

Senator Chris Dodd
CinemaCon
April 16, 2013
Remarks As Prepared for Delivery

Good morning. And thank you, Amy, for that kind introduction.

This is my third year at CinemaCon. When I came here the first time, I had been on the job for a total of nine days. I will never forget how warmly NATO welcomed me, and I thank you for that.

Back then, like millions of others, I knew I loved the movies, but not much else. But I did not fully appreciate the tremendous effort that goes into making movies, distributing them and showing them in your theaters. Nor did I appreciate how important movies are to the U.S. and global economy.

Today I do, but regrettably not enough people appreciate the enormous significance of the film industry.

My respect and admiration for this industry — and the people in this room—has deepened every day over these past 24 months.

So in addition to Amy, I salute all of you, especially my good friend John Fithian. John has been a great teacher, a great partner and ally, a great leader of NATO, and a truly great friend – to me personally, to the film industry and to the Motion Picture Association of America in particular.

Just a few weeks ago, John and I announced that the total global box office receipts for 2012 had climbed to \$34.7 billion — a 6 percent increase over 2011. In North America, combined U.S. and Canada box office in 2012 was \$10.8 billion — about one-third of the global pie.

And these numbers did not just happen because of a rise in ticket prices. Ticket prices, as you know, have been pretty stable for a number of years. These box office receipt numbers grew because admissions jumped by 6%.

Yes, 2012 was a truly great year at the movies! And I believe the summer blockbusters being previewed this week will contribute to a highly successful 2013.

I am especially excited about some very special family movies like Monsters University, Despicable Me 2, Turbo, The Smurfs 2, and Epic, which was made by Blue Sky Studios, located in my home state of Connecticut.

For decades, our studios have been committed to giving the public the broadest possible variety of content. And the MPAA – through the rating system -- has been equally dedicated to helping parents make informed decisions about the content their children should see. And, as you will see in the program later today, we are also deeply committed toward improving the ways we get this information to parents.

As head of the MPAA, my primary job is to advocate on behalf of the six studios I represent. But I understand that my advocacy also means speaking up on behalf of the whole industry and for the people that work in this business. Today, I'd like to focus on two critical areas for the MPAA – technological innovation and jobs.

The MPAA and the creative community are determined to create the easiest, fastest, safest, highest quality product and viewing experience possible. Now more than ever, the film industry wants to be—and is demonstrating that it is—a vital part of the innovative process.

In fact, Hollywood, Silicon Valley and the technology industry, have a lot more in common than most people realize. Not only do we work closely with tech companies to create and promote our films; we *are* ourselves tech companies. We celebrate innovation through the world's most cutting-edge content, and we embrace technology as critical to the success of the creators in our community.

On the production side, a century's worth of advances in sound recording, digital technology, and 3D have made jaw-dropping special effects more available, affordable and believable to consumers all around the world.

And on the exhibition side, you in this room have embraced technology to enhance the in-theater experience for your audiences like never before, you are using social media to drive traffic and pre-sell movie tickets online, and you are using big data to target specific movies to specific guests.

Of course, technology can be abused—especially by cybercriminals. Stopping content theft must be a top priority to all of us. Especially when you consider that in some instances blockbuster films have been downloaded illegally hundreds of thousands of times, harming not only the producers, but you, the exhibitors as well.

The good news is that we are making progress, building inroads with tech companies, and working closely with ISPs, ad bureaus, payment processors and Internet hosting providers. And thanks to NATO and your vigilance, the incidence of illegal camcording in theaters is down 50% since 2007.

But you and I understand that more work is needed.

Too many people still coat the pill of content theft in chocolate. Free speech, they say, gives them the right to consume and enjoy our content for free, that creative artists and ordinary working people spent years developing, producing and exhibiting.

This fallacy must be aggressively challenged and countered by everyone in our industry.

If we allow for two centuries of copyright law and respect for intellectual property to be undermined and unenforced, the consequences on innovation in this country—not just for Hollywood, film makers, studios and cinemas, but for our entire economy, will be devastating.

We, and you, must underscore the message that business, government, and ordinary citizens must work together to ensure that the Internet works for everyone, and that intellectual property is respected and protected.

As all of you in this room understand, the motion picture industry matters greatly to the economy. We stimulate economic impact in every community around the world where movies are filmed and exhibited.

Here in the U.S., the film and TV industry supports 2.1 million jobs—and nearly 125,000 of those jobs are in your movie theaters. As you know, there are almost 43,000 cinema screens in North America alone, creating jobs for managers, ticket-collectors, custodians, concessionaires, and for nearby local retail businesses of all kinds.

Yes, actors, directors, writers and musicians are often the face of the film industry. But as you are all aware, they comprise only 1% of our industry employees. The other 99% of the movie industry work force are hundreds of thousands of people working behind the cameras helping create an exhibit the magical experience of a movie.

There are amazing stories to be told in movie theaters, and we are working diligently to make sure those stories are seen and heard.

Stories like music supervisor Randall Poster's. He is the man behind the music in every Wes Andersen film and the much anticipated Hangover part three.

Or the story of casting director Pat Moran, the extraordinary woman behind the casting of HBO's Game Change, VEEP, and The Wire.

And these incredible stories are not exclusive to the production side of the fence. Meet Amy Hunter, the General Manager of AMC Lincoln Square 13, whose passion

for movies has translated into a multi-million dollar business in the heart of New York City. A short taped interview with Amy – who is terrific – will be shown during tomorrow’s Director’s Lunch.

I believe it is important to spread the word about these remarkable individuals, which is why this past September, the MPAA launched TheCredits.org.

The Credits is an online content site created to honor and celebrate not only the 1%, but also the 99% who work behind the scenes.

And that work does not just happen in Hollywood or New York, but in all 50 states—because film and TV has a presence—and makes an economic impact—in every single state of our country.

This week The Credits is on location here at CinemaCon, where our bloggers are posting stories on conference panels and presentations, profiling theater chains, and interviewing theater managers and employees.

I want the world to know about the great work this industry does. And I am here today to ask you to do the same. I believe it is crucial that all of us tell the story of our industry’s economic impact, including the communities where you operate your theaters.

As theater owners and operators, you have a presence in almost every sizable community in North America. Just as our international visitors have a presence in theirs—exhibiting movies on more than 150,000 screens worldwide. Your local cinemas are powerful engines of local economic growth and stability.

I am not asking you to become lobbyists, or policy experts. I am simply asking you to tell our industry’s economic impact story at your local Chambers of Commerce, at Rotary events, to local newspapers, TV, and radio stations.

No one can make a better case in your communities for the value of the film industry than you can. You know your communities, and just as importantly, they know you. At the local level, no one can bring more credibility to these issues and debates, than you do.

Invite local opinion leaders and political leaders to your theaters and tell them our story— tell them your story.

Remind them how important your theaters are to local retailers—creating an economic ripple effect across the community.

Tell them about the progress and advances technological innovation has brought to our industry and your theaters. Delighting customers while at the same time offering what is arguably the best entertainment value for the dollar anywhere in the world. Tell them about the consequences of stealing our films. And why we want and need them to help us create an Internet that works for everyone, including the film industry.

This should be easy for us. After all, we are all in the storytelling business.

So today, I urge you to get involved. Speak up. Increase our industry's voice on the issues that impact our ability to continue delivering cultural and economic value to your audiences and our customers.

For over one-hundred years, the combination of our movies and your cinemas has been a recipe for great entertainment and economic growth.

Together, we have built tremendous support with the public because *nothing* rivals the movie theater experience. I am determined to do all I can to see that momentum continue, and I know you are as well.

So thank you for the invitation to join you again today. And thank you for making the movie-watching experience such a thrilling one for audiences everywhere.

(Transition --- Joint Appearance with John Fithian)

Thank you.... I'm not quite done. Don't worry – I am not going to filibuster. But before concluding, I'd like John to join me for a special presentation of our new and exciting public education campaign about the Rating System.

For over four decades, the Rating System has represented an important partnership between MPAA and NATO. We have committed ourselves to better educating America's parents so they can make the best choice about what movies are right for their children to watch. As Chairman, this is a responsibility I take very seriously. But those familiar letters have no strength without our joint commitment to enforce the system.

Fithian: A few weeks ago, the FTC released a report on its most recent undercover shopper survey with movie theaters scoring their highest since these surveys began over a decade ago. More than 3 in 4 underage teens were denied access to R-rated movies by ticket-sellers and ushers. This is a marked improvement in enforcement and a sign of the movie theater industry's ongoing commitment to America's parents.

Dodd: I want to thank NATO and its members for the work you are doing and this incredible accomplishment.

Throughout its existence, the goal of the Rating System has never changed: to inform parents and allow them to make their own decisions, considering their children's sensibilities and unique sensitivities.

In 1990, we took a big step to advance that goal, introducing rating descriptors for every film that is rated PG or higher, giving parents a snapshot of the content in each movie that leads to its rating.

The Check the Box campaign we are announcing today focuses on these descriptors, giving parents the information they need to navigate the Rating System and movies coming to their theaters. We've produced something we believe you will be proud to showcase at your theaters.

We also updated some of our most famous marks – our rating block and the trailer tag to further our education purpose. The rating block has a new look and makes the descriptor box more prominent. The trailer tag gets to the point and tells audiences that the trailer they are watching is approved to play with the feature they came to see.

Fithian: NATO appreciates everything the MPAA, Senator Dodd and the Rating System is doing. It's a great partnership. These changes make the rating and advertising process more transparent and user-friendly for parents and we are happy to support that endeavor.

Dodd: And I would like to give special thanks to Joan Graves for her leadership and guidance at the Rating System, and once again to John and the members of the National Association of Theatre Owners.

Just remember "CHECK THE BOX"