

Since it makes for an entertaining comparison, I will post the email exchange here for the NY Times email interviews that I do.

This is a previous [interview experience with the Times](#).

This is the column [Randall Stross wrote for this Sunday](#). Proving the editorial standards of the NYTimes havent improved.

This is the email exchange:

> >From: Randy Stross/NYT/New York Times
[mailto:ddomain@nytimes.com]

> >Sent: Wednesday, December 14, 2005 11:44 PM

I am preparing a Digital Domain column for this Sunday's paper that features Mark Cuban and 2929 Entertainment. I am writing to see if Mr.Cuban would be free to chat by phone for twenty minutes tomorrow(Thursday) to permit me to obtain his most recent thoughts on his all-digital strategy. I see the great prospects for HDTV, but only dim ones for the theatrical exhibition business even with 4K digital projection. I did listen to Mr. Cuban's talk at Digimart in September but am open to hearing updates, elaborations, and adjustments.

I'm afraid time is very short: the story will close tomorrow.

Thank you for considering the request.

Cheers,

Randy Stross,Digital Domain columnist,New York Times
[SundayBusiness](#)

At 06:04 AM 12/15/2005, you wrote:

Randy

Im happy to answer any questions by email.. im in meetings this am and then on a plane, so cheating you some answers during my meeting may be the best option

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The following is my responses following his questions. There was no further correspondence beyond a thank you after this

>

> 1. I would think that running an art-house chain is not unlike running an opinion magazine like The Atlantic or The New Republic: it's less a conventional business than a good cause. Can you say: is the Landmark Theaters unit profitable?

we dont disclose financials, but we are pleased with our operations.

If so, was this the case before you purchased Landmark and if profitability has only been attained recently, what measures account for this feat? If the unit is not profitable, how will digital projection help? I understand that theoretically many more programs can be offered in a given week, but variety also means higher marketing costs. Do you have data that shows a dramatic increase in attendance when multiple programs are packed into a schedule? Are there other economic arguments to be made in favor of the transition?

Its a very simple equation. People come to see good movies. There arent any magic formulas. Digital creates some new opportunities to increase customer satisfaction. The quality of a digital print never declines. If a movie is popular, we dont have to wait to create another print. We can spend money on content or marketing rather than making and distributing prints. But none matter if our audience doesnt care about the film

2. Has Sony worked out the kinks on its 4K projectors to your satisfaction? Do you still plan to go with 4K exclusively, or will you try out 2Ks, too?

Sony has been very responsive and we like what we see so far. There is more to 4k projection than just the projectors. The servers, the codecs, and other issues. There havent been any showstoppers so far.

We are going to move forward in a way that we think serves our customer base the best.

-What's the current timetable for conversion? What will the costs runper theater?

We are in progress, and we dont disclose numbers

3. This holiday season, the sales of HDTV sets are likely to be incredible, and HDNet and HDNet Movies should do very well. But the better they do, I expect the harder it will be to get your happy subscribers to leave the comfort of home and head to a Landmarkespecially with day-and-date universal release. Do you have any additional thoughts about offers or promotions targeted at theater patrons beyond those you discussed at Digitmart in September?

HDTVs havent cured cabin fever, the desire to get away from the kids, or the desire of kids to go on dates without their parents. Just because you better the home aspect of the entertainment experience doesnt mean you detract from the value of another.

the only missing link right now is the theater business, landmark included, extolling the virtues of enjoying a movie in a theater with fellow movie fans.

4. A blast from the past: In 2000, you said that you planned to have high-speed Internet jacks installed in every seat in the Mavericks' arena. Did that come to pass? If not, what happened, and are there plans to add this in the near future?

we have wireless installed at the arena. What changed is that i learned that the fans create a communal experience when they come to a game. We want people screaming and yelling, not staring at a PDA or laptop. So we havent turned it on for fans.

Thanks very much.

Randy Stross

So there you have the email exchange. **And just for the fun of it, sinceRandy was so worried about Landmarks business, I thought I would include an email from inside of Landmark Theaters this past Friday.**

From XXX

To :All@LM

BrokebackMountain

is opening this week in 16 more Landmark markets after the hugely successful and much publicized opening at the Embarcadero in San Francisco. (140,000 box office**44 consecutive sell outs**). In the 16 new markets we haveXX prints on the screen. This print count is unprecedented in LT history. I am ecstatically reporting the following opening numbers so far today. Thank you for all the hard work it will take this weekend to seat and satisfy our theatre guests.

Check

these numbers out, all pre 5pm (**Note, I have removed the theater names- m)

16,700 @ 4:00

16,300 @ 5:00

13,800 @ 3:00

15,200 @ 5:00

14,000 @ 5:00

12,739 @ 3:00

12,511 @ 3:00

12,283 @ 4:00

10,743 @ 5:00

7161 @ 5:00

6800 @ 5:00

5582 @ 5:00

7587 @ 5:00

4000 @ 3:00

3200 @ 3:00

3105 @ 3:00

5132 @3:00

2052 @ 3:00

Lets just say , that for matinees, those are damn good numbers. The 44 consecutive sellouts is not too shabby. Congrats to the producers of Brokeback Mountain and to Landmark employees.

And all of this is on the heels of Good Night and Good Luck. A movie that not only did Landmark have great success with, but that 2929 executive produced as well. And there have been other indie and art films that have done very, very well this year. Just look at the award nominees and discussions taking place. Plus, it looks like 2006 could be very strong as well !

But then again, we have great partners and great employees at Landmark that make things happen and keep our customers happy. We aren't perfect, but we have people in every theater who bust their asses trying to make sure every Landmark customer has a good or great experience.

And as far as the value of digital projection, I gave him some simple starting points. He didn't want to delve any further. He used that old NY Times standard... find a quote(s) that supports my conclusion and go with it. The value of digital projection in a vertical company such as ours is wide reaching. Producing [a film in High Definition](#) and never having to take it to film, not only saves us time and money that can be plowed into the product or marketing, but it also creates a unique visual look that we think filmgoers will appreciate, enjoy and find reason to go to a theater for.

It also allows us to create new programs for film makers like [Trulyindie.com](#) . But he obviously was in a hurry and not interested in finding out more information.

And on the topic of HDTV in the home relative to digital projection in theaters:

. I obviously think High Definition is going to change the way we view and experience TV at home. [HDNet and HDNet Movies are](#) built on that premise. I expect a [coming golden age of TV](#) as viewers expect high definition quality from programmers and only HD channels, not the internet will be able to deliver in the manner consumers will want to experience it.

That said, I have also spoken and written about the importance of picture quality to HDTV consumers. The thing about HDNet and viewers of any High Def content, they want the best picture quality possible. The more they watch HDTV, the more demanding they are of quality. The greater the investment in a home theater system, the more demanding they are of better picture quality. The picture quality capabilities of new HDTVs will continue to improve as prices go down, UNFORTUNATELY, the picture quality of content delivered to those TV sets will probably never match the capabilities of those HDTV sets.

Put aside that new sets are being sold that are capable of displaying 1080p. Put aside that the cameras that will enable the capture of HD content in 1080p are a ways off. The reality of today, and for the foreseeable future, is that there is a HUGE disparity of picture quality between what will be delivered to all those HDTV sets from cable, satellite , DVD, HD DVD or Blu Ray and what those sets are capable of. (Sony, Panny, where are our HDCam and D5 lossless codecs ???)

What does this have to do with digital cinema ? HDTV content delivered to an HDTV set via your local cable or satellite provider, IF it's compressed and there is a very good chance that it is or will be, will be of an equal or lower picture quality than what will be delivered via coming optical media options.

The picture quality of content delivered on optical media, which for the next 18 to 24 months at least, will be limited to the 50 to 100gb range in capacity. This will allow for picture quality, that while better than cable or satellite, won't be able to hold a candle to the picture quality of what can be shown via a digital projector in a theater..

That means that picture or sound quality in the home, will pale in comparison to the picture quality in a theater for a long, long, long time..

The opportunity to deliver a movie shot on film and converted at full resolution to digital cinema quality, or like any of our movies at HDNet Films, starting with Bubble this coming January, to be displayed in the exact format it was captured, without compression, will create a unique visual experience for the film goer. (Just ask anyone who was at the Venice Film Festival and saw Bubble digitally projected.)

In english, that means that picture quality of a movie, shot in full resolution digital, shown in full resolution, on a digital projector will look fucking amazing. It will look as amazing 10 years from now as the first time it was shown.

Of course if its a lousy film, it wont matter. Of course there are people who will say they are happy with good old tv as is. That they are happy with DVDs as are. Just as has been said about every current to previous technology comparison ever made. Of course you can and are making do with what you are currently doing. Technology will still march on and impact business.

The fact that the sound and picture quality in a digital theater will far exceed anything you can experience in your home wont be the deciding factor for many film goers. But there will be cinephiles who do want to experience "Full Resolution Cinema". Maybe it wont matter for American Pie 7 or Cheaper by the Dozen 6, or The Family Stone or any movie shown in the 16 screen multiplex. But thats not Landmark Theater's audience.

Landmark Theater patrons want to see what a brilliant director like Steven Soderbergh can do with a High Definition palette and what it looks like from a digital projector. They wouldnt care if it was for Oceans 16. They care if its [Bubble](#).

Landmark Theater patrons will appreciate the fact that the resolution and sound are far superior to anything they could experience on their brand new HDTV and home theater system.

Landmark Theater patrons want to know that just because they are seeing a movie in its 3rd week, they arent going to be subject to dirt, wear and tear and pops in the film they are watching. We cant prevent that today. We will be able to with digital.

Landmark Theater patrons will love the fact that we can digitally feature new and exciting film makers knowing that their budgets went to the movie, rather than converting to film and striking prints, as will independent filmmakers.

Maybe digital wont matter for some of the big theater chains. It will matter for Landmark Theaters.

You would think that in the business section of the NY Times, a columnist would recognize the difference in the Landmark customer and those of large theater chains and in the goals of the associations that represent them vs those of Landmark.

You would think that he would take more time than an admittedly rushed email exchange before he would write the article that he did.

Personally, I would have thought the NY Times Publisher and Editors would have demanded more before they would print the article. Its not likely not accessible, and its not like they havent screwed up before.