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Is a Picture Worth 1,000 Pennies?

Tickets are rising ever closer to \$10, but perks such as stadium seating and state-of-the-art sound are getting strong thumbs up.

By BRENDA REES, Special To The Times

OK, so going to the movies isn't what it used to be. Gone are the days of lumpy seats, scratchy sound and views of the person's head in front of you. But one thing never seems to change: complaints about skyrocketing ticket prices, especially from groups and families who want an evening out catching the latest Hollywood release as they feast on popcorn, candy and soda pop.

"Ticket prices are too high," exclaimed Ethelyn Eblaan of Sun Valley, who was out one recent Saturday night with her sister Julia McBride and granddaughter Janae at the Mann's Plant 16 in Van Nuys to see a holiday flick.

Waiting in line for tickets, Eblaan confessed that despite her frustrations about high prices, she remains loyal to the Plant. "We come here all the time," she said. The reasons: convenience and comfort.

"Theaters are a lot nicer today than when we were kids," she said. "I like the big seats and the big screen."

Movie theater executives are betting that once moviegoers everywhere get a taste of the new cushy, comfy theaters they will--maybe grudgingly--shell out more bucks to go to them. They may be right, witness the long lines around such "luxury" theaters as the Plant. Statistically, Los Angeles and Orange County make up 4.43% of the country's population, yet audiences here bring in about 6% of the total national box office, according to the box office-tracking firm ACNieslen EDI.

We really go to the movies here.

And we really pay for it.

A survey of ticket and concession prices around Los Angeles and Orange counties reveals that the average night out to the movies for a family of four (two adults, two children) can easily cost about \$50 when refreshments are included.



An average movie night for a family of four, when refreshments like popcorn are included, can cost \$50.

GLENN KOENIG / Los Angeles Times

Although the \$10 movie ticket is a reality in New York City, the average cost of a movie ticket nationally in 1999 was \$5.08, which factors in discounts for matinee, student, child and senior admissions and could creep up to \$5.35 in 2000 when the final numbers are available in March, according to Paul Dergarabedian, president of Exhibitor Relations Co., an independent box-office tracking firm. Southern California moviegoers should expect to see \$10 tickets within the next few years, Dergarabedian predicts. "It will happen; it's just a matter of time," he said. "We've always seen increases, and usually they go up about 50 cents at a time."

Holiday and summer blockbuster seasons traditionally mean ticket price bumps, but most chains try to keep quiet about raising prices. One local movie theater employee confessed that he knows tickets are going up by 50 cents soon. "We really don't know when it's going to happen, though," he confided. And Robert Laemmle, owner of the Laemmle Theatres chain, said, citing the state's new minimum wage increase, "Don't be surprised to see ticket prices go up [soon]."

Ticket prices are traditionally determined on a theater-by-theater basis, even within the big chains. "A lot depends on the area, supply and demand, and the age and condition of the theater," explained AMC spokesman Rick King. For example, general admission to the AMC in Pasadena is \$7.75, but the same film costs \$9 at the AMC in Century City, because people in that area are willing to pay a higher ticket price.

While films grossed more money than ever last year nationally (\$7.7 billion), the number of tickets sold declined by about 2%--possibly a commentary on rising ticket prices, but also no doubt because of a summer that was slim on blockbusters.

Countering the complaints about high ticket costs, movie industry folks like to compare going to the movies with other entertainment options. An average concert ticket today runs about \$35. Club hopping with cover charge and two-drink minimum can easily cost more than \$30 per person. The average ticket to a pro basketball game is \$51.02--and the Lakers have the league's second-highest average ticket price (to the New York Knicks) at \$87.69. Maybe \$9 for a movie ticket isn't so bad after all, they suggest. Look what you get for the money.

"Exhibitors have created these wonderful theaters that offer technical innovations and comfort amenities," Dergarabedian said. "Theaters have just gotten better and better, with stadium seating, curved screens, digital sound and rocking reclining seats. There's never been a better time in the history of films to see a movie in the theater."

Coming Soon: Printing Out Tickets Via the Web

In addition, many chains today allow customers to pre-purchase tickets by phone or the Internet. Coming soon from AOL Moviefone: ordering and printing out bar-coded movie tickets from your home computer via its Web site www.moviefone.com. There's no extra charge for the service, which means there will be fewer people standing in line for tickets.

But despite all its fanfare and technical hoopla, it's crisis time for the movie theater business. Many national chains are in various stages of Chapter 11 bankruptcy, in part because of the building frenzy of the '90s that now saddles almost all the chains with massive debts.

"There is a strange mix of conditions in the movie theater business today," said John Fithian, president of the National Theater Owner's Assn. "We are seeing some of the best theaters ever built for audiences, and we are getting positive responses. On the other hand, all that building is costly. Many chains are weeding out older properties and looking closely at operating expenses."

"I think the fundamentals of the business are strong and good," said Jim Edwards, CEO and chairman of Edwards Cinemas. "Most of our newer theaters are part of a complex where people can go have a meal and check out a bookstore. Going to the movies is more of a social experience these days."

But like many other theaters, money flow is critical at Edwards, a chain that owes \$217 million to a consortium of lenders. Edwards himself recently took a pay cut of almost \$1 million, and his salary will drop \$85,000 more to \$490,000 in February. Other staff and family members also have seen their paychecks diminished or eliminated during the reorganization phase.

Brian Callahan, spokesman for General Cinema Corp., argued that theater business reorganization efforts will make theaters better for moviegoers and movie chains in the long run. "If you have too many screens and not enough audiences, that's a problem," he said. "We're working on solving that problem."

In 1999, there were 37,185 screens nationally, up 3,000 from 1998. "That number is dropping today," said Fithian, who noted that many big chains plan to close screens in major circuits. But don't worry that your favorite theater will be gone, he said. "Modern theaters are built in close proximity to older ones so customers won't lose movie options," he said. "Customers will get more screens and multiple show times."

If moviegoers really want to bypass high ticket prices at mega-chains, second-run houses around Southern California offer cheap seats in better-than-average theaters. Sure, you might not see a first-run film on opening weekend, but at such places as the Eagle Rock Plaza theater, a ticket for a double feature matinee on a big screen runs \$3. Owner Gene Harvey said that, depending on the movie, many people are content to wait a few weeks to see a movie. The size of audiences at the house, Harvey said, ranges from "where we need more seats to where we need more bodies. It can be one extreme or another."

Alternatives to Mega-Plexes

Some films make it to second-run houses as little as two or three weeks after opening, Harvey said. "Oftentimes a film 'moves over' not because it's not performing well but because the studio has more product coming down the line," he said. "The studios need the screens."

Other alternatives to the mega-monster-plexes are the independent theaters that provide moviegoers with an "old-time" (one screen) theater experience. The Vista Theatre in Los Angeles, for example, caters to an eclectic audience that enjoys the theater's "unique atmosphere that you don't find in a multiplex," said President Lance Alspaugh, referring to the Egyptian-influenced decor.

Even so, the Vista is basking in recent renovations that offer state-of-the-art sound, picture and screen. "We also took out half of the seats so we have really wide seating with lots of leg room," said Alspaugh.

The decision to renovate was easy, continued Alspaugh, because even though his audience is loyal, "there is only so much they will put up with."

Moviegoers, especially Southern California ones, are indeed spoiled when it comes to comfort. "Nowadays, audiences expect to have the best," he summed up.

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