



FOR IMMEDIATE RELEASE

NATO Responds to Sony Plan to Shift Costs of 3D Glasses to Consumers and Theater Owners

(Washington, D.C. – September 28, 2011) Recent press reports indicate that Sony has decided to stop providing 3D glasses to consumers and wants moviegoers to buy their own glasses. NATO believes Sony's suggestion is insensitive to our patrons, particularly in the midst of continuing economic distress. Sony's actions raise serious concerns for our members who believe that provision of 3D glasses to patrons is well established as part of the 3D experience.

While each exhibition company must make its own decision as to how to handle its business arrangements and how to respond to this development, we are concerned that Sony's attempt to change this business model would unilaterally upend long-standing industry practices. Since the onset of the digital 3D revolution in 2005 it has been understood that exhibitors would bear the weight of technological and facility modification costs related to 3D, while distribution took on the cost of 3D glasses. Any changes to that understanding must be undertaken through the mutual agreement of both sides of the business. The recent uproar over four studios' unilateral decision to radically shorten the theatrical release window for their failed DirecTV premium VOD experiment vividly illustrates the downside of movie studios announcing fundamental changes to business models without negotiating with their exhibition partners first.

Sony would be well advised to revisit its decision.

About NATO

The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing more than 30,000 movie screens in all 50 states, and additional cinemas in 50 countries worldwide.

Press Contacts

John Fithian, President and CEO, NATO. 202-962-0054

Patrick Corcoran, Director of Media and Research, NATO. 818-506-1778 pfc@natoca.com