

With the release of [Bubble](#) on January 27th in theaters, on

[DVD](#) and for 2 showings on [HDNet Movies](#), there has been a ton of press and [discussion](#) about the future of the movie industry.

The most extreme has come from John Fithian, who wins the award for the best ever imitation of Jack Valenti's famous comparison of the VCR to the Boston Strangler when he was quoted in [FastCompany](#) assaying

*John Fithian, the head of the National Association of Theatre Owners, a trade group based in Washington, DC, called Iger's suggestion this summer a "death threat" against his members. Fithian says that "if [release] windows were eliminated, what you would have would be fewer movies, fewer total dollars for the industry, and less choice for the consumer." He thinks movies would become little more than commodities and that hundreds or thousands of theaters would close.*

*But he wasn't done there, he said the same thing to [USA Today](#)*

It's the biggest threat to the viability of the cinema industry today," John Fithian, president of the National Association of Theater Owners, said of the so-called "day and date" release strategy.

How sad is it when the President of the National Assoc of Theater Owners doesn't think his members can create a better movie going experience than what we can see in our houses and apartments ?

Guess what John, I can whip up a mean steak, but I still like to go to restaurants. Because I enjoy it. I enjoy getting out of the house with family, friends, who ever.

Every single Mavs game is on TV. It wasn't that long ago that some people in the sports business thought that having games on TV would reduce attendance. After all, why go to the game when you can watch it for free on TV ? Then someone decided to do some research and as it turns out, the more games you broadcast on TV, the more people who go to your games. At the NBA, when we do our analysis to determine the revenue opportunity in any given market, the number of games broadcast is one of the criteria analyzed.

Hey John, you can get just about anything you want online..... but people still go shopping.

Going to a restaurant. Going to a sporting event. Going shopping. Cabin Fever is alive and well. Wanting to get away from your parents, your kids, your job, your apartment, your house, your problems will never, ever go out of style. For the next thousand years the question will be asked...

What do you want to do tonight ? For the next thousand years, people will want to get the heck out of the house. The question is where to and why.

It didn't take me long to realize that the business of the Mavericks was not selling basketball, it was selling a fun night out and creating a favorable brand identification with our team and our players, with the hope that people would be excited to buy merchandise , products and services from us.

It didn't take me long to realize that the business of [Landmark Theaters](#) was very similar.

At Landmark, our business is not showing the biggest movies from the biggest studios.

At Landmark Theaters we know who our demographic is. It's not kids 18-24 who are deciding whether to hang out at the mall or go to the movies. It's not people who are concerned with seeing the latest blockbuster. The 12mm and growing number of people who attend movies at a Landmark Theater are typically 25 plus years old, who love independent films from independent minds.

We try to be the Voice of Independent Film for the people who make movies, and the people who love to see those movies. That is our mindset. That is what our demographic wants.

Our job at Landmark is to go out and find those movies and to make the experience of watching those movies as unique and enjoyable as possible. It can be the decor of the theater. It might be offering adult beverages before, during and after the film. It may be offering the DVD selection of the movie's director so you don't have to scour the aisles of a huge retailer looking for a title they may not have. It may be offering the soundtrack of the movie, or the book the movie was based on. And starting with [Bubble](#), it will include selling the DVD of the movie you just saw. Also starting with [Bubble](#) will be the rollout of Digital Cinema. Every single play of [Bubble](#) in our theaters will be digitally projected. We are using a mix of Sony 4k and TI based 2k projectors. We want our customers to have the best possible viewing experience with every single showing of this and future movies. No scratches, no pops, no fades, no problems with the presentation whether you see it the first day of release or the last showing 6 months later.

We have to create an environment that makes going to a movie at a Landmark Theater- fun, entertaining, relaxing, a good value and for a film fan, the best answer to the question, what do you want to do tonight.

We also have to create an environment where people trust our judgement in the movies we offer to our customers. There are going to be times when someone wants to see something different, and may not know a lot about a movie playing on one of our screens. We want them to trust our judgement that this movie is worth seeing. And when we find a movie we really like, we try to put it on in as many cities as we possibly can. So as many of our customers as possible can see it.

That's the relationship we have with our customers. We aren't perfect, but we work hard to make it as strong as possible. We also want to retain the relationship we have with our customers when they can't make it to one of our theaters to see a movie they want to see. We realize that there are times when you can't get out of the house for whatever reason. You want to see the movie. You are dying to see it, but you can't make it to the theater during its run. Or maybe you live in a city where the movie is not showing.

We don't feel we should penalize our customers for either scenario. We want you to be able to see the movie you want to see, where and when you want to see it. If you decide that you would like to own a copy of the movie the week it opens in theaters, feel free to buy it at your local Walmart, Best Buy, Movie Gallery, online, wherever. That's great.

If you have a great High Def home theater setup and you want to subscribe to HDNet Movies to watch one of the two showings available only on opening night. That's great. Go for it.

As with the Mavs, the more committed you are to independent film, the more likely you are going to come back to a Landmark Theater, again and again. We know that the preference of any film fan is to see independent film in a Landmark Theater. And we will always work our asses off to make sure it stays that way. So unlike Mr. Fithian, we think the day and date release will expand the audience for the movies our audience wants to see.

As for Mr. Fithian's Valentinesque fears ... I can and will offer my observations of the problems first run multiplexes have.

First of all, I don't think they know what business they are in any longer. It appears they believe they are in the business of showing the movies Hollywood gives them and praying that Hollywood makes good movies and spends enough money to drive people through the doors so they make some money on the box office and concessions. They aren't.

But that's not the biggest of their problems. Their biggest problem is that they don't care who their customer is, as long as a lot of people come. Which in turn makes it almost impossible to determine what business they are in.

I will explain.

The experience that a 16 year old expects is going to be completely different than what a 35 or 55 year old expects.

When a 16 year old goes to a movie, there is absolutely nothing at all wrong with answering your cellphone, talking back to the screen and texting your heart away during a movie. The movie is just there because it's better than doing the same thing sitting or walking at the mall, or hanging in your buddy's smelly bedroom again, listening to his mom yell at him.

All of the above drives anyone not in that demographic crazy. So when a couple of 35 year olds go to see King Kong, not only can you pretty much bet that they aren't going to have a great experience during the showing of the movie, but they probably didn't have a great experience before they even got their seats.

They are probably already pissed because the stereos were blasting in the parking lot, the lines to the concession stands were filled with kids chit chatting and taking their good old time, while you wanted to get into the movie so you could talk to your wife or date. The whole reason you left the house to see a movie in the first place was to get away from kids.

People of different demographics have different expectations of the movie going experience. Trying to mix them only ends up making both mad.

It probably wouldn't be a bad idea for the multiplexes to tailor the experience to the appropriate audience.

It's also probably a good time to take steps to be paid for the role you play in promoting the sale of DVDs and TV. You already know that you platform movies and create demand for future sales. Your problem is that you don't get paid for it. DVD sales now exceed box office sales and you don't get a nickel of those DVD sales. It's time for that to change.

There will be non Landmark Theaters that show Bubble, just as there were that showed

[Enron – The Smartest Guys in the Room](#). The DVD for Enron just came out this week, and every single theater that played the movie will get a percentage of the DVD sales.

Its time your industry stood up for itself and rather than fighting day and date or collapsed windows, realizing that it will increase the total sales for a movie and get paid for the fact that you help increase those total sales.

Just think, all those millions of people that were outside the reach of even King Kong first run theaters could run to the store and buy the movie they have been hearing so much about. While its still exciting and fresh to them. Think maybe they could sell more DVDs that way ? You could even get paid for it. A pct of DVD sales in towns where the movie isnt even playing.. You earned it. Or are you going to make this a religious war and adamantly oppose any day and date release of movies ?

And lets take a look at kids movies. If you have DVDs sitting behind the counter, staring at the little kids , all with big smiles as they come out of the theater after just having seen Ice Age Benji, Shrek, or any number of kids movies. How many kids are going to let their parents walk out of the theater without pitching a fit if they dont have the DVD of the movie they just saw to watch at home ? And to be nice, you can give them a 5 dollar discount from retail for having seen the movie. Lets see, you made 5 bucks on the popcorn and soda, but you stand to make 15 on the DVD.. Isnt that more than your gross margins on the concessions and box office combined ?

But alas no, Mr Fithian. Rather than recognizing this and using the business opportunity that the studios want to present you as a way to make the pie much bigger, and do a deal to get a piece of that pie that you ahve never gotten in the past, and also use the change as a catalyst to correct some of the movie going experience issues your members face and maybe even extract some guarantees in the process (after all , you are eliminating the DVD spend. They might share that with you up front).... you would rather join Jack Valenti in the "oops, did I say that " Hall of Fame and try to block it all

Thats your call. But the decline in the number of theaters wont come from the collapsing windows, it will come from not recognizing what is happening in the business and missing an opportunity to get paid for the value you create