



Attractions

FALL/WINTER 2009

IN THE SPOT-LIGHT:

- **Montgomery County, MD Menu Labeling**
- **Board Meeting**
- **Film Theft**
- **New Regal Theatre Opens in Lynchburg, VA**
- **Marketing Achievement Awards**
- **Jerry Gordon Memorial Fund Goal**
- **The "Reel" Buddy Herron**
- **Managers Seminar**



Maryland - Virginia
District of Columbia

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Montgomery Council Approves Bill Requiring Nutrition Information on Menus And Signboards with an Exemption for Movie Theatres

We are pleased to report that the Montgomery County Council passed their Menu Labeling legislation on November 17, 2009 with an exemption for movie theatres. This was an important win for Mid-Atlantic NATO in a Maryland County already known for being the first in the nation to pass legislation to ban trans-fat.

First proposed in 2007, their original bill would have required certain eating and drinking establishments with 10 or more locations nationally to post calorie information on menu boards, as well as provide calories, calories from fat, total fat, saturated fat, cholesterol, sodium, total and complex carbohydrates, cholesterol, sugar, fiber and protein for any standardized menu item in writing upon request.

The bill remained in committee for two years until it resurfaced this fall. At that point, the Health and Human Services (HHS) Committee adjusted the bill to reflect current proposals on the federal level requiring establishments with 20 or more locations nationally to comply, and recommended that the full council approve the legislation.



Concerned that the language as written could be applied to movie theatres, Mid-Atlantic NATO contacted each of the council members and urged them to specifically exempt movie

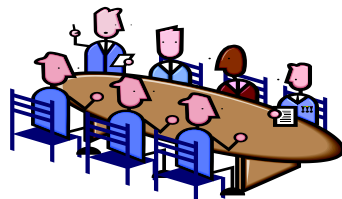
theatres before approving the proposal. As the bill came to vote during the council session, we were fortunate enough to have a chance to voice our concerns regarding the ambiguous language, and the council unanimously amended the bill to reflect the exemption.

With state and federal menu labeling bills proposed in the coming session, this new law may help set precedent in how others are written. As we have seen in the past, local legislation can have a broader impact than perceived underscoring the need to report any legislative activity you hear in your areas that could affect movie theatres and drive-ins.

We can only help if we know about it before it passes!

Board of Directors to Meet with Committees

President Ted Pedas has called for a meeting of the Board of Directors to be held at 11:00 AM on Wednesday, January 20, 2010 at the Hospitality House and Conference Center in Fredericksburg, VA.



The following committees will also meet at this time:

- Scholarship Committee (Steve Bochan, Chairman)
- Seminar Committee (Mark O'Meara, Chairman)
- Honorary Membership (Scott Cohen, Chairman)

Members in good standing are welcome to attend and participate.

If you are interested in attending and/or serving on any of committees please contact Executive Director Doug Murdoch no later than Wednesday, January 13 so we can reserve your space for the luncheon.

If you are unable to attend but would still like to serve on a committee, please feel free to contact us at any time.

Film Theft is Back in Maryland...

After a successful period without any film theft sourced to theatres in Maryland, we had hits again this past summer and fall.

Specifically, the MPAA sourced pirated DVD's and film downloads to several movies shown during the past six months to theatres in the Baltimore area.

With all the focus on the economy and a busy season of new films upon us, please be sure to review these tips with your employees.



Dear NATO Member:

The holiday season is a wonderful time for moviegoers who have waited with excitement for the release of some of the year's best films and biggest hits. Unfortunately, these blockbuster movies are also a prime target for movie thieves who steal directly from the movie screen using a video or audio recording device. It is estimated that more than 90% of the illegal movies sold around the world are copies of movies that were illegally camcordered in a theater.

Movie theft hurts everyone in the industry from filmmakers to theater employees, and jeopardizes the future of movie making. Please encourage your theater managers and employees to be extra vigilant during this holiday season to prevent illegal camcording in your theaters. By following a few camcord prevention tips and reporting illegal activity to proper authorities, we can ensure the movie experience is here to enjoy for years to come.

The following information provides general guidance for conducting anti-camcorder theater security. Many exhibitors and theater owners have established specific policies and rules for conducting theater security. Theater employees should review theater policy before implementing any of the procedures contained in this document.

Camcord Prevention Tips

- **Prominently display signs and posters** at the theater box office and in the lobby advising patrons that "The use of recording devices such as video camcorders, audio recorders, cell phones, and other recording devices is prohibited inside the theater."
- **Be extra vigilant opening day, opening show.** The earlier in the film release period, the more valuable a film is to movie thieves. Always be alert, but pay particular attention during new release periods.
- **Be extra vigilant first showing, last showing.** Movie thieves favor theaters with light crowds. The first and last shows are ideal times for them to attempt to illegally record a movie.
- **Observe patrons when entering theater.** Look for the unusual, such as someone wearing a long or unseasonably heavy coat in warm weather, odd shapes outlined in pockets or patrons carrying shopping bags. If any of these are observed take a closer look.
- **Begin monitoring the auditorium as patrons arrive.** Movie thieves frequently set up long before the movie begins. Unless spotted during set up, movie thieves can be difficult to detect. Monitoring the auditorium well in advance of start time increases the likelihood of detecting or deterring a movie theft.
- **Consider all possible camera locations.** Movie thieves sometimes use clamps or other devices attached to seats in front of them or beside them to improve the camera's line of sight to the screen and a steady recording. Devices are sometimes placed in cup holders for the same purpose.
- **Be alert for possible camera concealment.** Movie thieves are very ingenious when it comes to concealing cameras. It may be as simple as a coat or hat placed over the camera, or as innovative as a specially designed concealment device. Pay special attention to clothing, packages, or other possible concealment aids that are placed in line of sight with the screen.
- **Pay attention to seating arrangements.** Movie thieves often try to place themselves in the back of the theater, at the head of an aisle, or in another location where the view to the screen is least obstructed. While these are preferred locations, the movie thief could be seated anywhere in the auditorium.
- **Don't assume that the movie thief will be alone.** Movie thieves do not always act alone. They may be accompanied by accomplices who aid in set up or act as lookouts. The movie thieves can appear as a couple or even a family. Sadly, some movie thieves have even brought small children with them to use as cover.

Before instituting any of the security measures recommended in this document, theater managers should become aware of the laws that apply to illegal camcording in their area. You may visit <http://www.FightFilmTheft.org> for more information on preventing film theft in your region.

Thank you for joining the efforts of filmmakers and theater employees around the world to protect our valuable industry. From all of us at NATO and MPAA, have a wonderful holiday season and a joyous New Year.

Sincerely,

Mike Robinson, MPAA

John Fithian, NATO

A Regal Grand Opening: River Ridge Stadium 14 in Lynchburg, VA



Regal Entertainment Group opened its newest jewel in the Regal crown at the River Ridge Mall, a popular destination in the Lynchburg, VA area for both visitors and locals. The 14-screen theatre, with 57,000 square feet includes more than 2,400 seats, joining a great mix of shopping and dining options available at the mall.



Congratulations to Regal's District Manager Bryan Kjar, General Manager Emily Siple and her theatre staff on a fun and successful grand opening.

the new theatre and supporting a great cause.

Two more days of preview days were a great success with support of media partners Lynchburg News & Advance and CBS-7 WDBJ-TV. Proceeds from movies and concessions went to support Boys and Girls Club of Greater Lynchburg and Blue Ridge Emergency Medical Services. The grand opening preview days raised a total of \$41,500.00 for these worthwhile charities.



Regal's Regional Vice-President Curtis Ewing presents the Mayor of Lynchburg with a special glass ticket.



The grand opening celebration got off to a great start with discount movie days, including a day themed "Regal Salutes Our Soldiers" sponsored by Clear Channel Radio Group and NBC-10 WSLs and benefitting LU Students Behind Our Soldiers. Country singer, Emma Jacob, joined the fun, performing for moviegoers at



From the desk of Kathy Conroy, Executive Director of National Association of Theatre Owners (NATO)

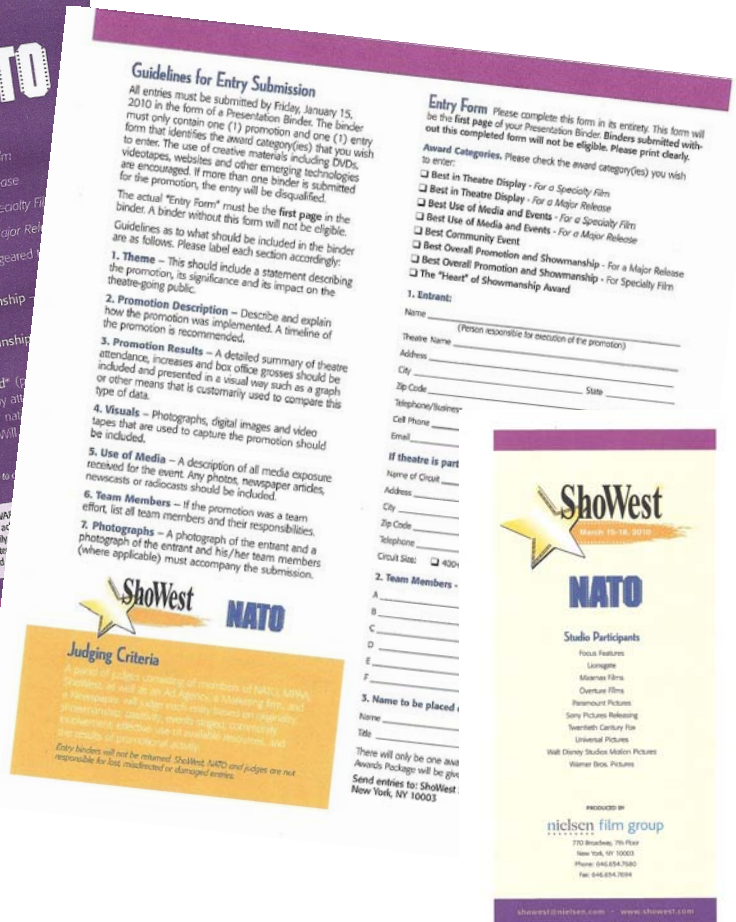
The **NATO/ShoWest Marketing Achievement Awards** recognize theater managers and their teams for outstanding achievement in marketing. The program celebrates the industry's creative marketing geniuses and their teams. The program brochure for the 2010 Awards program is now available on NATO's website. Two awards will be presented in key categories again this year – one to circuits with 1-399 screens and one to circuits with 400+ screens – to enable managers from companies of all sizes to be recognized for their efforts to attract audiences to their theaters. The complete list of award categories, guidelines for entry submission, and the official entry form are included in the brochure which can be downloaded from NATO's website at: <http://www.natoonline.org/conventions.htm>

I invite you to submit your entries now for the promotion period of November 1, 2008 through October 31, 2009. **Entries are due on Friday, January 15, 2010.** Please send your presentation binders with the completed entry form on the first page to:

ShoWest 2010
770 Broadway, 7th Floor
New York, NY 10003

Thank you for your support of this exciting program.

Kathy



**Jerry Gordon
Memorial Scholarship
Fund
2010 Goal**

\$ 5,000

\$ 4,000

\$ 3,000

\$ 2,000

\$ 1,000

\$ 0

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\$2,718 to date!**

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The 'Reel' Buddy Herron

How one UVA-Wise alumnus turned his love of movies into a thriving business

By Kathy Still as originally published in The UVA-Wise Magazine

Buddy Herron '91 had just started elementary school when his family moved from Big Stone Gap to Dunbar. The coal camp, just a leap from town, seemed a world away to the Wise County youngster. Dunbar, a neighborhood crawling with children, offered plenty for an adventurous boy, but cable television was not on the list.

The Central Drive-In was nearby, but Dunbar youngsters had no easy way to get to the show.

In a move that foreshadowed his future career, young Buddy and pals schemed, plotted and struck a deal with the older neighbor kids. Each youngster would pony up a dollar for any teenager willing to transport a carload of preteens to the drive-in.

It was a sweet deal.

A dollar was a bargain since kids under 12 were admitted free. The brave teens garnered enough cash for a movie ticket and a trip to the concession stand to scarf down Central Drive-In's famous hot dogs and burgers. The lack of cable television faded from their minds for a few hours as the Dunbar kids enjoyed a movie under the stars.

"We spent lots of time at the Central Drive-In," Herron says. "We'd sneak in to save money when we were older, but we always spent plenty of cash at the concession stand. Looking back, it never entered my mind that one day I'd own Central Drive-In."

The real estate agent is now a local movie theater mogul. He invested a total of \$2 million in his 2005 purchase

of the Central Drive-In, the now-shuttered cinemas in Wise and Coeburn, and in their replacement, Cinema City, a state-of-the-art multiplex which opened this year in Norton.

Business is good at both venues. The 23 workers at Cinema City serve long lines of customers eager to catch the latest flicks and munch on fresh popcorn. Central Drive-In, one of only 400 left in the nation, draws carloads of families, teens and the elderly who have fond memories of Central's opening day in spring 1952.

Herron still hangs out at the drive-in. He mans the ticket booth since he and his wife, Paula Herron '00, live next door. He greets customers, offers hints of coming attractions and hands the driver a tempting menu listing all the concession stand treats and goodies. The drive-in's six-member crew handles the other tasks.

"I still love the drive-in," he says. "The opportunity to buy a successful business that has been around for more than 50 years does not happen every day. It was already successful, so all I could hope for was to grow it."

Business has thrived under Herron's careful cultivation. It was not easy, but he says each moment was thrilling.

The business ledgers were solid when he pondered purchasing the drive-in and the cinemas in Coeburn and Wise three years ago. However, he knew customers were driving 50 miles or more to attend comfortable, high-tech cinemas in Abingdon, Pikeville and Kingsport. The region needed a new cinema. Herron was determined to make it happen.

"There was no reason this area couldn't have a modern cinema," he says. "The problem was finding a place to put it."

Herron searched for the right spot. His childhood memories of Central Drive-In nudged him toward a downtown location so neighborhood children could walk or bike to the movies. The old Food City building just past Market Street and Kentucky Avenue seemed perfect, even if just the floors and walls were salvageable. Extensive renovations and top-notch planning from general manager Mike Solomon transformed the

old supermarket.

To ease the renovation cash crunch, Herron sold some vintage arcade games on eBay. He used to operate a small arcade in Cantrell Hall at UVA-Wise and one at the former Kingsport Mall. A vintage Elvis pinball machine, one of only 500 produced, sits next to several of Herron's movie-themed pinball machines at Cinema City.

"Business has always fascinated me," he says. "I played the stock market without much success. This theater venture seemed both a risk and a sure bet. People were telling me that cinemas were dead. I disagree. People want to get out of the house, watch a movie and eat some popcorn. I wanted to create an atmosphere where people could feel comfortable and have a good out-of-the-house experience without having to drive 50 miles to get it."

Herron majored in government and minored in history at UVA-Wise. A stint in the National Guard delayed his graduation by a year, but he says it was worth it to serve the nation.

His first venture into the business world came on campus while he served as business manager for the "Outpost" yearbook. He sold so many ads his first year, the yearbook staff asked him to cut back a bit the next year.

"The College exposed me to possibilities," Herron says. "It gave me the spirit and courage to recognize a potential successful business and to take a chance on it. I never found a real job, so I decided to make it on my own."

His first real business deal was a partnership purchase of the local Pizza King franchise in 1995. It was successful, but he sold his share to his partners.

"Pizza just wasn't my thing," he says. The cinema business is a better fit. The recent summer blockbuster season, especially the record-breaking "Dark Knight," has Hollywood coffers ringing. Herron and his Cinema City and Central Drive-In crew stay busy these days creating and nurturing the out-of-the-house movie experience that young Buddy and his pals enjoyed during their Dunbar days.



Mid-Atlantic Members Buddy and Paula Herron operate the Cinema City and Central Drive-In in Norton, VA



Photos courtesy of Tim Cox (Tim Cox Photo/ Graphics)

2010 Manager's Seminar: *Save the dates!*



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We're on the web:
MidAtlanticNATO.com



Fall/Winter 2009

As we reflect back on 2009, we must recognize the significant accomplishment to re-organize from three separate state units to one regional association. It took the combined efforts and cooperation from our valued members, and we want to sincerely express gratitude to all. As we now move forward as Mid-Atlantic NATO (National Association of Theatre Owners), Inc. we are better prepared to adapt to the ever-changing cinema market and face the coming years with a renewed vigor.

We also saw the economic challenges facing our nation and their influence on legislative activity and our businesses. We were fortunate to head off proposed admission tax increases in Virginia as well as menu labeling requirements in Maryland, while watching as the conversion to digital cinemas was stalled.

Meanwhile our spirits were lifted as we once again were able to award nineteen of our theatre member employees a total of \$32,000 in scholarships. This annual program adds a significant value to our members and we thank all who make these awards possible.

We wish everyone a very Happy, Healthy and Prosperous New Year!

Thank you for your continued support,

Doug Murdoch
Executive Director

