

The Concession
& Hospitality Expo

July 15-18
2014

Denver Marriott City Center
Denver, CO

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NATIONAL AMUSEMENTS THEATRES





About National Amusements Theatres

Operators of 80 Locations Worldwide / Nearly 1000 Screens in the U.S., U.K. and Latin America

- U.S. – 32 Locations with 424 Screens
- U.K. – 20 Locations with 264 Screens
- Argentina – 7 Locations with 75 Screens
- UCI Cinemas Brazil – 21 Locations with 182 Screens





Our Brands in the U.S.

SHOWCASE

SHOWCASE
□ SUPERLUX □

SHOWCASE
CINEMA DE LUX

CHATTERS
BAR AND GRILL



Studio 3
restaurant & bar

Lux
LEVEL

NATIONAL ASSOCIATION OF
NAC
CONCESSIONAIRES

Watching The Concession / Snack Bar Evolve into a Food & Beverage Operation

It wasn't so long ago.....

Early 90's – Popcorn, Soft Drinks and Packaged Candies and the occasional hot dog



Remember when bottled water and nachos were “revolutionary?”

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Watching The Concession / “Snack Bar” Evolve into a Food & Beverage Operation



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Watching The Concession / Snack Bar Evolve into a Food & Beverage Operation

The Food Court concept:



Watching The Concession / Snack Bar Evolve into a Food & Beverage Operation

Enclosed Lobby Bar:



Enclosed Lobby Bars – Innovative yet limited in potential

- Requires commitment from guest to arrive early / stay after feature ends
- Time constraints – can you get them into their movie in time?
- Can't take the booze with you in many cases
- Secluded – Guests can't always see the action / sometimes tucked away into an available "corner" of the lobby
- In some cases, an afterthought. Added to existing cinema in available space
- Seating may not be adequate to handle pre-show crowds
- Some require / have separate kitchen and require dedicated staff that is not easily shared with concessions
- Not much action during the day / weekdays

Lux Level – The Start of something BIG!



Our Biggest Competition

Guest's Living Rooms, Comfy Chairs and Home Theatres

What CAN'T they get at home?

- Waiter / Waitress
- Call Button Service
- Premium Cocktails at the push of a button
- No kitchen to clean up at the end
- All under one roof, park once, eat before during or after the movie....

Hearing the Guest / Changing Expectations

What the guest has demanded:

- Demand for foods that are “fresher” / perceived healthier / actually healthier
- When we first started Lux Level – WE decided that finger foods were the limit to guest’s ability to “dine in the dark”
- Almost immediately – feedback – where are my salads, full size burgers? Give me a steak!
- Keep in mind when building out kitchen that guests may demand something that you have not planned for. A lot easier to build it to potential than try to retrofit and cram in a cook line when you were CERTAIN that they would never want anything more than popcorn shrimp
- Be ready to adapt. Taking 6 months to react can cost you a guest

Enhancing The Experience through F & B

- We can't always guarantee the quality of what is on the screen
- We can delivery **EVERYTHING** that a restaurant can – but we can do it with **ONE** reservation, **ONE** time to park the car, at a time that is convenient for the guest – timing a movie and a restaurant can be tricky and stressful. Babysitters, etc...
- Make it easy for the guest. They should not have to jump through hoops
- What the guest has demanded from us so far...
 - Delivering quality food, consistently. They are counting on us. The pressure is on! This is their night out. We can't blow it!
 - Quality meals at a reasonable price - can't price steak at same markup as popcorn
 - Quick service – at least for drinks and apps. Get to the guests within 3 minutes of being seated
 - Lighted guest check presenters so they can view checks with ease

Showcase Super Lux Chestnut Hill (Boston Suburbs)



Showcase Super Lux Chestnut Hill Lobby Lounge



Featured on PHANTOM GOURMET



PHANTOM GOURMET





Challenges

- **Keeping menu fresh and trendy – Can't change it every 2 – 3 months like a restaurant**
- **Regulations – Keeping up with the rules and knowing what's coming next**
- **Calorie posting, etc...**
- **More of a focus on organic, GMO free, locally grown**
- **Keeping good inventory control / having a robust reporting system**
- **Staffing and Training – Retaining help during non-peak seasons**
- **Staff working slower matinees / less tip potential (we balance the shifts when possible to give everyone a weekend night and a matinee shift when possible)**

Execution is critical!

Protecting the environment / Auditorium Decorum

- Finding the best way to approach seats and communicate
- What can be consumed in seat vs. what is not practical – soup, pastas, etc. are difficult to handle
- Key Learnings – silverware is okay! Stemless glassware helps with tipping / breakage
- Higher light levels – so they can see their menu and their meal
- “HOLD” functionality on POS to get guests “another round” with limited interaction at the seat
- We have learned to Keep it simple. Don’t let the menu get away on you. Sometimes less is more
- The benefit of a 2-hour movie makes the wait a little less painful when the kitchen is slammed

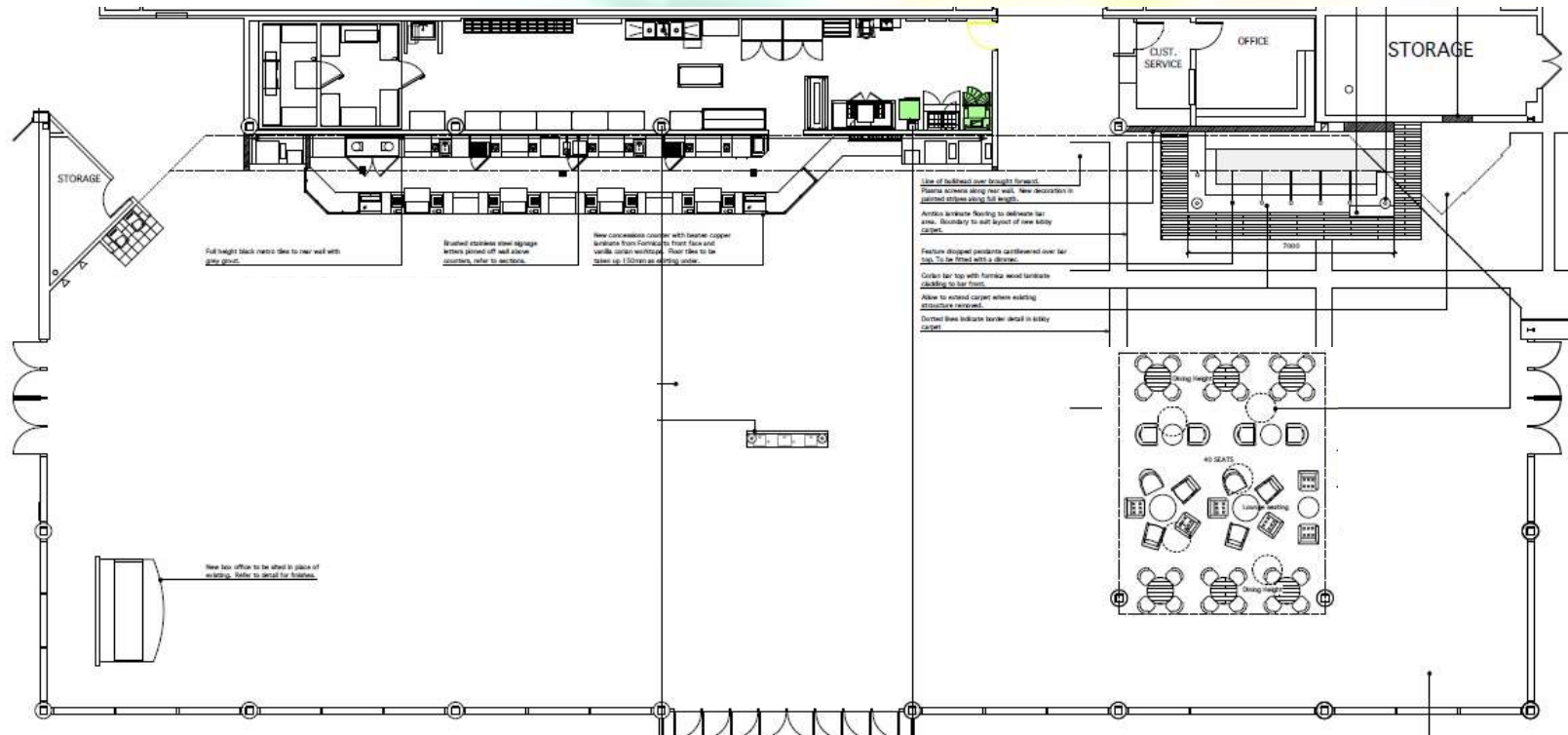
Not every location can be a Super Lux

Guests vary, competition varies and the business model varies. Not everything needs a large kitchen and a wait staff!

Our latest project: (Woburn, MA)

- Get the benefit of Beer, Wine and Liquor Experience without the added labor and costs
- Meeting the guest's expectations without breaking the bank. Capital investment and overhead is lessened
- Cocktails become part of the “concession” experience

Lobby Bar Less The Limitations



Lobby Bar Less The Limitations



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Lobby Bar Less The Limitations



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Lobby Bar Less The Limitations



Liquor Licenses / Safe Service

Currently have 16 liquor licenses in the U.S. including Showcase LIVE venue at Gillette Stadium

- Vary between full box, isolated wet zones and in-theatre service
- NYS, while close to amending laws, is still a challenge with alcohol service with the auditoriums

UK has 13 locations that serve alcohol

Local jurisdictions may have concerns / require additional measures for safe service of alcohol – especially in low light auditoriums. Biggest questions is how we will patrol and control passing of drinks

- TiPS Certification for all managers, bartenders, servers and runner of alcohol
- Must be certified before their first shift alone (without a trainer in tandem)
- UV Pen lights and License scanners to check validity of document
- “Night Vision” technology being tested for observing auditorium activity in low light situations
- Distinct glassware to identify alcohol beverages vs. non-alcohol



Mixing It Up....

We recognize the importance of alcohol as part of the experience

- Training is key!
- **Mixology** – work with a professional. It is worth the investment!
- Fresh products, simple and tasteful cocktails, fun garnishes.... Find the balance
- When is it overkill / when is it too basic?
- Leverage liquor / mixer partners for funding for menu printing and technology investments

Mixing It Up.....

Detailed Recipes with CLEAR specifications

- *Specify type of liquor*
- *Pour ratio*
- *Glass type and size*
- *How to assemble?*
- *USE PICTURES!!!!*
- *Leave nothing to guessing*

Long Islander – Sangria

Makes 1 cocktail

2 oz Long Island Liquor Mix (see recipe)
1/2 oz Monin Blackberry Sangria syrup
2 oz Fresh Lemon Sour (see recipe)

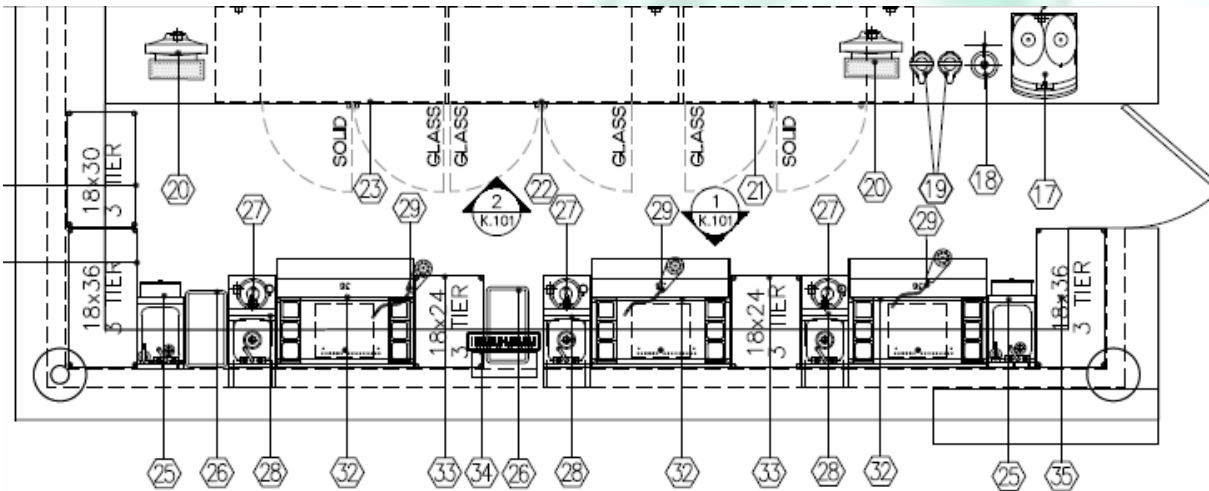
1 1/2 – 2 oz Hey Mambo Sultry Red wine
Garnish: lemon wedge on a bamboo pick

- Measure the liquor mix, syrup and lemon sour into a pint mixing glass.
- Fill to the top with ice.
- Cap and shake.
- Pour into serving glass.
- Top with red wine.
- Garnish.

Service: 14 oz LK Retro Red Speckled Glass



Kitchen and Bar Design



Built for speed!

- Repeat stations for multiple bartenders
- Limits crossovers
- Everything within reach
- Storage / Glassware space is critical

SmartBarUSA / Smartender™

2 units in test – Massachusetts and Ohio

Benefits:

- Allows for “on the move” service in lobby or theatres where permissible by law / license restrictions
- \$20k investment with good return
- Portion control / perfect recipes / little training

Challenges:

- Mobility in ramped theatre aisles
- Required 1 gal BIBS which are not always readily available from Pepsi & Coke



Technology



iPad Menu Browsing

- Rule for static menus:
Everything with a picture
is a top seller
- In this case, everything
has a photo

Technology



Orderman Handheld Ordering

- Aloha product
- Can do almost EVERYTHING a fixed POS can do including taking credit card payment and printing receipts seat-side

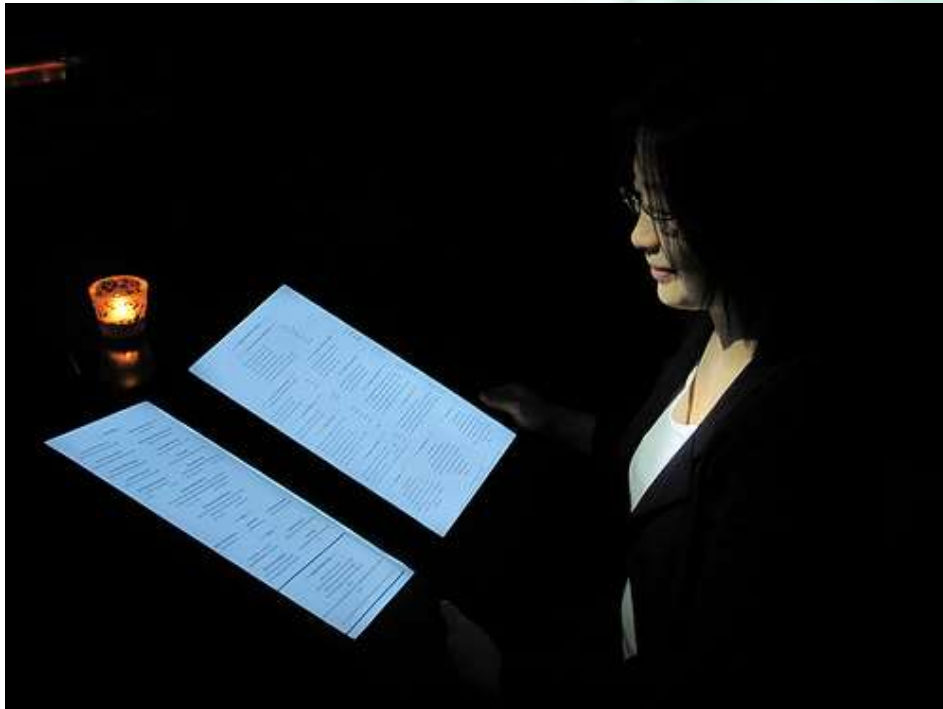
Technology



Kitchen Display

- Aloha product
- Get orders into kitchen without having to leave the auditorium or table

Technology



L.E.D. Menu Jackets

- Easy to read in low light environments
- Diffused to tone down light level

Sales Mix and Fun Facts

- In-Seat guest spend is about **5x** a typical concession spend
- Stability in the number. Meals not necessarily affected by film genre, guest
- Popcorn is still the #1 item in-seat
- Appetizers are #1 category in the auditorium
- On average 50/50 mix of food to liquor
- Alcohol light during matinee, food lighter for late shows
- 1st evening show (dinner rush) is about 60%-65% food
- Appetizer sampler most popular item between restaurants and in-seat
- Increased frequency of visits for premium experience guests vs. traditional
- Getting that extra round of drinks and core concession “add-ons” help bring margins closer to norm

Its Not Always About The Movies

- Davio's Cucina at Chestnut Hill (owned and operated by us)
- 242 seat standalone fine-dine restaurant in shared tenant space with cinema
- No movie ticket purchase
- Not at all part of the cinema food service ops
- Standalone operation. Very seldom sharing guests with cinema in the same evening

Davio's Cucina





Call or email anytime!

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