

Published December 7th, 2011

## Independent Local Movie Theaters Struggle to Enter the Digital Age

By Sophie Braccini



The Lamorinda Theatres Foundation fundraising committee members at work: (From left) Ann O'Connell-Nye, Edy Schwartz, Shari Simon, Judi Kanter, Charlotte Holden Photo Sophie Braccini

The New Rheem and Orinda Theatres must go digital. It is not a question of 'if' or 'when' - the big movie studios have already made that decision for them. The question is, can they afford the cost?

Going digital means an end to 35-millimeter film, which will result in big savings for the studios. Distributing a movie the old-fashioned way means the master print costs \$30,000 and the copies sent to movie theaters cost an additional \$3,000 each. When a big release is 5000 copies, going digital and sending movies to theaters virtually instead of on film engenders savings in the millions of dollars a year.

So, digital is the way of the future - the very near future, since major studios such as Disney and Fox have set an April, 2012 deadline for theaters to convert to digital. The cost of the new equipment? \$80,000 per screening room. For the California Independent Film Festival Association (CAIFFA), which operates the Orinda and New Rheem Theatres with a combined total of seven screens, that's a \$560,000 investment.

"The movie industry is undergoing a transformative revolution," says CAIFFA President Derek Zemrak, "the relatively simple, 120-year old technology that used perforations is giving way to binary digits."

Many independent movie theaters may become collateral damage of the conversion. "Independent movie theaters such as ourselves represent 20 percent of the film distribution venues, the rest being large exhibition networks (such as Cinemark with 448 theaters, including Century 14 in Walnut Creek)" adds Zemrak, "the studios have figured out that about half of that 20 percent will convert to digital; losing the other 10 percent may not be their main concern."

Studios will help those who convert at least half of their screens by April, 2012 by crediting them back some of the money they receive for the films (studios get an average of 50 percent of the ticket sales for each movie they send to theaters). "The plan is to convert two screens in Moraga and two in Orinda in 2012," says Zemrak, "that's a \$280,000 investment. We hope to raise half of it, and finance the rest with the studios' back-credit."

If the theaters cannot convert, they will not be able to present the new releases that attract a large percentage of customers to the movies. "We would still be able to show classic movies, independent releases and foreign films," says Zemrak, "but it is unlikely that it would be enough to fill the seven rooms we have and generate enough revenue to keep the theaters alive."

So if the Lamorinda community wants to keep its theaters, it will have to help.

A fundraising committee has been formed to raise \$140,000 for the new Lamorinda Theatres Foundation, which will own the equipment. Residents of all three communities have joined together in this effort- Orinda's Ann O'Connell-Nye, Moraga residents Shari Simon, Edy Schwartz, Judy Kanter, and Charlotte Holden of Lafayette.

A membership drive is underway; becoming a member will sustain the Association, provide funds for the new equipment, and of course provide benefits to the members. The committee's first task was to beef-up the perks. "We wanted the three levels of membership to bring more advantages," says Schwartz, "all members will continue to go to the movies in the two locations for \$6 anytime, and for the Supporting and Leading members other perks have been added such as free admission to many events, including part of the California Independent Film Festival that's coming up in February."

The group is also seeking large corporate and individual sponsors. Other supporters of the local theaters are doing their part to help. "I would like to believe that if the citizens of Lamorinda simply knew what is happening, they would rally together to save our theatres," says Moraga resident and theater supporter Joan Edelson. Putting her energy where her mouth is, Edelson is seeking out Lamorinda restaurants to organize one or more dinners and donate a percentage of the profits to the theaters.

"We have to be able to show the big, popular movies as they are released," says Zemrak, "The new technology could bring the opportunity for us to show more new movies sooner. Our survival depends on whether or not Lamorinda wants to continue to have great local entertainment that profits the whole community." For more information or to become a member go to [www.CAIFF.org](http://www.CAIFF.org).

Lamorinda Weekly business articles are intended to inform the community about local business activities, not to endorse a particular company, product or service.

Reach the reporter at: [sophie@lamorindaweekly.com](mailto:sophie@lamorindaweekly.com)

[back](#)

Copyright © Lamorinda Weekly, Moraga CA