The Cinema Exhibitors' Association

Annual Report

2012

the cinema exhibitors' association limited

INTRODUCTION

2012 was undoubtedly a challenging year for UK cinema.

A number of high level competing attractions, most notably the London 2012 Olympic and Paralympic Games, led to fewer quality films being released during what would otherwise be the peak Summer months for cinema attendance, and as a result the sector found itself playing 'catch-up' in the second half of the year. However the unprecedented success of *Skyfall* saw annual UK admissions reach 172,498,775, a slight increase on 2011, while box office rose to £1,099,095,773, 5.9 per cent up on the previous year.

Over 2012, digitisation of the sector approached its end-game, with over 3,500 screens, or some 92 per cent of the UK screen base, having been converted to digital technology by the year end, leading most commentators confidently to predict the disappearance of 35mm in the UK by mid-2013.

Underlying this progress was the continued work of the Digital Funding Partnership – established by the CEA to enable a broad range of smaller independent operators to digitise – which was approaching the end of its own roll-out across almost 300 screens as 2012 drew to a close.

The year also saw unprecedented success in the sector's efforts to tackle film theft, with not a single recording of a film, whether online or in hard copy, being traced back to a UK cinema. This achievement, unique in the last decade, can be directly attributed to the continued diligence of cinema staff, supported by colleagues at the enforcement agency the Federation Against Copyright Theft.

During the course of the year, the CEA engaged closely with Ministers and officials at the Department for Culture, Media and Sport and also with colleagues at the British Film Institute (BFI), firstly as the results of the Government's Film Policy Review Panel were published, and then as the BFI developed its own plans and policies - including Lottery spending programmes - in response.

Efforts by the CEA to improve understanding of the cultural, social and economic value of the UK cinema sector amongst politicians and opinion-formers continued, with an extensive programme of visits by MPs and other key Parliamentarians to their local cinemas and a number of gatherings organised with journalists and broadcasters in an effort to encourage more informed comment.

2012 also saw the culmination of efforts to modernise UNIC, the European grouping of cinema trade associations and key operators (of which the CEA is a member), with the hugely successful relocation of its annual convention, CineEurope, to Barcelona.

During the course of the year, amongst the varied issues on which the CEA advised members, disability and access were particularly prominent, with the groundbreaking production and distribution of a cross-industry staff training resource being a key element. The Association also had need over 2012 to engage with members on matters including energy efficiency and environmental management, online ticketing, film classification, alcohol and entertainments licensing, sound levels in cinemas and fire safety.

Finally, the year was noteworthy for two further reasons.

2012 saw the CEA celebrate its centenary, marking the occasion with a celebratory lunch in central London in May. The huge support shown for that event only served to underline the extent to which the Association depends on the engagement and input from its wider membership and partners across the industry as it endeavours to help ensure that as many of the public as possible choose to see films in their best possible setting – the cinema theatre.

It was also the year that the CEA said a sad farewell to Barry Jenkins OBE, who stood down after an unprecedented 13 years as Chairman of the Association. Barry has been a huge source of strength to the CEA, and his wisdom will be very much missed.

1. UK CINEMA PERFORMANCE – AN OVERVIEW

1.1 Despite the twin challenges of the continuing economic downturn and a number of competing events during the Summer months, UK cinema admissions continued to perform strongly in 2012, with annual attendance showing a very slight (0.5 per cent) increase on the previous year. Across Europe, as ever, other markets experienced varying fortunes, as shown below.

Country	Cinema admissions 2012 (million)	Cinema admissions 2011 (million)	Change (%)
Austria	16.7	16.8	- 0.3
Denmark	14.2	12.4	+ 14.5
Belgium	21.9	22.8	- 4.2
Finland	9.6	7.2	+ 18.9
France	204.3	217.1	- 5.9
Germany	135.1	129.6	+ 4.2
Ireland	15.3	16.3	- 6.7
Italy	91.3	101.3	- 9.9
Luxembourg	1.3	1.3	- 1.8
Netherlands	30.6	30.5	+ 0.3
Norway	12.1	11.7	+ 4.0
Russia	168.8	162	+ 4.0
Spain	90.9	95.6	- 4.9
Sweden	18.4	16.4	+ 12.2
Switzerland	15.9	15.2	+ 4.5
Turkey	44.3	42.3	+ 4.8
U.K.	**172.5**	**171.6**	**+ 0.5**

Source: UNIC

1.2 While the continuing strength of UK cinema saw it move above France into fourth place in terms of box office, the seemingly unstoppable Chinese cinema market saw income rise by 36 per cent, promoting it to second only to the US, with Japan third and India sixth.

1.3 The monthly figures for UK admissions in 2012, alongside those for 2011, are set out below.

Month	Cinema admissions 2012	Cinema admissions 2011	Change (%)
January	13,554,905	15,214,394	- 10.9
February	15,314,443	17,246,379	- 11.2
March	11,703,294	11,066,447	+ 5.8
April	15,052,518	11,161,036	+ 34.9
May	13,439,811	13,325,458	+ 0.9
June	12,375,092	12,681,567	- 2.4
July	15,515,393	17,813,860	- 12.9
August	17,218,808	21,413,517	- 19.6
September	9,441,232	11,488,853	- 17.8
October	16,834,615	13,580,914	+ 24.0
November	17,644,644	12,937,726	+ 36.4
December	14,404,019	13,632,041	+ 5.7
Total	**172,498,775**	**171,562,192**	**+ 0.5**

Source: Cinema Advertising Association

1.4 Despite the boost given by a number of BAFTA-nominated films, and the success of UK productions such as *The Woman in Black* and *The Best Exotic Marigold Hotel*, the year began slowly compared to 2011. It was not until the arrival of *The Hunger Games* and *Marvel's Avengers Assemble* in March/April that 2012 picked up any momentum.

1.5 The Queen's Diamond Jubilee, the 2012 European Football Championships and most notably the 2012 London Olympic and Paralympic Games undoubtedly had an effect on admissions during the months June-August, as did the resultant decision by a number of studios to hold back major films in what would otherwise be the peak Summer cinema months of the year. However, the release in this period of *Prometheus, Ice Age: Continental Drift, The Amazing Spider Man* and *The Dark Knight Rises*, coupled with the unexpected success of *Ted*, all meant this had less impact than perhaps had been feared, with the sector seeing around 20 per cent fewer admissions during this period compared to the corresponding months in 2011.

1.6 Nevertheless, the UK cinema sector entered Autumn 2012 requiring an exceptional final quarter if admissions were to match or exceed those of the previous year. While *The Twilight Saga: Breaking Dawn Part 2* and *The Hobbit: An Unexpected Journey* played their part towards the end of the year, it was the long-awaited James Bond movie *Skyfall* which dominated this period, and indeed the entire year. As the first ever film to top £100 million at the UK box office, it broke record after record and ensured in the final weeks of the year that total admissions moved ahead of the figures for 2011.

1.7 2012 was another year when 3D movies made a strong contribution, in part explaining the significant increase in box office alongside only a more modest increase in admissions. Five of the top ten films for the year were available in digital 3D, that format representing over 50 per cent of their total box office. In total, 3D income contributed over a fifth of UK box office.

2. STRATEGIC ISSUES

2.1 During 2012, the CEA supported its members on a number of strategic issues. Some of these were familiar, others comparatively new. Below is a headline account of the relevant activities of the CEA in a number of these areas.

Government Film Policy Review

2.2 Following a prolonged period of consultation and discussion during 2011, in January the Film Policy Review Panel, led by Lord Smith of Finsbury, published its report to Government. In a wide-ranging study, the Panel made recommendations across a number of areas including: promotion of British film; a more co-ordinated approach around the involvement of children and young people in film; greater support for audience development and cinema in the community; the challenges that current digital funding mechanisms presented to some in distribution; film release strategies; and film theft.

2.3 While there was much in the report to welcome, it was on the latter issue - film theft - that the Panel's views were most warmly received by the Association, in that they recommended that *'Government introduces legislation that would make it a criminal offence to record films shown in cinemas.'* This is something for which the CEA and the wider exhibition sector has argued for over a decade, reasoning that the establishment of such an offence (which would mirror the situation in most other developed film territories) would offer significant benefits in terms of enforcement and public messaging.

2.4 It was therefore hugely disappointing that when the Government formally responded to the Panel's report in May (in its publication *A Future for British Film: it begins with the audience.....*), the recommendation on film theft was one of the few that was rejected, the Government arguing that since there already existed an offence (variously the Copyright, Designs and Patents Act 1988 across the UK and the Fraud Act 2006 in England and Wales), there was no need for a new law.

BFI Five Year Strategy

2.5 As the Government's lead agency for film, the BFI was charged with taking forward many of the recommendations made by the Review Panel and in May, immediately following the Government response, published its own consultation document, *New Horizons for UK Film: BFI Future Plan 2012-2017*. This set out in broad terms its plans for the use of Lottery funding in pursuit of the objectives set out in the Government's response.

2.6 In responding to this consultation, the CEA made clear its conviction that all elements of the cinema exhibition sector, regardless of business model or location, had a part to play in delivering a more successful future for film in the UK. That said, the Association expressed disappointment, firstly with the lack of detail in the BFI document, making it difficult to comment with any certainty, and secondly at the lack of reference or clear insight into the industrial aspects of film policy within the document.

2.7 Following further consultation, in October the BFI published its final plan *Film Forever: Supporting UK Film – BFI plan 2012-2017*. This comprised three key elements:

- Expanding education and learning opportunities and boosting audience choice across the UK;
- Supporting the future success of British film; and
- Unlocking film heritage for everyone in the UK to enjoy.

2.8 The document contained a number of areas for proposed Lottery-funded activity which were of interest to the CEA, and where the exhibitor community could potentially play a key supporting role. Key amongst these were: a proposed Audience Fund, worth around £2.5 million per annum and intended to support the establishment of regional clusters of film venues with the aim of developing audience development strategies, increasing capacity and the capability to reach wider film audiences; and related to this, a Community Venues Fund, worth up to £1.5 million and with an overall aim of establishing or refurbishing a significant number of 'community' venues[1].

2.9 In responding to these proposals, the CEA again made clear its support for the overall aim of audience development, but also its belief that all exhibitors, including circuit and smaller operator sites, had a role to play here, not least in that these were the locations where the overwhelming majority of the current film audience was to be found. The CEA argued that the BFI's ambitions could not be realised simply by focusing its attentions on a comparatively small number of 'specialised' venues.

2.10 Equally, the Association expressed concern should the distribution of funding to new or established community venues impact on the commercial activities of its members, a large number of whom rely on wide catchment areas in order to operate profitably in sparsely-populated parts of the UK.

2.11 As the year ended, discussions with the BFI on how best to achieve its aims were ongoing.

[1] At the same time, the BFI also announced plans for an ambitious film education scheme for all 5-19 year olds in the UK. This is covered elsewhere in this report.

Digital cinema

Digital conversion

2.12 As noted elsewhere, 2012 saw the UK approach the end-game for digitisation, such that by the end of the year there were over 3,500 digital screens, or some 92 per cent of the overall screen base. Underlying these figures was the continued progress of the Digital Funding Partnership – established by the CEA to enable a broad range of smaller independent operators to digitise – which was approaching the end of its own roll-out across almost 300 screens as the year drew to a close.

2.13 As a direct consequence of this sea-change, a number of related functions, including content delivery and screen advertising, saw major overhauls in their approach during the year, all of these factors combining to lead most commentators confidently to predict the disappearance of 35mm in the UK by mid-2013.

Digital 3D

2.14 Digital 3D remains a key element of the cinema offer. By the end of 2012, 1,564 (or almost 41 per cent of total screens) were 3D-enabled and the year saw over 40 films released in the 3D format, accruing almost £400 million in box office (£216 million of that from 3D). While the multiplier effect of 3D on cinema income has undoubtedly plateaued in recent years, it remains clear that audiences will turn out in huge numbers for films where they see 3D as adding significantly to their big screen experience.

Alternative content

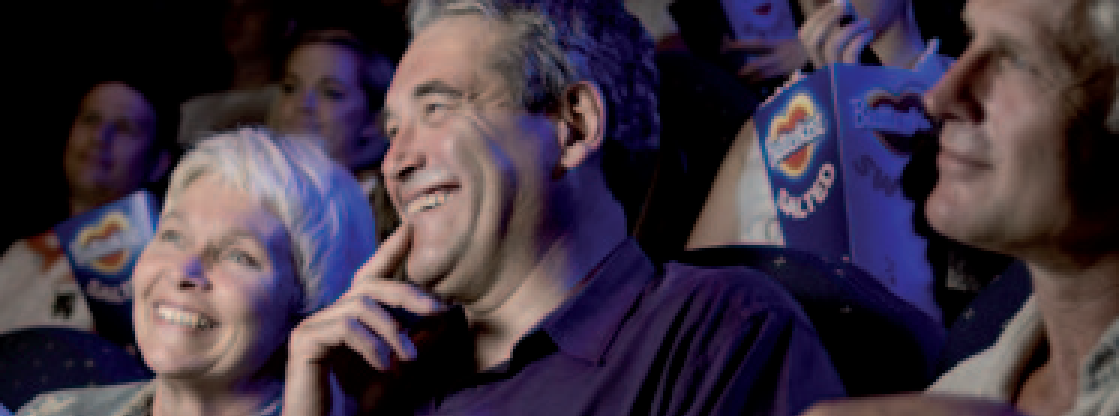
2.15 Interest in 'alternative content' continued to grow during 2012, with over 130 live theatre, ballet, opera and sporting events being shown in almost 1,000 screenings at cinemas across the country, resulting in revenue estimated at £12.5 million. Such was the interest in this area that a new representative body - The Event Cinema Association - was established to promote this growing revenue source.

2.16 During the course of the year, the CEA opened up discussions with UKIE, the trade association for interactive entertainment (computer gaming), on trends in that sector. Screenings of computer gaming tournaments and 'master-classes' is an area of interest for the cinema sector, but one which has so far not been exploited to any significant extent. Discussions with UKIE will continue during 2013.

The digital future

2.17 With the initial phase of digitisation approaching its conclusion during the year, 2012 saw increasing discussion of a number of additional technological developments which built on the digital platform. Higher Frame Rates (HFRs), allowing the capture of much clearer images, particularly when filming moving subjects in 3D, were the subject of a great deal of interest. The first major HFR film, *The Hobbit: An Unexpected Journey*, went on general release in the UK at the end of the year, playing in the enhanced format on well over 100 screens.

2.18 3D or immersive sound was another area of focus, with several competing systems emerging into the marketplace, all aiming to give audiences an enhanced audio experience throughout the auditorium. Take-up of these systems has been limited to date, but is likely to accelerate in the next few years. With international partners, the CEA is involved in efforts to establish global industry standards in this area.



Film theft

2.19 Efforts continued throughout the year to reduce instances of film theft, in particular where individuals sought to record films in cinema theatres. Cinema staff played their full part in tackling a problem which overall was estimated to have cost the broader film and TV industry some £511 million in 2011, the most recent year for which reliable figures exist. Of that, the financial losses to the UK cinema sector were calculated at some £216 million, the equivalent of around 21 per cent of annual box office or just under 36 million admissions.

2.20 The CEA has continued to work closely with a range of organisations across the industry on this issue. Particular partnerships, and the Association's work on specific issues, are summarised below.

Film theft in cinemas

2.21 Preventing and protecting films in the cinema is an absolute priority for the CEA, and the Federation Against Copyright Theft (FACT) enjoyed unprecedented success with their Theatrical Protection Programme in 2012. This was the first year since records began over a decade ago when not a single film found online or in hard copy was traced back to a UK cinema.

2.22 At the time of going to print, a milestone had been reached whereby there has now been a two year 'cam-free' period for UK-sourced recordings. It is the outstanding work done by FACT - supported by continued funding from the Film Distributors' Association (FDA) - which, working alongside the CEA and the exhibition community, has made the UK the safest country in the world in which to release a film. That said, the documented number of serious attempts to record films in UK cinema theatres in 2012 was 63 - more than one a week - indicating that there remains little sign that the current legislation is having a meaningful deterrent effect.

2.23 During 2012, updated best practice guides were produced to assist staff as well as the Police attending an incident and the FACT/FDA *fightfilmtheft* reward scheme paid out over £12,000 to cinema staff who successfully intervened.

2.24 FACT also had a major success in 2012 with the conviction of Anton Vickerman, owner of the *surfthechannel* website, on two counts of conspiracy to defraud and his subsequent sentencing to four years' imprisonment. This was a landmark case – the first time anywhere in the world that the operator of a 'linking' or 'indexing' site had been convicted - the impact of which has been immense, creating a deterrent to anyone in the UK running a similar site.

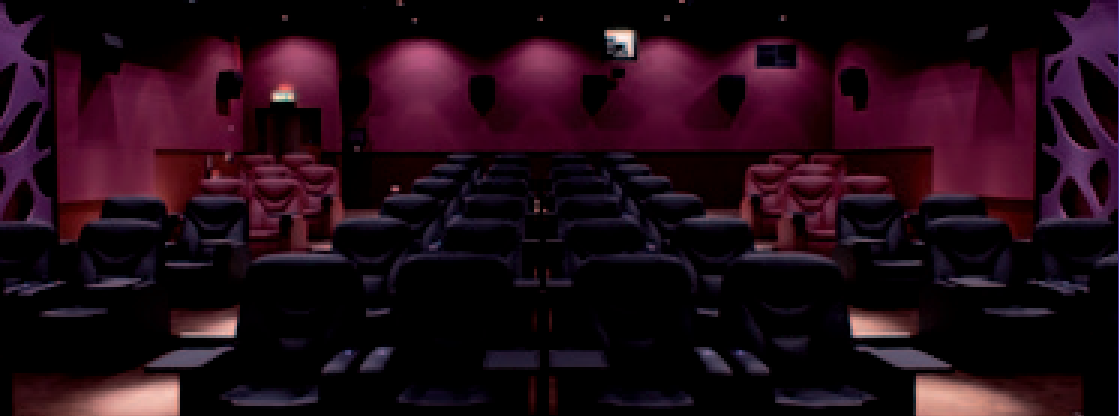
Public messaging

2.25 Across 2012, the CEA continued its commitment to education as a key way to reduce copyright infringement and any resulting impact not just on the exhibition sector but also the wider film industry. In doing so, it sought to retain the engagement of cinema audiences through its ongoing partnership with the Industry Trust for IP Awareness, funded in part by Cinema First. With insight derived from nine years of independently evaluated activity, the Trust continued to deliver communications campaigns aimed at challenging and changing consumer behaviour and reducing copyright infringement in the UK.

2.26 During the year, the Trust's *Moments Worth Paying For* campaign continued to reinforce the value of creative content, signposting customers to the industry-funded search engine www.findanyfilm.com, in turn directing them to films in every 'above board' format available. 2012 saw the Trust successfully adapt and refresh the *Moments* creative, partnering with the industry to create multi-media campaigns aligned with specific film titles including *Ice Age 4: Continental Drift, Keith Lemon: The Film* and *The Sweeney* for maximum resonance. A co-ordinated cross-platform campaign for each release enabled the Trust to deliver a £14 return of media value for each £1 invested.

2.27 The *Moments* campaign has demonstrated a positive impact on consumer behaviour, peaking across the summer of 2012, when those exposed to the campaign were more than twice as likely to say they intended to pay for legal content. The Trust's work is now independently estimated to have suppressed the uptake of piracy in UK film audiences for approximately 2 million adults.

2.28 In addition, in 2012 the Industry Trust extended its activity with children and young people through its continuing support for the *Be Creative* programme, delivered in partnership with Film Education, which led to over three hundred copyright campaigns, and its social media programme *Screenthing*, which now boasts a youth audience in excess of 40,000.

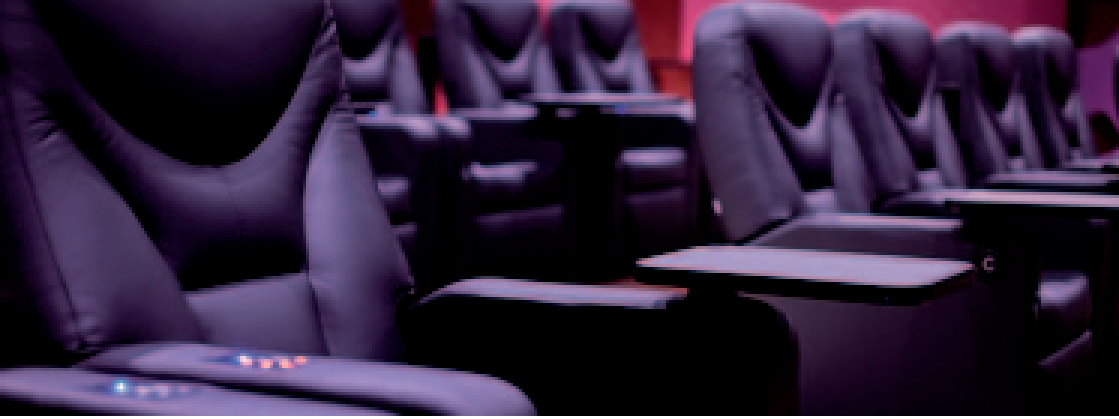


Lobbying

2.29 The CEA continues to support the high level lobbying work of the Alliance for Intellectual Property (formerly the Alliance Against IP Theft). With Government plans for reform of copyright high on the agenda throughout 2012, the Alliance continued to work hard to ensure its members' objectives and concerns were heard. In an environment dominated by the Hargreaves Review of Intellectual Property, this involved going back to basics and restating the role copyright and intellectual property play in creating and building successful businesses and delivering economic growth for the UK.

2.30 Being able to point to contributions such as that made by films like *Skyfall* played an important part in enabling that case to be made, with its £104 million in cinema ticket sales alone contributing over £25 million to the exchequer in VAT revenue, quite aside from the employment it supported – a contribution only possible when IP rights were respected and not watered down.

2.31 Alongside its regular engagement with policy-makers, in 2012 the Alliance held a lunch briefing for members of the Lords' Communication and Economic Affairs Committees, visited Brussels to brief UK MEPs on the importance to UK businesses of a strong enforcement regime across Europe which allowed rights to be protected, and worked with the All Party IP Group on its inquiry into the Role of Government in Protecting and Promoting IP. In December the Alliance also held its Second Annual IP Conference which heard from speakers such as Gareth Neame of Carnival Films on how a strong copyright regime delivers economic value and the wider contribution films and TV shows make to the tourism industry in UK.

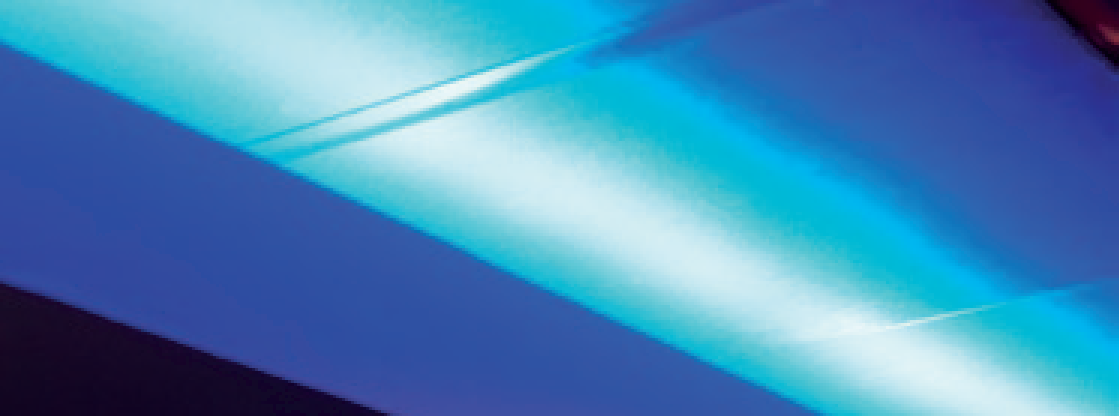


2.32 In addition, with support from members, the Alliance launched The Content Map (www.thecontentmap.com) complementing www.findanyfilm.com, it will help people know where they can legally download films, TV shows, e-books, music, video games, and where they can watch sporting events online. The site received a very positive response from consumer organisations, politicians and the general public.

Release windows

2.33 The CEA strongly supports the maintenance of a clear 'window' between a film's theatrical release and its release on other platforms, believing that this ensures that audiences continue to enjoy the widest possible range of films in their intended environment, the cinema theatre. It is the unique nature of the cinema experience which means that so many cinemas across the UK remain key focal points for their local communities.

2.34 While decisions on the release window around any one film are a commercial matter between exhibitors and the relevant studio and not ones in which the CEA has any role, the Association would be concerned by any moves potentially taken at the expense of cinema exhibition, a part of the film industry which is continuing to perform strongly. The increasing interest of the European Commission in intervening in business models around release window is noted; together with colleagues in UNIC, the CEA strongly questions the legitimacy of the Commission's role in this area.



2.35 The CEA is furthermore not persuaded by arguments that the presence of the window acts as a significant driver of film theft. All evidence suggests that films are most vulnerable to being recorded in cinemas and circulated online in the small number of days after their release. At a time when the value of the home entertainment market has declined significantly and income from the theatrical sector has not just remained stable but has grown, all attempts should be made to protect a significant period of theatrical exclusivity.

2.36 During the course of 2012, the theatrical release window remained relatively stable at an average of 115 days, representing a small increase on the previous year. This figure however masks a significant amount of flexibility, with many films which enjoyed limited theatrical release observing very short windows, often of just a matter of days, while some films on wider release observed windows of up to almost a year.

Disability and access

2.37 The CEA put continued effort into its work with industry partners on disability and access in 2012. The cross-industry Disability Working Group (DWG) - bringing together exhibitors, distributors, technology partners and groups representing disabled people - met four times during the year to discuss ways in which the sector might further improve access for disabled customers at the cinema.

2.38 Given the investment that was being made into the physical infrastructure at the time of its establishment in 1999, much of the work of the DWG to date has focused on issues around sensory impairment. However, in recent years other aspects of disability have risen up the agenda, such that by 2012 the CEA agreed that it was necessary to develop the current approach to encompass these strands (while at the same time ensuring that progress on sensory impairment remained undiminished).

2.39 As a result, the CEA last year set up two new sub-groups of the DWG, one to look specifically at issues of physical access in cinema, the other to consider access needs for those with autism and learning disabilities. Enabling the Association and members to work with a broader range of charity partners (including Scope, the Muscular Dystrophy Campaign, Leonard Cheshire Disability, Mencap, National Autistic Society and Dimensions), these sub-groups each met twice during the year. Amongst the areas of good practice shared at these meetings were the positioning of wheelchair bays in auditoria and the provision of autism-friendly screenings.

CEA Disability Guidelines

2.40 The CEA issued three additional information notes to members in 2012 to supplement its published Disability Guidelines. These notes provided:

- more detailed advice and best practice guidance on the positioning of wheelchair bays in auditoria. This has already been acted upon at a number of sites;
- advice on what information cinema websites should offer around access for disabled customers, including not only details on physical access at the site but also about subtitled and audio described screenings. Three of the largest circuit operators and some smaller sites have already amended their websites to reflect the new guidelines, and to move towards adopting a new URL to act as a landing page for information about cinema access, */accessibility* having been added to the end of the main cinema homepage; and
- advice on web accessibility guidelines, allowing operators to ensure the accessibility of their website for example for those using screen readers.

Staff training and awareness

2.41 In response to the findings of a 'mystery shopper' exercise involving around 200 disabled customers at the end of 2011, in 2012, with funding support from all of the major UK circuits, the CEA produced a training film - *Welcoming Disabled Customers* - and a detailed pack of supporting materials to help build staff knowledge, awareness and confidence in dealing with issues around disability and access.

2.42 Comprising advice on: cinema experiences of disabled customers; communicating with disabled customers; the types of access adjustments typically available in cinemas; and the CEA Card scheme, the film was accompanied by a supporting pack of training materials which gave further learning points and advice on the above. The CEA worked with graduates from the National Film and TV School and Freeney Williams disability consultants to produce this. It represented the first time that an industry had jointly funded a staff resource of this kind, and was another positive step forward for the sector in its ongoing commitment to disability and access.

2.43 To accompany this pack, the CEA responded to some more specific feedback from the mystery shopper exercise, which showed inconsistent knowledge amongst front of house staff in some cinemas about induction loops and infrared systems and how they can support both hard of hearing and visually impaired customers. As a result, the CEA joined up with Action on Hearing Loss to produce a document for staff explaining and illustrating the different systems and how they work. This was distributed across the CEA membership and put in staff rooms as leaflets or posters to raise awareness.

Subtitling and audio description

2.44 In part as a result of the near full digitisation of UK cinema screens by the end of the year, 2012 saw another impressive increase in the number of subtitled screenings, the weekly figure in UK cinemas rising to around 1,000, a 500 per cent increase in the last 5 years.

2.45 Recognising the generally low levels of occupancy for such screenings, in 2012 the CEA, with kind support from Deluxe Digital Studios, Vertigo and Dreamworks Studios, produced and distributed two new access trailers - one featuring footage from *Top Cat* and the other from *Puss in Boots* - to publicise the availability of these accessible formats.

2.46 Looking forward, during the year the CEA engaged in discussions with a number of industry partners on the potential for personalised subtitling solutions - which allow for subtitles to be seen on a personal device rather than on the big screen - further to improve access for disabled customers. With both technical and financial challenges to be addressed, as the year closed the CEA was in the final stages of organising an industry and audience event to learn more about this new technology.

CEA Card

2.47 The CEA Card scheme - which allows disabled customers a free ticket for someone to accompany them on their cinema visit - remained popular in 2012, with the number of cardholders growing to 95,000. Mindful of the impact that planned changes to the benefits regime would have on the eligibility criteria for the Card, towards the end of the year the CEA met with members to consider how best to respond, taking the opportunity at the same time to look afresh at the current terms and conditions around the scheme.

yourlocalcinema.com

2.48 www.yourlocalcinema.com is an information service and listings website for subtitled and audio described films. Funded by a number of industry bodies, including the CEA, the service has been recognised by the National Lottery Awards and others in the past. The service continues to be the first port of call for film fans with hearing or sight loss.

Music Rights

2.49 The CEA continued its long-running negotiations with PRS for Music - the collecting agency for songwriters and composers – throughout 2012. All cinemas have to pay PRS a fee for playing music in their cinemas, whether as part of a film or event or simply as background music in foyers and auditoriums. This fee is calculated as a percentage of box office or on a 'pence per admission' basis.

2.50 While CEA members support the right of all creative people to be rewarded for their work, it is important that any royalties paid are a fair and appropriate reflection of the value that music provides to the overall cinema experience and that there is transparency around the process by which individuals are rewarded for their work. Cinema operators believe that neither of these is necessarily true of the current position.

2.51 The payments made to PRS by cinemas have risen consistently in recent years, reflecting a steady growth in box office revenues. However, this increase has come at a time when overall admissions have been generally 'flat' and primarily reflects the advent of premium offers such as 3D and premium seating. While this additional income is therefore unrelated to the musical content of the film, PRS has still benefited.

2.52 The cinema sector is in a period of significant investment: conversion to digital cinema technology alone has cost over £200 million, and to this figure must be added a similar level of investment in the refurbishment, improvement and expansion of the cinema infrastructure (for example, over 130 new screens have been opened in the last three years alone). None of this risk or investment has been shared by PRS and its members and cinema operators therefore believe that it is unreasonable for them to benefit from this enhanced income, which is in any case required to help recoup operators' outlay in these areas.

2.53 Having made clear its unhappiness with the existing tariff in 2011, at the beginning of 2012 the CEA began negotiations with PRS on new terms. The CEA position was underpinned by an economic analysis which confirmed that the rise in box office revenue in recent years could be directly attributed solely to an increase in 'premium' elements unrelated to music. As a result, the CEA requested that cinemas should be allowed to discount income from these elements from their gross box office (used to calculate the royalty level).

2.54 Despite a desire on the part of the CEA for a new tariff to be in place before the end of 2012, this proved impossible when PRS forced a delay in negotiations to undertake an audit of a sample of cinemas to explore compliance with the current tariff. The CEA will seek to ensure that negotiations continue apace in 2013.

Education and skills

Film Education

2.55 During 2012, Film Education, the industry-funded charity which aims to create a new generation of cinema-goers, continued to work with children and young people, teachers and members of the cinema industry to encourage and facilitate learning through film. Activities delivered by Film Education in 2012 were part of an integrated offering to schools that included high quality education resources based on current releases closely linked to the curriculum.

2.56 National Schools Film Week, organised and delivered by Film Education, remains the largest free festival for schools and cinemas in the world. In 2012, almost 542,000 children and young people from 4,244 schools attended 3,142 screenings of 181 films at 531 cinemas, a 15 per cent increase in attendees on the previous year. An additional 218 supporting events organised during Film Week were attended by a further 27,810 pupils.

2.57 During the year, Film Education also developed and distributed a range of film-specific educational resources for use in the classroom. These included releases as varied as *Private Peaceful, Frankenweenie, Mirror Mirror* and *Life of Pi*. The organisation also launched new *Thinking Film* teaching resources, which garnered two prestigious BETT Awards nominations, and in November issued a film resource to support National Anti-Bullying Week.

BFI 5-19 film education scheme

2.58 As part of its Lottery funding plans for 2013-2017, the BFI announced proposals for a new film education 'offer' for all 5-19 year olds, with key elements of making, watching and understanding films and a focus on in the classroom, after school and outside school, including cinema-based activity. In order to identify the best delivery partner for this ambitious programme, which would attract £26 million of Lottery funding over four years, the BFI launched an initial 'call for applications'.

2.59 Recognising the potential of this welcome new programme to bring about a step-change in the engagement of young people in cinema, the CEA, working with colleagues at the cross-industry body Cinema First (formerly All Industry Marketing), began discussions with a number of organisations already working in this area to ensure that all were clear on the type of outcomes that the industry would wish to see were it to add its own financial and in-kind support to the programme.

2.60 Undertaking its own exercise in parallel to that of the BFI, Cinema First also sought to identify its own preferred partner in this process and after lengthy discussions chose to support the bid made by Film Nation, a new entity bringing together the existing publicly-funded organisations Film Club and First Light and the private sector provider National Schools Partnership.

2.61 The possibility of single point of focus for the entire industry in seeking to engage with children and young people offers huge potential. As the year ended, the Association looked forward to an announcement from the BFI as to their preferred delivery partner.

Creative Skillset

2.62 2012 saw the CEA continue its close work with Creative Skillset, the Sector Skills Council for the UK creative media industries, including film. The Association continued its membership of the Film Skills Council (FSC), and also represented the FSC on the Creative Industries Council Skills Group, set up by Government during the year to advise Ministers on the skills needs of the wider creative industries.

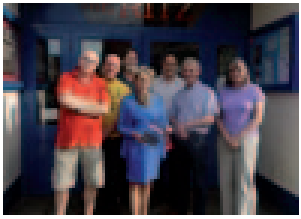
2.63 After a period of delay as its roll-out gathered momentum, in 2012 the Digital Funding Partnership was able to use £4,900 of funding secured by the CEA from Creative Skillset to support training provision for cinema staff involved in digital cinema projection. Ultimately over 30 staff were involved in training sessions at Woking, Workington and Belfast.

3. LEGISLATION AND LOBBYING

3.1 During 2012, the CEA continued to engage with the Coalition Government on a range of issues, working to support follow-up to the work of the Film Policy Review Panel and, as noted in Chapter 2, engaging constructively with the BFI on a range of its emerging proposals. The Association also remained a key member of the Government Roundtable on the Film Industry, chaired by Films Minister Ed Vaizey MP, which met twice during the year.

Pro-cinema messaging campaign

3.2 2012 saw the a continuation of the pro-cinema messaging campaign begun by the CEA in the previous year as a way to ensure that key politicians and opinion-formers better understood the value of the sector in economic, social and cultural terms.



Anne McIntosh MP, Ritz Cinema, Thirsk

3.3 Working with colleagues at PSA Communications, during the course of the year visits to local cinemas were undertaken by 109 key Parliamentarians, including those from the devolved administrations. Feedback on these was universally positive, with a clear sense that - even for those politicians who were regular cinema-goers - the experience of a 'behind the scenes' visit, and the chance to speak in depth to cinema staff, proved to be an illuminating experience. Each MP involved left with a specially-tailored 'hand-out' including key facts and figures about the industry and a series of key achievements across the community, economic, investment and cultural spheres.

3.4 By way of keeping these and other Parliamentarians updated on matters of importance to cinema exhibition, the CEA also established a regular Parliamentary Newsletter - *The Big Picture* - which provided further information and background on relevant industry and political developments.

3.5 The overall objective of this campaign is to build a strong and sustained relationship between politicians and their local cinema. The hope is to establish a ready-made 'lobby' of support should the sector require additional input on challenges such as those set out below.

Entertainments licensing

3.6 Early 2012 saw continued discussions between the CEA and officials at the Department for Culture, Media and Sport (DCMS) regarding proposals to remove cinemas from the licensing regime in place in England and Wales under the 2003 Licensing Act. The Association's position remained that while it supported moves to streamline regulation, in this instance the current system of cinema licensing worked well, and acted as an effective 'one stop' approach for a range of standards which the public would rightly expect their local cinema to meet, around for example fire safety, emergency exit, disability and access and public hygiene.

3.7 The Association was joined in its opposition to the proposed change by the British Board of Film Classification (BBFC), who saw any disruption to the current licence-based system of compliance with BBFC film ratings as potentially putting standards of public protection at risk.

3.8 As the year closed, and after lengthy discussion, the DCMS informed the CEA and BBFC that, having considered their and others' objections, they would not be proceeding with the planned deregulation, but rather would be looking to develop measures put forward by the Association and BBFC colleagues which offered alternative ways of reducing any perceived regulatory burden on community venues, the policy intention behind the original proposals.

Alcohol licensing

3.9 Early in 2012, the Government consulted on plans to give local Licensing Authorities more power to tackle alcohol-related disorder through the following measures:

- *Early Morning Restriction Orders (EMRO)* - imposing a restriction on all businesses selling alcohol in a certain area during a set period between midnight and 6am;
- *Late Night Levies (LNL)* - imposing a charge on all businesses selling alcohol in a certain location for a set period between midnight and 6am, to help fund the cost of policing the late night economy.

3.10 The CEA had worked with Home Office officials during the development of these proposals in 2011 and believed that the case that cinemas are never the cause of such problems and should therefore be exempt from these provisions had been accepted, a point underlined by the inclusion of cinemas amongst the proposed exemption categories for these new measures within the relevant Government consultation document.

3.11 The CEA was therefore disappointed that in its response to this consultation in the Summer, the Government announced that it had decided that there would essentially be no exemptions for EMROs (although cinemas remained under the list of allowable exemptions for LNLs). Despite repeated requests from the CEA and others such as the Theatre Management Association and the National Casino Forum, who similarly felt this was a disproportionate approach, the Home Office were unable adequately to explain their change in direction. That said, the CEA was able to be involved in the drafting of the Guidelines being developed for Licensing Authorities on these new measures, as a result of which the Association is confident that neither will disproportionately affect cinema operators.

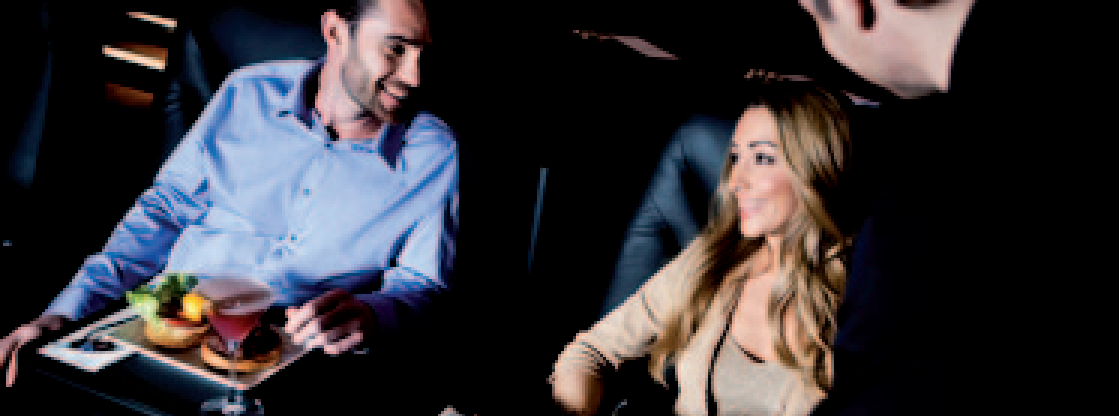
Public health issues

3.12 During the course of the year, concern about public health issues, in particular the impact of foods with high saturated fat or sugar content, and the misuse of alcohol, required the CEA to engage with the Department of Health and other relevant partners. The Association strongly believes that the food and beverage offer available in cinemas, consumed as it typically is on an occasional basis as part of the cinema-going tradition, makes no appreciable difference to levels of obesity in the wider community. Similarly, while an increasing number of cinemas are now licensed to sell alcohol, and alcoholic products are advertised on cinema screens, both take place under strict conditions and cannot be reasonably seen to contribute to instances of unhealthy or 'binge' alcohol consumption.

3.13 Nevertheless, mindful of the concerns voiced by some Government Ministers and officials and backbench MPs on these matters, during 2012 the CEA engaged on the following public health agendas.

Public Health Responsibility Deal

3.14 The Public Health Responsibility Deal was launched in March 2011 by the Department of Health and asks businesses to sign up to various pledges to improve public understanding and awareness about healthy living, such as responsible drinking, healthier eating, physical activity and healthier lifestyles. During 2012, the CEA worked with Health officials to understand more about the Deal, and what it might mean for cinemas.



3.15 While the Association welcomes the fact that some major circuits - such as Odeon Cinemas - have signed up to the Deal, and that more are considering doing so, it is also working with a broader range of its members to explore what more might done on nutritional information, portion size and healthy alternatives.

Alcohol advertising

3.16 The Cinema Advertising Association (CAA) imposes strict restrictions on the type of films with which alcohol advertising can be shown. Specifically, no alcohol advertisements are permitted where, on the basis of analysis, the audience for a film is predicted to comprise more than 25 per cent of under 18 year olds. This is seen as a more appropriate and accurate[2] way of limiting the exposure of young people to alcohol advertising than one based for example on film classification (an approach which would potentially mean that 12A films such as *The King's Speech* and *Best Exotic Marigold Hotel* would not be allowed to carry alcohol advertising despite their overwhelmingly adult audiences).

3.17 During the course of the year, this approach came under renewed scrutiny as Government sought to tackle what are considered to be the key drivers of alcohol misuse. The CEA and key circuit members worked closely with the CAA (representing the two screen advertising agencies) to reassure Health officials of the robustness of the current approach, and with colleagues at the Portman Group and ISBA, the trade body representing British advertisers, to ensure that cinema was not targeted for disproportionate action given its appeal to young people.

[2] Of almost 100 films in 2012 where the percentage of under 18s in the audience was predicted as being below 25 per cent by the CAA, only on one film was this figure in reality proved to be an underestimate.

Screen advertising

3.18 Screen advertising remains a key source of income for cinema operators, and there is every hope that the greater flexibility afforded by digitisation will serve to make it even more attractive to key brands. In anticipation of this change, over the last two years the CEA has been in discussion with colleagues at the BBFC and DCMS on potential changes to the way screen advertising is classified for exhibition.

3.19 Currently, screen advertising is subject to dual regulation, with both the BBFC and CAA required to approve any advertisement intended for use in cinema. The additional delays involved in this put screen advertising at a significant disadvantage compared to other platforms such as TV and online.

3.20 Following discussion between the CEA, CAA and BBFC, all three organisations were able to offer a joint and positive response to a DCMS consultation document published in Spring 2012, which proposed that the BBFC no longer had a role in classifying screen advertising. Instead it was suggested that it be subject only to the provisions of the 'CAP Code' operated by the CAA, which offers similar – and in some instances stronger – levels of public protection to the guidelines observed by the BBFC.

3.21 As the year closed, the outcome of this consultation was still awaited, but the CEA remained hopeful that Government would agree to this sensible and proportionate deregulation.

Booking charges

3.22 In September 2012, and following an earlier announcement by Government of plans to ban 'excessive' charges for credit and debit card transactions, the Business Department launched a consultation exercise asking for views on proposed regulation of 'payment surcharges', where these arose as a result of the customer's chosen means of payment.

3.23 The Association, in responding to the consultation, made clear its view that most cinema customers appreciate the convenience of being able to book cinema tickets (and increasingly specific seats) in advance and from the comfort of their own homes, and that furthermore they do not see the booking charge levied by cinemas to provide this as unreasonable. Most cinemas which provide this facility, both online and/or by telephone, add a booking charge which reflects the costs of providing that service, including staff, IT, fraud prevention and financial handling charges. Charges are either per transaction, or, if per ticket, are capped above a certain total.

3.24 Nevertheless, the CEA did support the principle of greater price transparency which underpinned the proposed changes, and supported the early introduction of the proposed measures, provided their interpretation was clear and cinemas and other businesses were given a reasonable period of notice in which to make any changes.

3.25 The CEA was disappointed therefore to see that, in deciding to implement these changes, Government chose to do so without any public announcement and with an implementation date of 6 April 2013. As the year closed, guidance from Government on what the new regulations would mean was still awaited. While the view of the Association remained that these changes would have little if any impact on the approach of cinema operators in this area, this lack of clarity and accelerated timetable for implementation will only serve to increase the burdens and costs on business.

4. PUBLIC ADVOCACY

4.1 During the course of the year, the CEA again took every opportunity to ensure that the views of UK cinema exhibition on key issues were heard in the media. As well as those contributions detailed below, articles and responses by the Association were published over 2012 in trade publications such as *Cinema Technology, Screen Trade, Moviescope* and *Cue Entertainment*, where the CEA gave its views on issues including the digital transition, digital 3D, disability and access and film theft.

Pro cinema messaging

4.2 As noted elsewhere, as part of its attempts to generate greater understanding and appreciation of cinema exhibition amongst media commentators, the CEA continued its programme of 'media dinners', bringing together key journalists from the broadsheets, midmarket and tabloid press, broadcast media and specialist journals to enter discussion with leading figures from exhibition such that they might get a better understanding of the value of the sector, and the prevailing challenges and opportunities.

4.3 Across five such events, 22 journalists, covering not just film and culture but also business, technology and social affairs, were involved, with each offered a chance to follow-up on any key points of interest with one of the industry figures present. As a result of these engagements, a number of positive - and more informed - articles were published in newspapers including *The Times, The Sunday Times* and *The Independent*.

4.4 Towards the end of the year, the CEA also established a social media strand. Key to this was a monitoring exercise which sought to identify – and where necessary respond to – comments about cinema and cinema-going on a wide range of social media sites. The key learning from this activity was that the overwhelming majority of comment detected was either positive or at least neutral. The proportion of negative feedback on the sector was tiny by comparison, but inevitably generated more traffic and attention. Where negative comment did arise, and it was appropriate for the CEA to respond, then experience was that this was often a positive way of correcting misinformation.

4.5 In parallel to this activity, the CEA established its own Twitter feed, allowing it to provide a running commentary on issues affecting the Association or the wider sector as they arose. By the end of the year, the CEA had over 130 'followers', of which around a third were journalists or bloggers.

4.6 In order to provide an up-to-date digest of key facts and figures, in 2012 the Association also developed a monthly 'cinema barometer', setting out the latest admissions and box office figures, audience breakdowns by region and other key data. Editions of the barometer were typically downloaded by over 70 interested individuals.

Disability and access

4.7 Mindful of the need better to explain the ongoing improvements made by the sector around its performance on issues of disability and access, in 2012 the CEA began a more proactive campaign of communication and messaging on this issue. During the course of the year, the Association gave interviews to and/or had articles published in a range of broadcast and print media including the BBC TV programme *See Hear, Action on Hearing Loss* magazine, RNIB Radio and New Forest Radio.

5. PROMOTION AND MARKETING

Cinema First

5.1 During the year it was agreed to change the name of All Industry Marketing - funded on behalf of the CEA and the FDA by the Orange Wednesdays promotion – to Cinema First, better to reflect its focus on developing generic approaches to promoting cinema-going.

EE/Orange Wednesdays

5.2 2012 saw the highly successful Orange Wednesdays 2 for 1 ticket promotion extended - with the permission of Cinema First - to include customers of the new EE 4G brand launched in the Autumn. The popularity of the promotion overall remained strong during the year, with over 7.25 million free admissions given out through the promotion as price-conscious customers continued to seek out value entertainment.

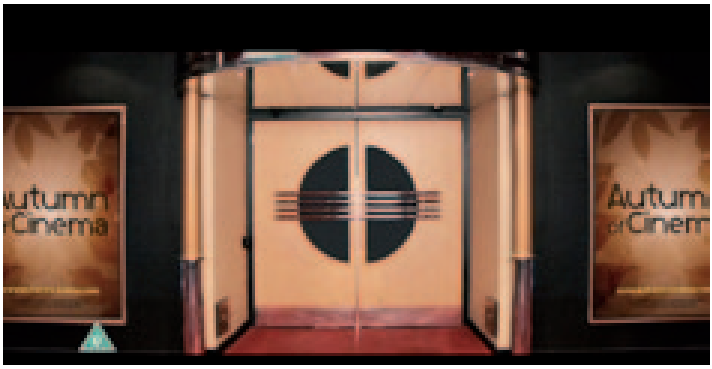
5.3 Over the course of the year, EE and Cinema First discussed a number of areas of potential joint analysis and data collection in order better to develop a shared understanding of the EE customer base and its potential value to the cinema sector.

National advertising spots

5.4 CEA members continued in 2012 to support the separate 'gold spot' deals, where key advertising partners benefit from exposure in the advertising slot immediately before the start of the main feature. The longstanding Orange promotion continued for 'general audience' films, developing into a creative around the EE brand towards the end of the year, while Toyota advertised with those films deemed to be particularly attractive to a family audience.

Summer of Cinema/Autumn of Cinema trailers

5.5 CEA members were again pleased to exhibit the successful film 'season' trailers, produced by the Film Distributors' Association and giving a taster of the wide range of exciting films coming up in subsequent months. Both the *Summer of Cinema* trailer, which was released in May, and the *Autumn of Cinema* trailer in September were warmly received by audiences and encouraged them to broaden their film choices. The CEA looks forward to supporting this initiative again in 2013.



Film is GREAT

5.6 For the first time, in 2012 the CEA also encouraged members to screen a trailer reminding customers of the broad range of British films on offer at cinemas across the country. The *Film is GREAT* trailer featured extracts from over 40 films which were either British productions or prominently featured British cast and crew.

6. OPERATIONAL ISSUES

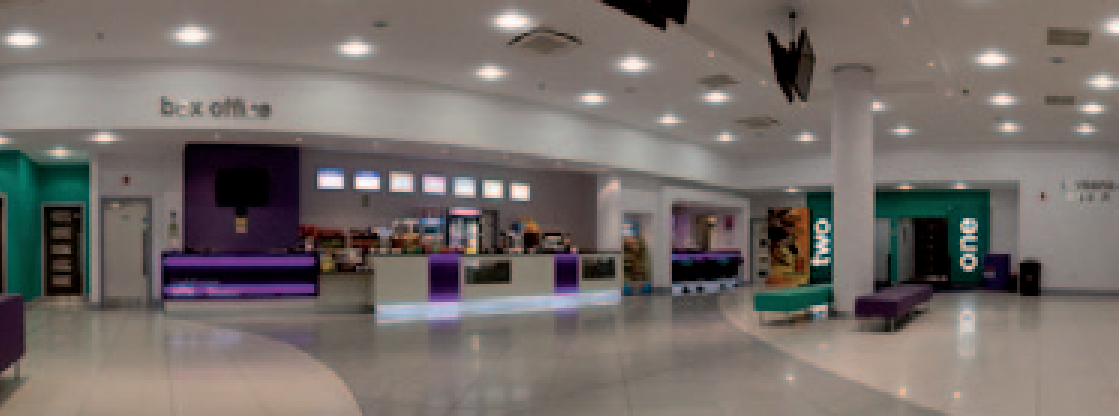
Energy efficiency and environmental management

Energy benchmarking project

6.1 Energy and environmental management issues are an important operational and ethical matter for cinema operators. The CEA Energy and Sustainability Working Group - established in 2010 to advise members on upcoming legislation and best practice in this area - met four times during the year, initially focusing on the completion of a UK-wide project intended to inform the wider sector on efforts to improve energy efficiency. As the year closed, the Group turned its attention to legislation affecting cinemas, in particular forthcoming changes to the Government's Carbon Reduction Commitment (CRC) scheme.

6.2 The energy project noted above followed an initial pilot phase in 2010-2011, involving an assessment of the energy usage of a number of London cinemas, where potential savings of up to 25 per cent of annual consumption were identified. On the basis of those findings, the energy consultancy Energise Consulting was commissioned to roll the project nationally, this work running from May 2011 - June 2012.

6.3 Data collated from around 80 cinema sites across the UK allowed the establishment of a series of baselines for energy usage in different-sized cinemas for areas such as heating, lighting, air conditioning etc. On the basis of these findings, Energise was able to benchmark energy consumption across the sector so that cinemas could determine their own performance, and identify what benefits more proactive energy management might bring.



6.4 This also allowed the development of a toolkit, providing a practical resource to allow cinema operators to identify potential savings in energy and carbon emissions, the necessary investment to achieve these, and the relative payback period. A series of management-level guidance documents were produced to accompany the toolkit, giving more information on legislative requirements and international standards for energy performance management.

6.5 The toolkit and guidance were circulated to all CEA members during Summer 2012. The Association is extremely grateful to the members of the Energy Working Group and to colleagues at Energise for their advice and support in delivering this project.

BFI sustainability working group

6.6 During 2012 the CEA also represented the interests of cinema exhibitors on the BFI Sustainability Working Group, where colleagues from across the film industry came together to discuss issues and share best practice on energy and sustainability. The challenges of energy efficiency differ markedly across the value chain, from the recycling of sets and ethical procurement of goods and services for film production, to ensuring low carbon means of transporting content for film distribution and - as noted above - the challenges of the upkeep and running of permanent venues for cinemas. The CEA shared the results and learnings of its energy project with the Group and was praised for its progressive and proactive approach on this agenda.

London 2012 Olympic and Paralympic Games

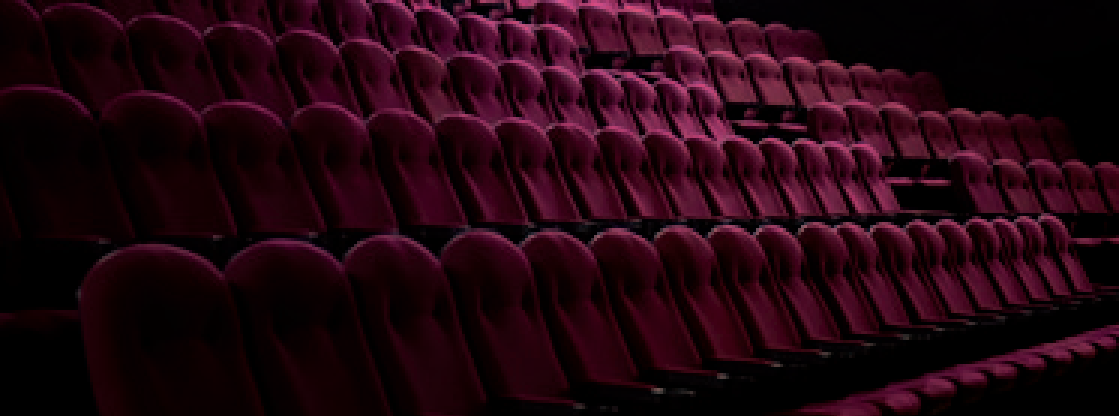
6.7 The London 2012 Olympic and Paralympic Games presented a unique logistical challenge for cinemas located around central London and on the many Olympic Lanes established to allow the free flow of Games-related traffic. At the beginning of 2012, the CEA facilitated a meeting with Transport for London (TfL) and and the Olympic Delivery Authority where those members affected, as well as film transport companies, production houses and screen advertising agencies, heard about the contingencies put in place to ensure free movement of deliveries, customers and staff to and from cinema sites.

6.8 As a follow-up to that event, the CEA worked with TfL to produce a leaflet giving advice to customers planning on visiting London cinemas on how they could make travel during this time run as smoothly as possible.

Security issues

6.9 The priority of cinema operators is to make their sites as welcoming and friendly as possible. However, they also recognise their duty of care to customers to ensure that they can enjoy films in a safe and secure environment. During 2012, the CEA worked with key members and a range of other partners to make sure that this remained the case.

6.10 In particular, the CEA worked with Metropolitan Police colleagues to support a programme of counter-terrorism awareness presentations aimed at high street or regional shopping centre retail staff. Since the launch of this programme, the Police have delivered 26 events across the UK, almost all of which have been held at cinemas, and which have involved over 3,000 attendees.



6.11 This activity, and work undertaken in the run-up to the 2012 Olympics Games, brought a number of broader security issues to the fore such that, at the request of one of the major circuit companies, the CEA set up a Security Working Group, bringing together representatives from cinema operators large and small with colleagues from the Metropolitan Police and the National Counter Terrorism Security Office (NaCTSO). The Group met twice during 2012, with a remit to share, as appropriate, responses to emergency situations, to advise the broader CEA membership on security issues impacting the whole sector, and to keep abreast of national initiatives from the police and counter terrorism agencies which might be of relevance to the industry.

7. KEY PARTNERSHIPS

International

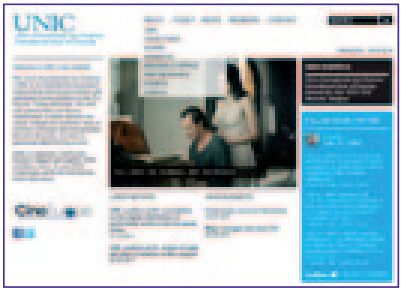
7.1 Throughout 2012, the CEA continued to draw strength from its partnership with counterpart organisations across a wide range of cinema territories.

NATO

7.2 The National Association of Theatre Owners (NATO), representing cinema exhibitors in North America, remained a particularly staunch ally, with contacts between the two associations covering a wide range of issues such as digital cinema standards, film theft, disability and access, music rights, public health concerns and film classification.

UNIC

7.3 The CEA also enjoyed continuing support from European colleagues through its membership of the Union Internationale des Cinémas (UNIC – International Union of Cinemas - www.unic-cinemas.org) the European grouping of cinema trade associations and key operators. At Assembly meetings in Berlin, Cannes, Barcelona, Brussels and Paris, the Association shared thoughts and information with European colleagues on admissions, release windows, film theft, digital roll-out, music rights and disability and access.



7.4 During 2012, UNIC went from strength to strength, recruiting members with sites in Bulgaria, Romania and Hungary, and further establishing the voice of cinema exhibition in Europe. It also strengthened its links with key partner organisations such as the European Digital Cinema Forum, the European grouping of independent film distributors, FIAD, and the Motion Picture Association and began to develop plans for an ambitious partner programme with key suppliers and manufacturers working in European cinema.

7.5 The year also saw CineEurope, the largest cinema event in Europe, and for the last few years the official convention of UNIC, move to Barcelona for the first time. The change was very well-received, with the new location and venue getting good reviews from all quarters.

National

7.6 The CEA continued to work with a wide range of industry and other partner organisations throughout the year. Principal amongst these was the Film Distributors' Association (FDA), with which it discussed a wide range of strategic and operational issues, ranging from labelling of digital trailers to presentation standards to information on accessible formats.

7.7 As noted elsewhere, the CEA also liaised closely during 2012 with colleagues at the British Film Institute (BFI) as they sought to respond to the Government Film Policy Review and - as part of that process - develop their plans for Lottery Funding. The Association was also a key member of the working group helping the BFI develop its International Strategy. The CEA looks forward to continuing to work with the BFI in helping it to deliver on its ambitious agenda through 2013.

7.8 Many of the other key partner organisations without whose support the CEA could not do its work are mentioned elsewhere in this report, but also included the Independent Cinema Office, the Association of Independent Film Exhibitors, the British Screen Advisory Council, the British Federation of Film Societies and the British Kinematograph Sound and Television Society (BKSTS), the screen advertising agencies Pearl and Dean and Digital Cinema Media, Moving Picture Distribution and Deluxe Digital. Particular thanks are due to colleagues at Screen Digest for their support across the year in providing key statistics and data.

7.9 The CEA is grateful to all those who supported its work during 2012.

8. CEA FINANCE

Excerpts from the Cinema Exhibitors' Association Ltd Accounts 2012

Profit and loss account for the year ended 31 December 2012

	2012 (£)	2011 (£)
Turnover	487,957	513,973
Administrative expenses	(509,423)	(519,312)
Operating profit/(loss)	(21,466)	(5,339)
Other interest receivable and similar income	795	1,943
Profit/(loss) on ordinary activities before taxation	(20,671)	(3,396)
Tax on profit/(loss) on ordinary activities	-	-
Retained profit/(loss) on year	**(20,671)**	**(3,396)**

Balance sheet as at 31 December 2012

	2012 (£)		2011 (£)	
Fixed assets				
Tangible assets		3,345		2,224
Current assets				
Debtors	342,012		252,750	
Cash at bank and in hand	349,304		287,673	
	691,316		540,423	
Creditors: amount falling due within one year	(421,731)		(249,045)	
Net current assets		269,585		295,160
Net assets		272,930		293,602
Reserves		293,601		296,998
Profit and loss account		(20,671)		(3,396)
Members funds		**272,930**		**293,602**

PAST PRESIDENTS

2012 marked the centenary year of the CEA, established as the Cinematograph Exhibitors' Association in 1912. To mark this achievement, the Association held a special lunch at the Waldorf Hilton Hotel on 9 May. At the event, which was attended by over 250 members and colleagues from across the industry past and present, the CEA was delighted to be able to present specially-commissioned commemorative awards to nine former Presidents of the Association.

E M Barker	1912 – 1913
R Tennyson-Jupp, Dr	1913 – 1914
W Fowler-Pettie	1914 – 1915
A E Newbold, MP	1915 – 1920
R R Goodwin, CBE, MCC	1920 – 1921
C G MacDonald, JP	1921 – 1922
E Trouson, Ald, JP	1922 – 1923
A J Gale, Maj, OBE, MCC, JP	1923 – 1924
J H Dovener, Counc	1924 – 1925
Thos Ormiston, CBE	1925 – 1926
W N Blake	1926 – 1927
E Hewitson, Counc	1927 – 1928
H Victor Davies	1928 – 1929
F H Cooper	1929 – 1930
W Stephenson	1930 – 1931
R V Crow	1931 – 1932
R E Richards, Ald	1932 – 1933
J Welsh, Baillie	1933 – 1934
J Pollard, Counc, JP	1934 – 1935
R Dooner	1935 – 1936
T H Fligelstone, Col, MC	1936 – 1937
C P Metcalfe	1937 – 1938
M A Nyman, BSc	1938 – 1939
E J Hinge, CBE	1939 – 1940
H P E Mears, Ald, OBE, JP	1940 – 1941
S K Lewis	1941 – 1942
W J Speakman	1942 – 1943
H Simpson, Counc	1943 – 1944
Sir W S Clift	1944 – 1945
G H Scarborough	1945 – 1946
Fred A Prior, FSAA	1946 – 1947
B T Davis, FSAA	1947 – 1948
Dennis C Walls	1948 – 1949
Sir Alexander B King, CBE, DL, LD, JP	1949 – 1950
A B Watts, FSAA	1950 – 1951
H P E Mears, Ald, OBE, JP	1951 – 1952
W J Speakman	1952 – 1953
J W Davies, OBE	1953 – 1954
C H Whincup	1954 – 1955
R H Godfrey, JP	1955 – 1956
B T Davis, FSAA	1956 – 1957
George Singleton, CBE	1957 – 1958
E J Hinge, CBE	1958 – 1959
J D Richards	1959 – 1960
Alfred Davis	1960 – 1961
S K Lewis	1961 – 1962
Miles M Jervis	1962 – 1963
G L Barber, Ald, JP	1963 – 1964
Peter King, MA	1964 – 1965
J F Wood	1965 – 1966
Wyndham Lewis, OBE, JP	1966 – 1967
H S Roelich	1967 – 1968
J K Stafford Poole	1968 – 1969
Wyndham Lewis, OBE, JP	1969 – 1970
Kenneth Rive	1970 – 1972
Victor Chapman	1972 – 1973
Miles P Jervis	1973 – 1974
R J Dowdeswell	1974 – 1976
C W A Painter	1976 – 1977
S Shurman	1977 – 1979
D M Cameron	1979 – 1980
R J Dowdeswell	1980 – 1982
G W Rhodes	1982 – 1984
D F Chamberlain	1984 – 1985
E J Lee, MBE	1985 – 1990
M J Vickers	1990 – 1992
I N Riches	1992 – 1993
R C Warbey	1993 – 1994
S Fishman, CBE	1994 – 1999

CEA Executive Board Chairman

Barry Jenkins, OBE	1999 – 2005

CEA Ltd Executive Board Chairman

Barry Jenkins, OBE	2005 – 2012

Cinema Exhibitors' Association Ltd Executive Board Members - April 2012

CHAIRMAN - Barry Jenkins OBE
CHIEF EXECUTIVE - Phil Clapp
HONORARY TREASURER - Mike Vickers

Larger Operator Board Members / Nominated Substitutes

Apollo Cinemas – Rob Arthur / Derek Cownty / Martin Deleay
Cineworld Cinemas - Steve Wiener / Matt Eyre / Crispin Lilly
City Screen - Lyn Goleby
Empire Cinemas - Justin Ribbons / Paul Baxter/ Craig Jones
Natl Amusements (UK) - Duncan Short / Karen Fox / Richard Leonard
Odeon Cinemas - Roger Harris / Adrian Walker
Vue Cinemas - Tim Richards / Steve Knibbs / Mark de Quervain

Smaller Operator Board Members / Nominated Substitutes

David Morris - New Picture House, St Andrews / Mike Cameron - Granada Cinemas, Edinburgh
Gerald Parkes - Parkway Entertainment / James Collington – Savoy Cinemas
Graeme Cotton – Electric Palace Picture House, Cannock /
Robert Johnson – Kavanagh Cinema, Herne Bay
Mike Vickers / Stuart Hall
Adam Cunard – Picturedrome, Bognor Regis / Mark Williams – WTW Cinemas, Cornwall

CEA Head Office

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