discussed combining the conventions and alternating the location every other year. As the calendar fills up with more regional meetings, trade show vendors are often forced to pick and choose between conventions. Additionally, rising travel expenses have made it more difficult for theatre people and vendors to attend regional conventions.

In a conference call meeting August 21, the North Central Board formed a committee to meet with the NATO of Wisconsin convention committee to answer the many questions about the advisability and feasibility of combining our efforts. The committee includes Dale Haider, Dwight Gunderson, Jay Minzlaff and Jeff Logan.

Compared to the North Central Marketing Confer-

ence, the Geneva Convention is a larger convention and traditionally a day longer. It subsequently operates on a larger budget. Locations would have to be selected that are geographically convenient to members in both units. As the various regional and national conventions evolve and shift dates, the possibility of moving to a fall date has also been discussed.

The committee plans to present their findings and a proposal to the North Central membership at next spring's Marketing Conference currently scheduled for April 14 and 15 in the Twin Cities area. Members are encouraged to attend the Spring Marketing Conference, express their opinions and vote on any proposals set forward. The board will only take action with the opinions, consent and vote of the general membership. If any members have questions or comments at this time, please contact any of the committee members, board members or North Central president Jeff Logan at 605-996-9022 or jeff@loganmovie.com

The Newsreel



The next North Central Spring Marketing Conference has been set for April 15-16, 2009 in the Twin Cities. Convention chairperson Dale Haider will announce the hotel, schedule, seminars, speakers and screenings as he finalizes those arrangements. Mark your calendars now!



Shari Wilson, manager of Muller Family Theatres White Bear Township Theatre was awarded the prestigious "Legacy of Excellence" award by the White Bear Area Chamber of Commerce at their annual banquet in April.

In giving the award, the chamber's award committee said, "When Shari says 'yes' she gives her promise of hard work, accomplishment, service and professional guidance. Through the years many of us have had the good fortune to work side by side with Shari. She's a positive role model... always smiling, always giving, always willing."



Minnesota governor Tim Pawlenty presents the 2008 White Bear Area Chamber of Commerce "Legacy of Excellence" award to Shari Wilson.

They went on to say, "Shari is someone who unselfishly has given an overwhelming amount of time and energy to many deserving organizations." Shari has served on the Chamber's Board of Directors, served on the Sesquicentennial celebration, the White Bear Township Economic Development Advisory Board, the Manitou Days parade committee, the NE Metro 916 program and a leading contributor for her church property committee.

North Central NATO adds our congratulations to Shari and thanks her for the many hours she has devoted to North Central NATO and the Marketing Meeting Committee over the past 8 years. Shari has coordinated the silent auction among many other duties.



Teenagers broke into and caused over \$20,000 in damage to the Plaza Theatre in Maplewood, MN according to an article in the Minneapolis Star Tribune. The discount twin theatre is located at 1847 E. Larpenteur Ave. and was broken into between 11:20 pm Saturday, April 26 after employees left following the last show and 8:00 am Sunday when the janitor arrived.

Among the damage done was puncturing one of the screens, spray painting the walls and ticket booth, spraying fire extinguishers, breaking glass on the concession stand and game machines. They also threw popcorn candy and food throughout the building. The owner Nathan Block, said he spent of 14 hours cleaning up the

mess. He was able to reopen one screen Sunday and the other Monday.

Police arrested a 14 year old boy and believe that a second teen conspired to commit the break-in and damage. Police tracked down the suspect after his father called police.



Former Milbank, SD theater owner Neil Bagaus appears in a Grammy nominated music video for the song "I Apologize" by R&B singer Ann Nesby. Bagaus now lives in Mt. Dora, FL and operates a dinner train there. The train was used for the shoot of the music video and Bagaus, outfitted in his vintage Milwaukee Railroad conductor's uniform, appeared in the video. The video is appearing on VH1 and BET. It can be viewed on the internet on www.youtube.com/watch?v=qelU3CruYMA



The new national minimum wage that took effect July 24 has owners of many area theatres pouring over their books figuring out how to absorb the additional costs. The minimum wage went from \$5.85 to \$6.55 on that date. July 24, 2009 it will again increase to \$7.25 an hour.

Some theatres were already paying close to those wages due to competition with other local employers to attract applicants. Even many of those theatres had to raise wages to keep their help and attract new help as other employers further increased their wages. Theatres were already feeling the sting of higher transportation costs and higher prices on many supplies, including popcorn, due to the high cost of oil.

Many theatres raised ticket and/or concession prices at the beginning of summer. Other theatres instituted price increases throughout the summer as other theatres continue to adjust their prices. Many theatre owners commented that they have already trimmed all the fat and cut all the expenses they can and have no alternative but to raise some prices. One theatre owner commented, "Politicians and their economic advisors who claim that higher minimum wages don't contribute to higher prices and inflation are crazy!"

Theatres in some states, like Iowa, already had state minimum wages in place at this level or higher and had already felt the affects of the higher wages.

—NEWSREEL CONT.
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The Kearney Drive In Theatre owned by St. Cloud, MN based CEC Theatres closed after a tornado skipped through the central Nebraska town and ripped down half of the wooden screen at the 58-year-old drive in. Local fans of the drive-in talked about raising money to help with the \$25,000 to \$100,000 cost of replacing the screen. Despite these efforts, CEC's landlord decided to redevelop the property for other uses.



Pauline H. Krieger, 81, of Gackle ND passed away early Tuesday morning May 15 at the Medicare hospital in Fargo, ND. Pauline and her late husband, Albert owned and operated the Krieger Theatre in Gackle.

Albert and his brother, Fred, starting operating a theatre in Gackle in 1946 and built the new Krieger Theatre in 1949. Albert bought out his brother in 1954. In 1995, their son Marchel took over operation of the theatre although Albert and Pauline stayed active in the business. Following Albert's death in 2004, Pauline continued to work at the theatre until her death. The Krieger is the oldest privately owned theatre in North Dakota. Marchel continues to operate the theatre today and also works at the theatres in Jamestown.



Right after the last issue of "The Trailer" went to press, Milwaukee based **Marcus Theatres announced the acquisition of 83 screens in seven theatres in Omaha and Lincoln, NE from Douglas Theatres.** This increases Marcus' screen count to 678 screens in seven states.

Included in the sale were the 20 Grand, Village Pointe and Twin Creek in the Omaha area and the East Park, Edgewood, Grand and SouthPointe in Lincoln.

Marcus Corporation chairman and chief executive officer Stephen Marcus said, "The purchase of the Douglas Theatres locations is a synergistic addition to our circuit. Our two companies share a similar history, are deeply rooted in the values of the Midwest and have the same focus on guest service and quality. Douglas theatres' high quality facilities and excellent locations are comparable to Marcus Theatres, making this a great fit for our company. Douglas Theatres has been an excellent theatre operator for over 50 years and we intend to continue enhancing the outstanding movie-going experience for which Douglas is well known."

Bruce Olson, President of Marcus Theatres added, "We have a tradition of continually upgrading our theatres and adding new features and services that make the movie-going experience better than ever. We look forward to serving the customers of Douglas Theatres in Omaha and Lincoln."