

The New York Times

At Cineplexes, Sports, Opera, Maybe a Movie



Kelly Shimoda for The New York Times

When Pete Sampras and Roger Federer played recently, some fans took in the match with surround-sound at the movies.

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Published: March 23, 2008

LOS ANGELES — Movie theaters are not just for movies anymore.

Coming soon will be broadcasts of live baseball games, rock concerts, classic TV shows and an array of other offerings not associated with the silver screen.

From nickelodeons to drive-ins to multiplexes, American movie theaters have always evolved with the times. But the latest evolution, set off by stagnating attendance and advances in digital technology, marks the first time that movie theaters have reinvented themselves without motion pictures as the centerpiece.

“Exhibitors are heading toward showing more than just movies faster than anyone expected,” said Ted Mundorff, chief executive of Landmark Theaters, which operates multiplexes in California, Texas and New York, among other states. “Live simulcasts of sporting events or whatever won’t displace the first week of [‘Harry Potter,’](#) but they might displace the fifth week.”

Chains in Tennessee and New Jersey sell \$25 tickets to performances of La Scala operas. AMC and Regal, two of North America’s biggest chains, have promoted concerts ([Celine](#)

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[Dion](#)), marathons of classic TV shows (“Star Trek”) and seasonal events (the St. Olaf Christmas Festival). On April 24, hundreds of theaters are scheduled to show highlights from the Drum Corps International World Championships.

Few think nonmovie content will supplant movies as the primary reason people trek to the multiplex. Rather, the hope is that all the niche offerings will add up to steady supplemental income.

“I love film, but the simple fact is that we can’t count on movie attendance to grow,” said Thomas W. Stephenson Jr., president of Rave Motion Pictures, which operates theaters in 11 states.

Movie attendance inched up less than 1 percent in 2007, year-over-year, after a narrow increase in 2006 and three previous years of sharp declines — even as studios pumped out a record number of blockbuster-style pictures. Movie fans bought about 1.42 billion tickets in 2007, according to Media by Numbers, delivering \$9.6 billion in revenues.

As televisions get bigger and the gap between a film’s theatrical release and DVD release shrinks, exhibitors worry that attendance could slump further. Video on demand poses another threat. Piracy, meanwhile, eats away more than \$600 million annually in movie ticket sales, according to the National Association of Theater Owners.

Exhibitors have long sought to come up with new ways to fill seats. Renting out auditoriums for meetings gained popularity a decade ago. And some theaters have experimented with nonmovie content for years. Screenvision, a New York company that sells on-screen advertising for more than 1,900 theaters, simulcast the 2003 [MTV](#) Movie Awards to a handful of theaters.

What is different now? The economic need is greater, and the technology needed to show live broadcasts and high-definition films is now accessible enough, and reliable enough, to make this a real market, operators say.

About 5,000 movie screens in the United States are equipped with digital projectors, up from 200 just three years ago. Within the next two years, that number is expected to be 10,000. Digital projection systems, while expensive, give theaters the ability to pull off live, high-definition simulcasts — and also open the door for 3-D presentation, something that is expected to lift their core movie business.

“We can now replicate [Carnegie Hall](#) across the country,” said Matthew Kearney, the chief executive of Screenvision.

Perhaps not exactly. But a \$40 ticket to hear the [New York Philharmonic](#) play at Carnegie Hall gets patrons a balcony seat. At a multiplex, for half that price, customers would get digital surround-sound and a close-up view.

Simulcasts of the [Metropolitan Opera](#) over the last year helped turn the tide. [National CineMedia](#), a competitor of Screenvision, said nearly 300,000 people attended screenings in 2007, which was the inaugural season; in 2008, simulcasts of Met performances in movie theaters are expected to draw upwards of a million people.

The New York Mets could not have been happier with a simulcast last August at Ziegfeld Theater in New York, where a live organist and the team mascot led viewers in singalongs as though they were in the ballpark.

“Tickets to watch the game in the theater sold out so quickly that we’re in talks to do a bunch more of them this summer,” said Dave Howard, executive vice president for business operations for the Mets.

Doug and Margarita Gibson, on the other hand, were annoyed two weeks ago during a Landmark simulcast of a Tennis Channel exhibition match between [Pete Sampras](#) and [Roger Federer](#). The couple paid \$20 for tickets only to discover that the event was not shown in high-definition as advertised. Also, a technical problem interrupted the match for 10 minutes after the first set.

“Next time, we will just stay home and watch it,” said Mr. Gibson, who asked for, and received, a refund.

Marketing is the biggest puzzle that operators need to figure out, said Jeffrey B. Logsdon, an entertainment analyst at BMO Capital Markets. Trying to contain costs, most have relied on advertising on their Web sites and in movie listings. Still, most people do not think to seek this kind of content at the movies, he said.

Consumer psychology, Mr. Logsdon says, plays as big a role in the shift as economics. Operators want people to think of theaters as vibrant, busy places. But when weekends account for 70 percent of movie ticket sales, multiplex parking lots spend a lot of time sitting empty.

“We want people to get used to coming into our building,” said Shari Redstone, president of National Amusements, the operator of 1,500 screens and the parent company of both [Viacom](#) and [CBS](#). “It’s less ‘let’s be a movie theater’ and more ‘let’s be a community entertainment destination.’ ”