



THE NATIONAL ASSOCIATION
OF THEATRE OWNERS

For Immediate Release

Motion Picture Theatre Companies Adopt United Position on Digital Cinema

National Association of Theatre Owners Board of Directors' Resolution Sets Forth List of Objectives

Dana Point, California. (November 19, 2004) – A unanimous Board of Directors of the National Association of Theatre Owners (NATO) yesterday adopted a resolution that describes their fundamental objectives regarding the potential transition to digital cinema.

The NATO resolution highlights the most important goals of theatre operators in four broad areas – quality, standards and competition, security and operational control, and financing and roll out. With respect to quality, the resolution calls for a branded movie-going experience that exceeds film, and exceeds home entertainment systems. The resolution also reflects exhibitors' need for open and global technical standards to promote competition and ensure interoperability. In the important area of security systems, the resolution seeks to ensure that theatre operators of the future have the same control over their business as they have today. Finally, and perhaps most important, the resolution calls on the studios to develop a universal financing plan supported by studio funding that permits the participation of all exhibitors and all studios.

“Industry planning for digital cinema stands at a critical juncture,” said NATO Chairman Steve Marcus of Milwaukee, Wisconsin. “Our members believe it is the right time to describe our needs publicly.”

“We are pleased that exhibitors have come together on a united position,” added NATO President, John Fithian. “Digital cinema will be the most important technological transition in our industry’s history since the advent of sound. For the sake of our patrons, we must get it right.”

The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing movie theatres in all 50 states and in more than 40 countries. With the recent addition of AMC Entertainment, NATO now represents all of the ten largest movie theatre operators in the country, as well as over 500 smaller exhibition companies, for a combined total of more than 29,000 U.S. movie screens. NATO is headquartered in Washington, D.C., with a second office in North Hollywood, California. The association has a website at www.natoonline.org.

The NATO Board Resolution is attached to this release.

CONTACT:

John Fithian, President
National Association of Theatre Owners
(202) 962-0054 or
(818) 506-1778

--END--