Film-Tech

The information contained in this Adobe Acrobat pdf file is provided at your own risk and good judgment.

These manuals are designed to facilitate the exchange of information related to cinema projection and film handling, with no warranties nor obligations from the authors, for qualified field service engineers.

If you are not a qualified technician, please make no adjustments to anything you may read about in these Adobe manual downloads.

www.film-tech.com

JUNE 1999

FILMNOTES

FOR REEL PEOPLE

News and Information for the Theatrical Motion Picture Industry from Eastman Kodak Company

SCREENCHECK EXPERIENCE LAUNCHES

Village Cinemas

DreamWorks' Jim Tharpe

Electronic Cinema

Village Cinemas

Training Programs

Cinemeccanica

THOUGHTS ON THE 'SHOOT-OUT'

By Sean Lohan
Director of Business Development
Theatrical Distribution
Professional Motion Imaging
Eastman Kodak Company

Like many of you, I was at the recent ShoWest convention in Las Vegas, and I saw the so-called "shoot-out" between film and video projection systems. Actually these were demonstrations, not "shoot-outs" and I sat through all three of them. Evaluating results from these types of demonstrations are always subjective. Fortunately, I have been able to attend quite a few of the electronic demonstrations and the images I witnessed at ShoWest were sharper and brighter than some of the previous shows I have seen. I find it interesting that the term "look of film" is always being used and at this particular demo the only "look of film" came from the film projector.

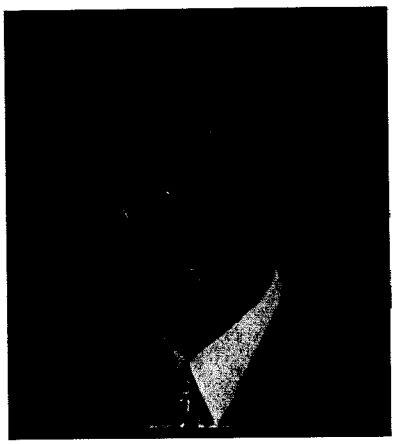
The press was generally enthusiastic about the progress being made in electronic projection, but why wouldn't they be. Many speculated about when electronic cinema would catch up with film and I always find that comment interesting. Prior to joining Kodak, I was unaware of the many advances that happen with the print film I would receive at the theatre. From an exhibition point of view, it is fascinating to know of all of the improvements that are constantly being made to film and how I would simply benefit from these improvements if my projectors were in proper running order. The electronic projector companies are aiming to get that "film look" and I am not sure if they will ever catch up, but that is a completely different story.

In the end, the audience will decide whether electronic images will deliver the same picture quality they get from film. Then again, the audience is not going to that theatre because of a specific type of projector, they are going to be entertained.

What about the economic issues? It kills me when attending these shows how most of the important issues are trivialized. This is not Sean Lohan talking from a Kodak perspective, this is Sean Lohan looking at this from my time and experience in the theatres. Many discussions center around how easy these new systems will be from all facets of the operation. The presentations are always very broad based on how things will work and to my amazement very little of what gets presented is ever challenged. I try to keep the questions simple. If I were still running theatres I would ask, "What is in this for me? Am I having so much trouble with my projectors that I need to replace them? You are asking me to scrap my previous investments of projection technology and equipment that exists in prototype form, right? What is my motivation?" So far I have not heard any direct answers to these questions.

"If I were still running theatres I would ask, "What is in this for me?"

There was much hype at ShoWest about the plans to display *Star Wars: Episode I–The Phantom Menace* on four electronic cinema screens in what will undoubtedly be a carefully controlled and maintained environment. You have to admire George Lucas for his dedication to exploring new frontiers. If you are like me, you will see *Star Wars: The Phantom Menace* in film format on a wide screen that provides an immersive movie-going experience. One additional footnote on *Star Wars: The Phantom Menace.* This movie is printed on the new Kodak Vision color print film, which is designed to enhance the quality of images on the screen. The cost to exhibitors for this new print stock is zero. The picture you present is upgraded by the quality of the film with no additional dollars needed from you.



I always hear the term "simple" used in discussions of electronic projectors. These types of projectors may very well be simple but what I have seen to date is a far cry from that. How simple is a satellite uplink with a theatre? Credit cards seem to work with relative ease using satellites but that is not a true comparison. The amount of data in a feature film is far greater than the amount of data in a single credit card transaction. What about data storage? Think of the number of file servers in the theatres right now for the daily functions such as ticket sales, concession sales and phone order sys-

Cover photo: Village Cinemas Southbank, Melbourne, Australia

tems. These are quite complex systems and they seem to work well for the most part. Have any of your ticketing systems ever gone "down?" Most likely the answer to that is yes. I keep coming back to that simple question, "What happens when my 'server' crashes on a Saturday night?" Then again, how large does the server have to be to store the necessary data to show a two-hour feature? Who services this when it breaks? Do I need people with computer skills running the booth? Who has the service contract? What kind of turnaround time for service? How long will I be off screen? These are important questions for the people running the theatres. I always thought about theatre operations from a Saturday night perspective. There was always the feeling of confidence that the equipment I had in the booth would work the way it was supposed to. If by chance something went wrong, I could usually get things running in a relatively short period of time. Until I could have that same confidence with the electronic projection systems, I don't know how comfortable I would be to change everything out for technology's sake.

Let me try to put this into perspective. The technology demonstrations that I have seen are impressive, but they are demonstrations. They are a great example of progress in applying computer technology to projecting motion picture images. No one wants to sound like they are standing in the way of progress, so there has been little debate or even discussion regarding the issues I have raised. But, sooner or later, I believe these issues should be addressed. I look forward to receiving your thoughts regarding this commentary. E-mail me at slohan@kodak.com

About 18% of people who go to the movies account for 66% of the nearly 7 billion collected in ticket sales last year. (ACNielson)

SPECO: 50 YEARS SUPPLYING THEATRES

Speco (Systems and Product Engineering Company) is entering its second half-century. The Kansas City theatrical supplier specializes in platter systems, automation systems, dimmer systems, roller assemblies, sound equipment and other miscellaneous products.

It all began 50 years ago when the company serviced the once-thriving drive-in market. Known then as the Drive-in Theatre Manufacturer, they sold projectors, lighting components and speakers specifically for the drive-in market. Jaren Higginbotham, vice president, says, "We were almost a one-stop shop for the drive-in business. If you had 50 acres in the middle of nowhere we could build a drive-in on it."

That market peaked during the 1960s, leveled off in the 1970s and pretty much ended in the 80s. But under Jaren's father, George Higginbotham, still the president, the company re-focused and organized Speco.

"As soon as the indoor wave took off," says the junior Higginbotham, "we transferred our focus to automation. It was really the idea of putting theatres inside shopping malls that kept the growth going and that trend is still very strong today."

During recent years, cinema construction has become a truly international business. "We are in 40 countries," Jaren Higginbotham says. "There is more growth and more room for expansion outside than inside the United States. That is not to say there isn't substantial building of theatres going on in the U.S. All you need to do is look at the housing boom, and you see everybody is spreading out and as that happens, new malls usually open with new theatres. But, a lot of companies are just beginning to explore markets in Europe, South America and Asia."

Speco sells one product that many exhibitors may not be aware of though they can significantly improve the quality of the images they put on their screens. A film cleaner with PTR (Particle transfer rollers) is made of a solid gelatinous substance which attaches to projection systems to clean both sides of the film.

The rollers are removable, so multiplexes can opt to use them with more than one projector. The PTRs remove dirt and dust from film keeping both the image on screen and the projector itself clean.

"Film presentation quality is improved at a marginal cost," he says. "It seems simple, but it is important. I have friends who avoid certain cinemas because they don't like something about the presentation. It could be image quality, seating, sound or maybe something more general. People don't have brand name loyalty to theatre chains. If they go to a cinema twice and don't like what they see, they won't go back."

82% of people polled by ACNielson disliked film advertisements.

JIM THARP: INSIDE DREAMWORKS, SKG

Jim Tharp began his career with Warner Bros. and later with Paramount Pictures booking films in cinemas. But early on he switched to the circuit side of the film distribution business. Tharp spent 25 years with General Cinema, including stints in Dallas, Jacksonville and eventually Boston, where he served as head buyer from 1983 until 1995. That's the year he moved to Los Angeles to head the distribution group for DreamWorks, SKG.

In 1995, he received a call from Jeffrey Katzenberg, who told him that he was involved in starting a new studio with Steven Spielberg and David Geffen, and asked if he was interested in heading distribution.

"The opportunity to work with Jeffrey, Steven and David in a start-up studio was like a dream come true," he says. "We were starting with a clean slate. It was an opportunity to design a distribution department from the ground up, which I felt was a once-in-a-lifetime opportunity.

Following are excerpts of a conversation:

Q: How did you happen to get into this business?

A: My first job after college was with a real estate company. I was totally bored. I heard about an opportunity to work as a booker for Warner Bros., and it was obviously much more interesting.

Q: What about the transition to General Cinema?

A: I started as a buyer in the Dallas area. It was interesting being on the other side and learning what it took for local cinemas to succeed. I became head buyer for the chain and moved to Boston in 1983, which was about the time I met Jeffrey. I liked GCC and living in Boston, but joining DreamWorks was a great opportunity to take everything I'd learned about exhibition and apply it to distribution – particularly with a company that is committed to making high-quality films.

Q: When you were buying films, what did you look for?

A: You try to match the demographics of the audience to films. In some markets, moviegoers prefer action films, and in others, it's family movies. In fact, family movies tend to crossover different demographics. You try to take your personal taste out of it, and match the film to the audience.

Q: How much input do you have with the studio about the films they are making?

A: We read scripts all the time, and they ask for our opinions. I'm not sure that it's that way at other studios. The culture here is very inclusive.

Q: How does that influence your relationships with exhibitors?

A: We see them as partners. The relationships are very important to us. We ask what types of pictures they would like to see us produce and distribute. We also put a lot of emphasis

on providing marketing and promotional services, along with great trailers.

Q: Is the Internet becoming a factor in movie marketing? Every movie seems to have its own website.

A: It is growing in popularity as a way of communicating with fans, but it is not in a league with trailers. Our research tells us that 25 to 30 percent of the people who see movies made that decision when they saw the trailer. However, we don't know how much print and television advertising and the Internet reinforced that decision.

Q: How are multiplexes and megaplexes changing the industry?

A: It's the opportunity to get movies opened on a wider basis than ever before. We opened *Prince of Egypt* on over 3,000 screens and the megaplexes helped us do that. Actually, screens is the wrong word—it's more like the number of runs. The number of screens was probably closer to 5,000, because when you have a megaplex you can open the movie in multiple auditoriums simultaneously. *Prince of Egypt* opened in five and six auditoriums in multiplex theatres. The result is that the opening weekend is extremely important. Also, theatres are able to hold movies longer because they have more screens.

Q: Is that true worldwide or mainly in the U.S.?

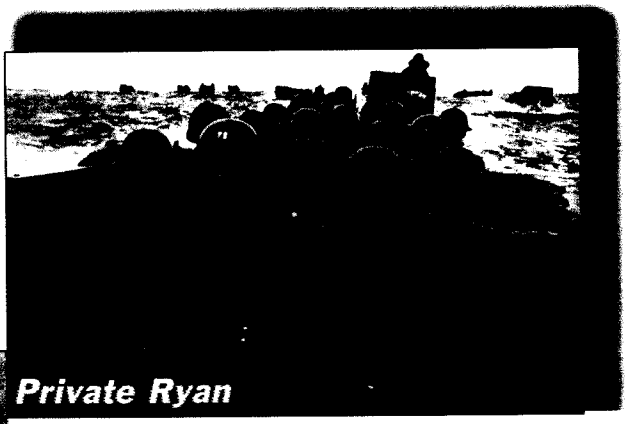
A: It's becoming truer overseas. Of the 90,000 screens or so worldwide—those numbers vary depending on who you are talking to — about 35,000 are in the U.S. and Canada. I think the total is going to shoot up to something like 125,000 very quickly, and most of the newer screens will be in 16- to 20-plexes being built in Europe, Asia and South America.

Q: How will this trend affect the appetite for new films?

A: I think the megaplexes being built around the world will have an insatiable appetite for filmed entertainment. I believe that will create opportunities to broaden the scope of films being produced.

Q: Is the shift in the movie-going population from the U.S. to global affecting the types of movies that are in demand?

A: Just a few years ago, the majority of movie tickets were sold in the United States. Now, it's about 45 percent. I think within five years, the U.S. will account for about 35 percent of tickets sold. That is still a giant slice of the market, but the international demand for movies is bound to influence decisions made by studios and producers. There are maybe two theatres in the U.S. that sell more than two million tickets per year. In South America, there already are five or six theatres selling that many tickets annually. There also are a few in Europe. We do expect admissions to grow in the U.S. as older theatres are replaced by megaplexes. But we think the international boxoffice will increase at a faster rate.



Q: What sells movies in addition to ads, trailers and the Internet?

A: The big thing is word-of-mouth. When avid moviegoers go out that first weekend, and they tell their friends and co-workers they saw a great film, you can see the results immediately.

Q: What are your initial thoughts about digital projection?

A: The demonstrations I saw at ShoWest still lack the color saturation we get with film. Also, I have concerns about some of the rationales I heard like interrupting the run of a movie with live presentations of sports events and concerts, and funding buying projectors with commercials in cinemas. One other observation is that the demos I saw indicate that the quality of home viewing is going to get a lot better.

Q: What do you think of the *Kodak ScreenCheck* Experience? Will the public respond if they know where there are superior screens?

A: I think it's a fantastic idea that's been a long time coming. If you enhance the experience, people will enjoy the film and come back to that cinema.

Q: When digital television and high-definition television become realities, and people can see high-quality movies on demand at home on big screens with digital sound — will it affect movie-going?

A: We have to continue to improve the movie-going experience. Kodak brought out a new print film this year. Sound systems are getting better all the time. Things like the right locations, comfortable seating and safety are important. Most exhibitors realize there is a direct relationship between improving the movie-going experience and success. One of the main things working for us is that you can never duplicate the enjoyment of experiencing a movie on a big screen in a darkened room surrounded by people. It's not the same experience at home.

Q: Having been on both sides of the fence, what advice would you give to exhibitors about improving their position?

A: Make sure the trailers you are playing are the right ones for your demographics. That's really important. Also, look for opportunities to do cross-promotions with local retailers and other local organizations. We had a lot of success that way with the *Prince of Egypt*. It is also really important to monitor the quality of your projection and sound systems regularly, and make sure you are giving the audience a great movie-going experience. Provide a friendly environment. Greet people when they arrive, and thank them when they leave. We are competing for people's time and money, and there are a lot of other ways they can spend both.

PYTLAK'S PRACTICAL PROJECTION POINTERS

John P. Pytlak
Senior Technical Specialist
Worldwide Technical Services
Eastman Kodak Company
E-mail: jppytlak@kodak.com

Electronic Cinema

What Did YOU See?

Everyone seems to be talking about electronic cinema. After the ShoWest demonstrations comparing two prototype electronic cinema projectors with a conventionally projected film print, many felt that electronically projected images were finally approaching the quality of 35 mm film projection.

Sure, the film images seemed to have better color reproduction and flesh tones—and a bit more fine detail and sharpness. And there were questions regarding the cost and complexity of the digital equipment in the theatre—and the level of expertise required maintaining and operating it. But, ShoWest was a technical demonstration and so, to be fair, let's consider electronic projection and film projection from a technical point of view.

An Electronic Cinema SYSTEM?

With either technology, we need to talk about the images arriving on some type of medium. The images shown at ShoWest originated on film, but for electronic projection, they were painstakingly transferred to a digital (D5) tape.

Actually, D5 tape is too expensive and fragile to consider as a large-scale distribution format. A practical electronic cinema system would likely use satellite, fiber optic cable, or optical disk storage to send movies to theatres. Today, all of these require considerable data compression to be practical. At ShoWest, the data was uncompressed.

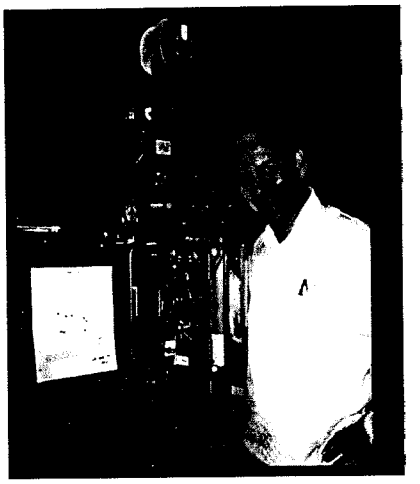
Compression entails 'throwing away' some image data. Most experts agree that current compression techniques (e.g., the type used for DVD) are not suitable for images intended for large screens. Development and standardization of an "open architecture" of compression adequate for large screen images must involve all segments of the industry and SMPTE, and may take years.

Security and Encryption

Electronic cinema proponents promise that electronic distribution and presentation of movies will nearly eliminate piracy by using sophisticated encryption technology. That implies that a film print is more easily pirated. In reality, making a high-quality pirated copy of a film requires the use of a 35 mm telecine, and extensive access to the film. Aiming a camcorder at a theatre screen produces a poor quality, flickering image.

Many film prints also have a unique identification coded into the image to allow tracing the source of any pirated copies (This CAP-Code was developed by Kodak in 1982). Most of the time, higher quality pirated tapes originate from video transfers made for legitimate purposes that fall into the wrong hands, and not from prints in theatres. Serious piracy today is often from an electronic format, not film.

Encryption technology can deter electronic cinema piracy, but won't eliminate it. The most sophisticated encryption techniques can't be exported due to national security reasons. "Unbreakable" encryption codes for DVIX, DBS, PPV, cable television, etc. have already been cracked.



Maintenance

An electronic cinema system includes not only the projector, but many other components as well. Since the full system—in a commercially viable configuration—is not yet available, we can only speculate on what the final configuration and total cost will be.

Satellite, fiber optic link, or "hard" media such as optical disks may be used to deliver data. Not all theatres will have "line-of-sight" to a satellite, or access to a fiber optic feed, so a variety of delivery methods may need to exist simultaneously, each with its own infrastructure.

For satellite and fiber optic systems, "real time" delivery of compressed data is a goal. A two-hour movie will take at least two hours to download into local data storage at the theatre. This will likely be done "off-hours," when transmission rates are lowest, requiring pre-scheduling of the download.

If the download is missed or fails, the data will need to be retransmitted or sent another way. "Hard" media such as optical disks are a possibility, but data requirements for a full-length feature film far exceed the

capacity of current DVD technology, so new technology probably needs to be invented.

Storage

Once the image data is in hand, it must be stored. Mass storage devices capable of storing TERABYTES (1000 times more data than a gigabyte) of data for each movie will likely be required in each theatre. And, when you add a system to 'back up' the data, you've got the storage capacity equivalent to several hundred home computers.

A powerful server (don't forget a backup here too) will control the distribution of all this data within the theatre, feeding each projector through a fiber optic network. All this sophisticated computer equipment will likely require a surge-protected regulated power supply, emergency backup power supply, special air conditioning, and HEPA air filtration system.

Electronic projectors are sophisticated opto-electronic devices. The current Texas Instruments DLP™ technology uses three proprietary SXGA DMD™ chips to modulate the red, green and blue light, each containing 1,310,720 microscopic moving mirrors, for a total of almost four million moving parts. Failure of even one mirror in a million will result in four "dead pixels" permanently imaged on the screen.

The DLP chips and optical prism assembly must be kept cool using a water recirculator. Accidental "hot spotting" of the xenon lamp or failure of the cooling system could "fry" the heart of a $75,000 projector.

The current Hughes-JVC ILA, projector technology uses three analog high-voltage cathode ray tubes (CRTs) to excite proprietary liquid crystal modulators for each color, illuminated by a large xenon lamp and dichroic separation filters. Proper cooling is essential, and cooling air must be filtered with a HEPA filter to avoid dust buildup on the highly charged CRTs and optical components.

The ILA-12K projector is very large, weighs over 1600 pounds, and requires 60-ampere, 208-volt, 3-phase electrical service.

> **"Since the full system—in a commercially viable configuration—is not yet available, we can only speculate on what the final configuration and total cost will be."**

Considerable maintenance time and costs should be part of the equation for anyone planning to pioneer the use of this technology. Networking terabyte-sized image files to dozens of screens and maintaining sophisticated computer and electronic equipment will require professionals with specialized background and training. If a mass memory device or file server goes down, all of your screens could go dark. If a projector is damaged, the repair bill could cost thousands of dollars.

Did You See Film At Its Best?

The format of the film print at ShoWest was 1.85:1 "flat." This was dictated by the need to match the "native" 16:9 format of current HD technology. Every good projectionist knows that 2.39:1 "scope" is a more efficient format than "flat" because of the larger image area on the film, giving a bigger, brighter and sharper image on the screen. About 30 percent of films are made in "scope," but they account for well over half of the boxoffice dollars each year.

Electronic cinema projectors can show 2.39:1 aspect ratio movies, but at reduced light levels and with poorer sharpness when compared to their native 16:9 aspect ratio. In other words, the demos shown at ShoWest showed film in its least efficient format, so it could match electronic cinema in its native format. Film shown in 2.39:1 scope would have been even better, and the premier 70 mm format would have been unexcelled.

So What Did YOU See?

So what did you see? I saw that electronic projection has come a long way in the last 10 years. I saw electronically projected images that were bright and sharp on moderately sized screens. But I also saw lots of work before we have an electronic projection SYSTEM that can compare technically—and in so many other ways—to what we have with a film projection SYSTEM today.

As always, your questions and comments are welcome.

Ticket Prices

Average price of a movie ticket in selected nations:

U.K.	$9.00
France	$8.00
Argentina	$7.00
U.S.	$7.00
Mexico	$3.00

Source: ECA Windham

VILLAGE CINEMAS EXPANDS MORE THAN 170 NEW SCREENS

Village Cinemas opened 172 screens across the world during the second half of 1998, bringing the total to more than 1,100 screens in 16 countries. Another 100 screens were opened in France, Switzerland and the Czech Republic during the first half of 1999.

Village Cinemas management reports that earnings for its exhibition division were up 19.2% in 1998 and are likely to just keep on rising.

Village Cinemas International opened the first multiplex in Singapore, and also added screens in Korea and Taiwan, including a 17-screen cinema in Taipei, the biggest ever in that city. Much of the worldwide expansion has been achieved with partners, including Golden Harvest and Warner Bros.

Village Cinema executives say that 70 percent of the company's overall growth will come from Europe during the next several years. They anticipate becoming a major global player during the next several years with offshore revenues to exceed income from some 500 Australian screens.

Australia is the test bed for the exhibition operation. It was there that the company's first 30-screen megaplex was built as part of a long-standing partnership with Warner Bros. and Greater Union, a characteristically bold design was developed, and the Gold Class concept was launched. Gold Class cinemas are like private screening rooms with less than 30 reclining lounge chairs, five-star bar service and exclusive lounge areas.

"Our key priorities in Australia are to continue our gradual expansion, particularly in the unserviced markets, and to bring our older offerings up to expectations," says Australia's general manager George Livery. "There is also a focus on relationship marketing, that is, getting to know our customers better."

Nearly 45 percent of cinema-goers are 14- to 24-year-olds, but getting to them is another matter, with the fragmentation of the media, Livery says.

Gold Class cinemas are like private screening rooms.

His aim is to get to know as much about their tastes and preferences as possible to meet this challenge.

Livery says that they want to give people of all ages an enjoyable experience from the moment they arrive. Themed car parks are part of that plan.

"It started when we built the Jam Factory in Melbourne," he says. "We realized we could offer more than four walls and paint, that we could start the journey before customers even get to the foyer."

The 30-screen Southland site is the largest and most modern site. It is part of a giant Westfield shopping center, which is an entertainment hub with restaurants, game centers, bars and cafes. As Livery says, people are "time poor" and appreciate proximity of services.

All the new cinemas feature stadium seating, wall-to-wall screens and digital sound. Two of the 10 mainstream screens at Southland are grand cinemas with extra plush seats, Juliet balconies and other popular features. Three of the other screens are in the new Cinema Europa arthouse style and three are Gold Class screens.

"The market has embraced the Gold Class concept well over our expectations," Livery says. "The corporate sector has gone crazy over it... They are for the discerning movie-goer who wants to concentrate on the movie. My wife is the perfect example. She can't stand chip packets *rattling or people talking.*"

Cinema design is being constantly refined. The two front rows of seats were recently removed from all eight of the existing auditoriums at the Jam Factory site because they were deemed too close to the screen.

Village Roadshow Limited prides itself on being aggressive. The exhibition division spends a lot of its own money to promote the cinemas, rather than just depending on co-op provided by distributors.

"Our aim is to give people of all ages an enjoyable experience from the moment they arrive."

"We did our own advertising for *Saving Private Ryan*," he says, "and gave a poster to everyone who saw *The Matrix* in a Village Cinema." The same strategies work globally. "This is a different industry than it was 10 years ago and you can never go back."

Stadium seating is a huge factor for 87% of moviegoers who said their movie-going experience had improved in the last year. (ACNielson)

CINEMECCANICA'S VITTORE NICELLI ON THE PAST AND THE FUTURE

CINEMECCANICA S.P.A. was founded in Milan, Italy, in 1920, when motion pictures were still silent and film was black and white. The company's original product line ranged from film projectors to motorcycle engines. However, since 1924, Cinemeccanica has specialized in developing and manufacturing products for cinemas, including projectors, consoles, platters, projection room accessories, screens, a full range of speakers and other audio equipment, and systems designed to automate operations.

Cinemeccanica also offers consulting services for exhibitors designing new cinemas, and provides turnkey projection/sound system installation.

"We are always working on new products," says Vittore Nicelli, president of Cinemeccanica. "We are currently introducing an auto-focus capability to keep images projected on the screen sharp. We believe that's a necessity, because very few cinemas have professional projectionists."

However, Nicelli points out that the company's Victoria 8 projector, which was introduced in 1961 is still being sold to exhibitors.

"It is a very rugged machine that lasts for decades," he says. "Projectors we installed some 30 to 40 years ago are still operating flawlessly. People ask how we stay in business when products last for decades. The answer: new theatres are being built everywhere in the world, so we don't have to count on obsolescence or equipment wearing out. Our growth comes from new screens.

"Some of our largest potential markets are just beginning to get interested in movies. Vietnam, for example, has 80 million people and no modern theatres. If their economy gets better someone will build cinemas, and there will be a huge market for many more projectors."

Nicelli admits that 70 mm projectors or dual 35/70 mm projectors don't sell as well as they did during the 1960s-80s. He says that 70 mm projection offers dramatically better image quality and stereo sound.

He says that 70 mm prints still offer a dramatic advantage in image quality because a 70 mm frame is four times larger than a conventional 35 mm image.

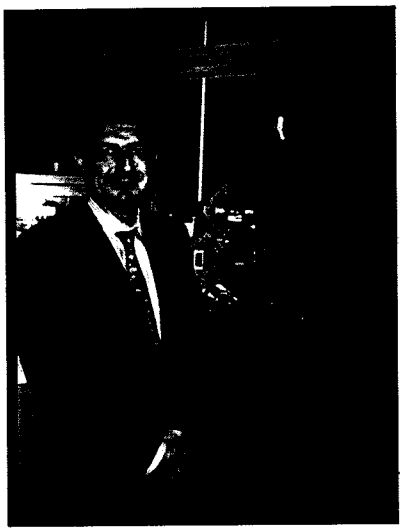
"I would love to see 70 mm prints come back because it really provides a better experience. I remember *My Fair Lady*, and in Henry Higgins' study you could read the titles on something like 6,000 books. Visually, it's just a whole different experience. Many newer complexes are building new 70 mm theatres, but unfortunately, the studios aren't releasing many movies in large format."

Nicelli notes that construction of newer cinemas favoring stadium seating with large screens could create a renaissance in 70 mm projection.

> **"I would love to see 70 mm prints come back because it really provides a better experience."**

"When you are projecting a 35 mm image, you are magnifying it many times," he says. "You get a much sharper and cleaner image with a 70 mm frame. You also can push much more light through a lens on a 70 mm projector, because it offers a bigger surface and the amount of light you can use is determined by the thermal load on the film frame.

Nicelli cites a special venue screening in Oslo that had a 130-foot wide screen. He thought there was going to be a problem when a new James Bond opened there. The images on a 70 mm print in that cinema have to be magnified 900 times, yet they were clear and sharp.



Vittore Nicelli

"The same movie was playing in a 35 mm house in Oslo," Nicelli says. "The experience of seeing the 70 mm film was much more exciting."

Nicelli has been keeping a close eye on the development of electronic cinema technology though at this point he finds it difficult to see what advantages it offers.

"If you have a 35 mm picture," he says, "you can show it anywhere in the world. Is there any reason to think there will be a universal standard with all the different types of electronic cinema systems that people are proposing?"

I hear people selling electronic cinema equipment saying that a lot of money will be saved by not making prints, and that may be true, but they never seem to mention how much money will be spent on set up and maintenance. It seems like when you really look at it, nobody will save anything at all."

GENERAL CINEMA FIRST CIRCUIT WITH *KODAK SCREENCHECK* EXPERIENCE

General Cinema Corporation (GCC) announced plans to certify 150 screens for the *Kodak ScreenCheck* Experience, beginning with the Westwood AVCO 4 Theatre in Los Angeles. The AVCO 4 house was chosen to launch the program because of its historic significance, says GCC President and Chief Executive Officer Bill Doeren. It was the first screen in the world certified for THX. The announcement was applauded by more than 100 cinematographers, directors and other filmmakers during a May 5 event at the Westwood AVCO 4 Theatre. The program partners Kodak's Cinema Operations group with exhibitors to ensure that movies are being projected the way filmmakers intend for them to be seen with a bright image on a large screen with a clear line of sight.

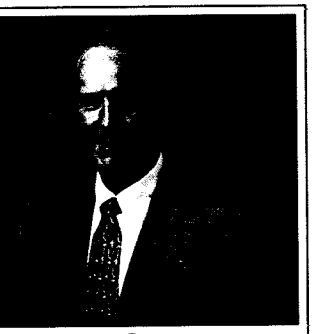
Panelists for the *Kodak ScreenCheck* Experience program launch included, from left, Rob Hummel of DreamWorks SKG; Vilmos Zsigmond, ASC, Oscar-winning cinematographer representing the American Society of Cinematographers; Kathy Garmezy, executive director of the Artists Rights Foundation and Richard P. Aschman, president of Kodak's Professional Motion Imaging.

General Cinema announced plans to certify screens in Los Angeles, Seattle and Boston during the coming months. "We are absolutely committed to providing great moviegoing experiences for our audiences," Neal Stolberg, vice president, West Coast Operations for General Cinema told the audience. "This partnership with Kodak is important because it validates our commitment to the people who create movies and the audiences who pay to see them. The public recognizes and trusts the Kodak name and logo, and associates it with quality. When they see the *Kodak ScreenCheck* Experience logo on our screens and in our lobbies, it tells them they are seeing films the way they should be seen."

Oscar winning cinematographer Vilmos Zsigmond, ASC represented the American Society of Cinematographers (ASC) during the inaugural ceremony. The 1998 ASC Lifetime Achievement Award winner said, "People like me work very hard to get the right lighting and contrast on the film, because they are an important part of the story. Subtle details in an image can shape the mood and set the emotional tone for the audience. You need good projection to get that on the screen. It's wonderful that finally somebody is doing something to make that happen."

Kathy Garmezy, executive director

KODAK SCREENCHECK EXPERIENCE TRAINING PROGRAM ROLLS OUT IN U.S.



Jim Ferguson

Kodak has opened a new training facility in Culver City, California. Training programs will be offered beginning this summer for theatre operators and management ranging from introductory courses through advanced training. Jim Ferguson, the newly named *ScreenCheck* Experience training manager oversees operation of the facility, which provides simulations of real-world projection, maintenance and trouble-shooting scenarios. Kodak will offer one- and three-day programs both at the Kodak facility and on-site at cinema locations. Ferguson has some 13 years of experience at Mann Theatres, where he worked as a theatre manager and was in charge of the corporate training program. As a manager, he ran many locations throughout Colorado and the Los Angeles market.

"In my opinion," he says, "when you have hundreds or even thousands of people sitting in an audience, someone has to be there making sure they see what the filmmakers want them to see. The audiences of today are becoming more sophisticated and they are getting more choices at home on TV. The best and easiest way theatres can give them an experience they can't get anywhere else is by maintaining their projection equipment and making sure the people running it are well trained."

For more information about the ScreenCheck training programs, call Jim Ferguson at 310-204-7144 or email ferguson@kodak.com.

of the Artists Rights Foundation, which represents hundreds of directors, cinematographers, editors, actors and writers who are concerned about protecting their works added, "We wholeheartedly welcome and support this initiative by General Cinema and Kodak. A tremendous amount of deliberate, painstaking work goes into every moment of a film. So, it is a great loss when all that work and vision is not fully reflected in the quality of the image on the big screen. It's great that people will know before they buy their ticket which screens will show the movies correctly."

"People like me work very hard to get the right lighting and contrast on the film," said Vilmos Zsigmond, ASC.

Kodak was represented by Richard P. Aschman, president, Kodak Professional Motion Imaging. "People keep asking 'Why Kodak?'" Aschman said. "The simple answer is that most movies are made on Kodak film. We spend a lot of money developing and manufacturing films designed to give directors and cinematographers more creative freedom. That money is wasted if that creativity is not seen on screen. The *Kodak ScreenCheck* Experience is a partnership between Kodak and exhibitors to certify that images on screens truly represent the filmmakers' intentions."

Cinemas participating in the *ScreenCheck* Experience are inspected by Kodak technicians. Kodak works with the exhibitor to bring screens up to industry standards. After a screen is certified, exhibitors can use distinctive signage, a trailer and other promotions to inform moviegoers. The Kodak team also provides on-going training for projectionists to ensure proper maintenance. Screens are periodically re-certified to ensure public confidence.

"We believe the public will quickly learn to associate the ScreenCheck logo with a satisfying movie-going experience," says Robert Mayson, general manager, Cinema Operations. "We also believe that discerning moviegoers will choose screens where they see the ScreenCheck logo because they know the exhibitor is committed to providing a high-quality experience."

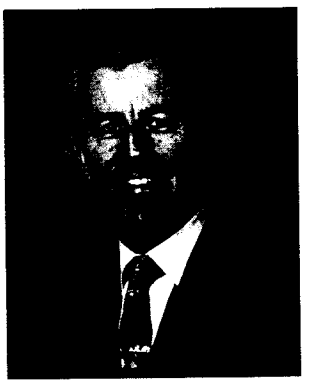
KODAK SCREENCHECK EXPERIENCE LAUNCHES INTERNATIONALLY AT CINEMA EXPO

Kodak announced the launch of its *ScreenCheck* Experience in Europe, Africa and the Middle East at Cinema Expo in Amsterdam. The program, in which Kodak partners with theatres to improve the quality of presentation, has already kicked off in the United States. In addition, several special venue theatres in the U.S. have also been given the ScreenCheck seal of approval signifying that Kodak engineers and theatre staff guarantee that the pictures are being properly projected for the audience.

"The level of interest in the *Kodak ScreenCheck* Experience in these regions is very high," reports Denis Kelly, manager of Cinema Operations for Kodak Professional Motion Imaging in Europe, Africa and the Middle East. "The desire to deliver improved visual and sound quality is shared by many cinema operators, large and small."

Prior to the formal launch of the *Kodak ScreenCheck* Experience in Europe, a small pilot program has been concluded with the certification of Screen One of the BioCity multiplex at Odense, Denmark. BioCity is part of the expanding Nordisk Film Biografer group, which operates both traditional city centre cinemas and newly established multiplexes. Steen Larsen, vice president of operations with Nordisk Film, has been a strong supporter of the *Kodak ScreenCheck* Experience since he first heard of the development, and at a very early stage committed to help Kodak prepare for the extension of the program outside the U.S.

Kelly added, "I am delighted that European cinemas are so enthusiastic, even in advance of this launch. I look forward to establishing some great partnerships to provide improved experiences to cinema goers in most countries of the European, African and Middle Eastern region."



Denis Kelly

For more information about the *ScreenCheck Experience* in Europe, call +44 1442 844 073.

Film Notes For Reel People
EASTMAN KODAK COMPANY
1017 N. Las Palmas, 2nd Floor
Los Angeles, California 90038
www.kodak.com/go/motion

Publication No. H-50-51 Printed in the U.S.A.

BULK RATE
U.S POSTAGE
PAID
PERMIT 368
SANTA ANA, CA

To be added to the mailing list fax to 310-204-7111, or email pjack@kodak.com