

NATO of Illinois Annual Meeting Minutes
Downers Grove, Illinois
June 30, 2011

DRAFT

Willis Johnson called the meeting to order at 9:35a.m.

ROLL CALL

Members Present:

Willis Johnson, Classic Cinemas
Chris Johnson, Classic Cinemas
Mary Ann Frank, NATO of Illinois
Dino Vlahakis, Pickwick Theatre
Mark Gramz, Marcus Theatres
Noel MacDonald, AMC
Brandon Sartor, Regal Cinemas
Paul Warren, Goodrich Quality Theaters
Melissa Recar, Goodrich Quality Theaters
Vern Reynolds, Reynolds Theatres
John Scaletta, F & F Mgmt.
David Rizner, LaGrange Theatre
Sanford Hess, Art Theatre
Venisha Johnson, ICE

Absent:

Kerasotes Theatres
Hollywood Blvd.
Cinemark
Times Theater
Glen Theater

Guests:

Jeff Glass - Capitol Consulting (CCG)
Rich Guidice – CCG

Legislative Session Review

Sales/Income taxes – Trans fats - Menu labeling – Amusement taxes – Workers Comp

Jeff Glass, and Rich Guidice of Capitol Consulting Group, commented on the current status of several issues being discussed by the Illinois Legislature.

Workers Comp: Jeff reviewed the recently passed legislation. Employers can expect an 8-12% decrease in premiums as a result of the new legislation

Trans Fat / Energy Drinks / Soda Tax: Rep Ford and Sen Trotter were proponents of the trans fat bill, and Rep Arroyo pushed energy drink legislation. CCG worked against these initiatives from February through May in order to ensure that any legislation had no detrimental affects on the theatre industry. All three initiatives either failed to pass, or never successfully realized enough support for a vote.

Menu Labeling: Deborah Mell has been pushing this issue, although some issues are addressed in the health care bill.

Amusement Taxes: Proposed legislation was quickly defeated, but CCG will continue to monitor Chicago for amusement and/or food and beverage taxes. The Cubs organization is working with Chicago to generate redevelopment funds, with an expansion of amusement taxes on the table as one of several options.

Minimum Wage: Deb Lightford, the main sponsor of MW bills, is not focused on the issue at the moment, but will continue to be big proponent if the issue becomes popular. Keeping the teen/training wage will be an additional battle.

Redistricting: Current proposals will significantly change legislators from current districts. Mary Ann was asked to provide a list of legislators and the current theatres in their districts for CCG. It was also noted that city ward boundaries are also set to change.

Legislative Issues

Captioning - Credit card reform

Captioning: Willis noted that captioning continues to be an issue, but is becoming less expensive as films move to a digital format, with theatres being given additional time to integrate with digital film instead of installing expensive equipment that will quickly become obsolete.

Credit Card reform: Legislation passed which included interchange fee reductions for merchants.

Approval of August 12, 2010 Minutes

No corrections or changes. *Motion by Sanford, second by John. All in favor.*

Membership Development

Willis reviewed the agreement with AMC, and noted that it might be prudent for NATO of IL to offer the same \$1 dues incentive to Carmike for 2012. He noted that AMC controls about 1/3 of the screens statewide, so remains integral to effective representation with our legislators. Additionally, most other member screens are concentrated in the Chicago area. A NATO Task Force is currently addressing the problem of the lack of regional unit representation by the major circuits, although Mark Gramz noted that none of the large circuits not currently supporting regionals are on that task force.

Members expressed their views that Carmike is unlikely to support any collaboration with NATO of IL, but all members were in favor of extending a membership offer to Carmike, assuming that any dues adjustments did not add additional expense to the rest of the membership.

Noel MacDonald noted that AMC would continue to support NATO of IL with financial resources as needed to combat specific legislative issues, but was doubtful that they would support membership in 2012.

Mark Gramz noted that it was important for NATO of IL to continue to monitor the state legislature, so that we could remain pro-active in combating destructive legislation, as many details have frequently already been decided before issues become public knowledge.

Appointments to Board of Directors

Term renewals (2011-2013): Willis Johnson – Dean Kerasotes – Robert Fink - Sanford Hess

Motion by John, second by Mark, to approve the term renewals. All in favor.

Election of Officers, effective July 2011

Nominations for all Officer positions were opened for all members to consider. Willis noted that Willis, Tony, Bob and Mark were all willing to continue, in the absence of any other interested members. Officers were elected as follows: Willis Johnson, President; Tony Kerasotes, V.P.; Bob Goodrich, Secretary; Mark Gramz, Treasurer.

Motion by John, second by Dino, to approve the slate of officers. All in favor.

Program Review / Update

Mary Ann reviewed the current Scholarship Program and 2011 results, with winners representing Classic Cinemas, Marcus and Cinemark. Members supported the continued digital distribution of applications and supported the continuation of the program, assuming funds were available based on 2012 membership renewals.

Members were also thanked for supporting the Organ Donor Trailer program. 12 circuits with 459 screens participated in 2011, mostly on digital screens.

Motion by Sanford, second by John, to continue the Scholarship Program and continue to support the Organ Donor program. All in favor.

New Business

Willis noted that the Annual Budget and expense reports were included in Agenda packets.

John Scaletta gave an overview of the Geneva Convention September 28-30 as a great venue for managers with seminars, screenings and the trade show. He noted that convention funds go mostly to charity (Will Rogers Pioneer Fund and Variety Club). The Variety Club golf outing will also be held on August 10.

Willis also mentioned that NATO of IL was nominating film buyer Aaron Schlessman for the Midwest Hall of Fame.

Vern Reynolds advised members that some theatre websites connected to West World Media have been sold to Yahoo or Google and free listings of showtimes may be pulled from the internet if subscriptions are not purchased.

Old Business

None.

Announcements

Geneva Convention 2011: Sept 20-22, 2011 - Lake Geneva, WI

NATO General Meeting: October 5-6, 2011 – Washington, D.C.

ShowEast: October 24-27, 2011 – NEW: Westin Diplomat Resort in Miami/Hollywood, Florida

Regional Association Summit: January 25-26, 2012 ~ Los Angeles, CA

84th Academy Awards: February 26, 2012

CinemaCon 2012: April 23-26, 2012 – Caesar's Palace, Las Vegas, NV

Meeting adjourned at 11:30 am.

Respectfully submitted by Mary Ann Frank