

**Like all good things in life – Summer Cinema is a simple idea. We all love movies, being outdoors and summer. What could be better than being under the stars on a warm summer evening with good friends watching a movie. Summer Cinema is all this and much more.**

**Summer Entertainment Inc.**  
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Beverly Hills CA 90212  
Tel 310 860 6164  
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[www.summerent.com](http://www.summerent.com)  
A joint venture with Village Cinemas

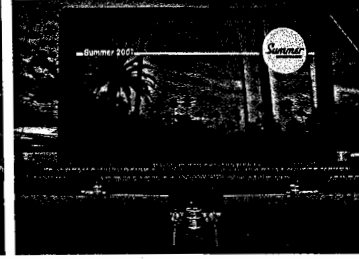
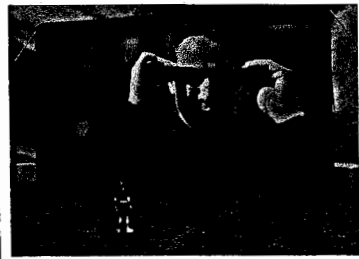


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**OPEN-AIR CINEMA  
MUSIC & MAGAZINES  
VENUE PARTNERS  
SUMMER ENTERTAINMENT TEAM  
CORPORATE PARTNERS  
Q & A – THE FACTS**



# OPEN-AIR CINEMA



**Summer Cinema is a unique way to see films. Summer Cinema will become seamlessly woven into the very fabric of the American summer entertainment landscape.**

Summer Cinema will be positioned in beautiful parklands, college campuses and gallery forecourts operating six nights a week, one session per night, for an eight week summer season.

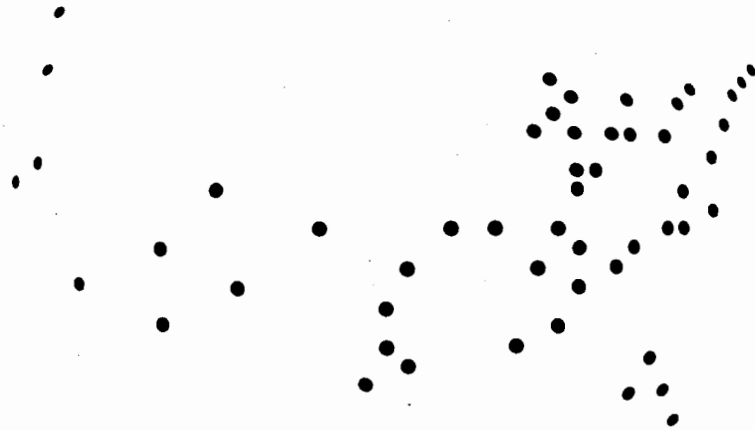
The summer of 2007 will see Summer Cinema launch in major cities across the east and west coasts of the US. Within five years, most major US cities will have their own Summer Cinema. Each venue will have a capacity of 2000-3000 people.

Summer Cinema brings value to its venues by generating revenue, providing a community-oriented event and by assisting with fundraising for community organizations and public agencies.

Summer Cinema offers brands a unique 360-degree marketing platform. We have direct access to affluent, educated and media savvy consumers.

**Picture yourself on a warm summer night. You're sharing the experience with good friends in a relaxed environment on the grass. The sun's going down. The movie's about to roll...**

## The Summer Cinema Vision



### STATE CITY

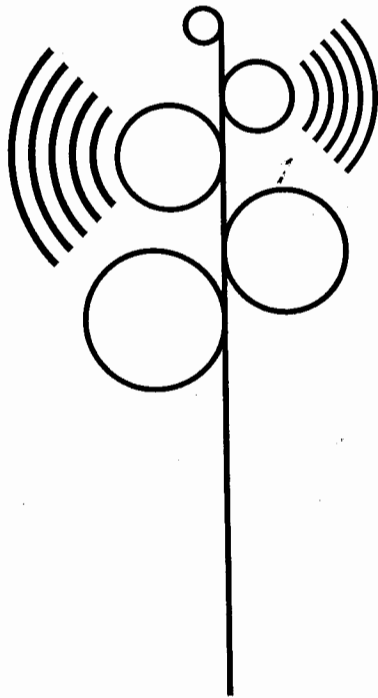
AL	Birmingham	MA	Boston	OR	Portland
AZ	Phoenix	MI	Detroit	PA	Philadelphia
CA	Los Angeles	MI	Grand Rapids	PA	Pittsburgh
CA	Sacramento	MN	Minneapolis	RI	Providence
CA	San Diego	MO	Kansas City	SC	Greenville
CA	San Francisco	MO	St. Louis	TN	Memphis
CO	Denver	NC	Charlotte	TN	Nashville
CT	Hartford	NC	Greensboro	TX	Austin
DC	Washington	NC	Raleigh	TX	Dallas
FL	Jacksonville	NV	Las Vegas	TX	Houston
FL	Miami	NY	Buffalo	TX	San Antonio
FL	Orlando	NY	NY	UT	Salt Lake City
FL	Tampa	NY	Rochester	VA	Richmond
GA	Atlanta	OH	Cincinnati	VA	Virginia Beach
IL	Chicago	OH	Cleveland	WA	Seattle
IN	Indianapolis	OH	Columbus	WI	Milwaukee
KY	Louisville	OH	Dayton		
LA	New Orleans	OK	Oklahoma City		

# MUSIC & MAGAZINES

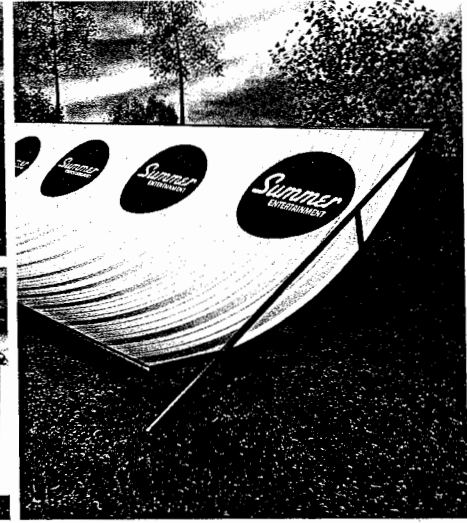
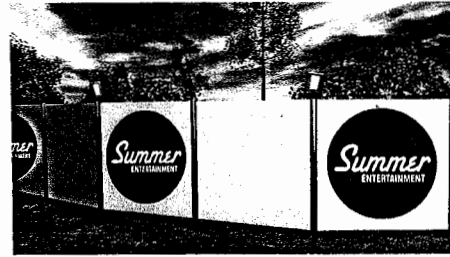
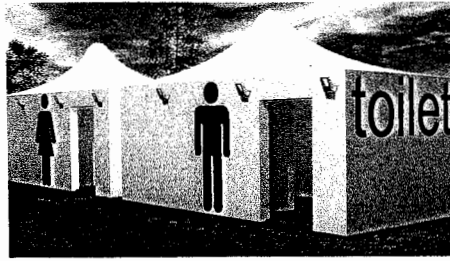


Summer Entertainment is way more than just open-air cinema. Our audience trust us and want even more entertainment from us each summer. Our free mass circulation street magazine, Summer Magazine, will help quench that thirst for more. Summer Magazine is distributed via custom-built point of sale stands in cafés, bookshops and retail outlets across the US. It features interviews with actors, writers, and all those people who are part of the Summer Cinema phenomenon.

Summer Cinema movie-goers arrive hours before the film starts. As the sun goes down we play the best tracks from the soundtracks to our films. All of this is captured on an annual compilation CD so that movie-goers can take a little part of Summer Cinema home with them.



# VENUE PARTNERS



Summer Entertainment knows how to stage an open-air film screening while ensuring minimal impact on the public land we're utilizing. We have a wealth of experience operating in the most sensitive and sublime environments – without harming the environment, community or culture.

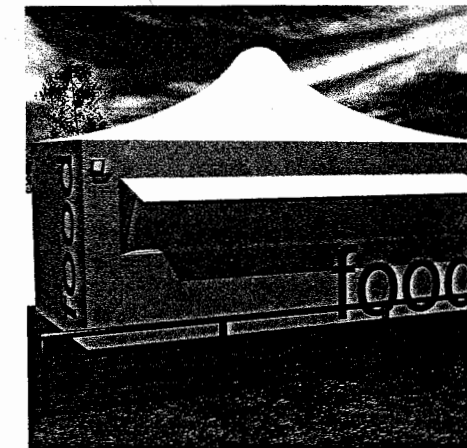
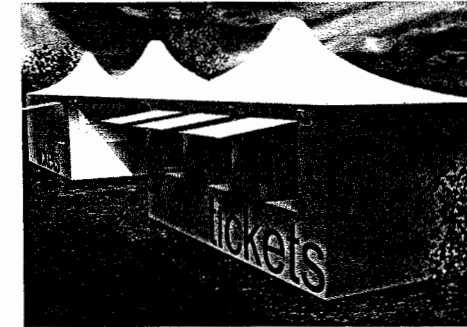
We bring together consultants and project management teams to navigate the myriad of governmental regulations that affect the use of public space by private enterprise.

Summer Cinema's infrastructure is designed to pack away. If you visit our sites during the day, you'll barely see the signs of the up-coming night's festivities. We custom build our screens, the sound system, and the projection, specifically to ensure minimal impact on the surroundings.

Waste management, security, traffic management, local government, and walking groups are all issues we take very seriously. Every time we set up a new cinema, we embrace the challenge of working with each of our community stakeholders to ensure an overall experience that best addresses the unique needs for each group.

**Summer Cinema helps raise money and build awareness for local community organizations.**

**For 10 years we have been operating open-air cinema in venues such as Australia's Royal Botanic Gardens in Melbourne and Centennial Park in Sydney.**



# SUMMER ENTERTAINMENT TEAM



## The Australian case study

Summer Entertainment is a joint venture between two entrepreneurs – James Tutton and Mark McCoach – and Village Cinemas, one of the world's leading cinema exhibitors.

The Summer Entertainment business model has proven itself in Australia. James founded the open-air cinema business in Australia ten years ago (see [www.moonlight.com.au](http://www.moonlight.com.au)). The business grew to become a cornerstone of summer entertainment, operating in every major Australian city. Our open-air cinemas attracted hundreds of thousands of people as well as providing large brand name sponsors with a unique marketing and sponsorship platform. James and Mark recently sold the Australian business.

Village Cinemas and its strategic partners operate over 1,000 screens at 124 sites in eight countries. Village Cinemas is a division of the Australian based media and entertainment company Village Roadshow Limited (VRL). Other VRL assets include:

- A majority shareholding in Australia's two leading radio networks (the Today and MMM networks).
- A 50% shareholding in Australia's three leading theme parks (Warner Bros. Movie World, Sea World and Wet 'n' Wild).
- A major movie production business – Village Roadshow Pictures (VRP) based in Los Angeles. VRP co-produces and co-finances 6-8 movies per year, primarily with its principal production partners, Warner Bros. VRP titles include The Matrix Trilogy, Miss Congeniality, Cats and Dogs, Ocean's Eleven and Charlie and the Chocolate Factory.

 **VILLAGE CINEMAS**

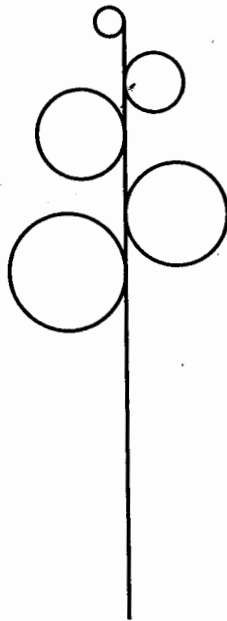
## Summer Cinema & community organizations

Summer Cinema is part of the community. In each city where we operate, we make a strategic partnership with local community organizations. Yes, it's good for our brand and it's good for the brands of our corporate partners, but most importantly it's good for the local community. Summer Cinema is about enhancing the enjoyment of the local community and all that it has to offer. We can all benefit from an initiative like this.

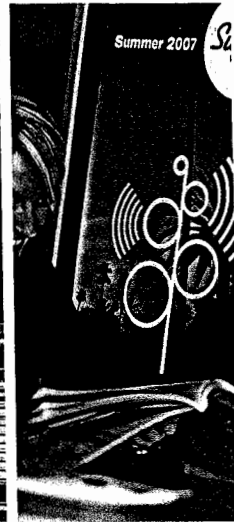
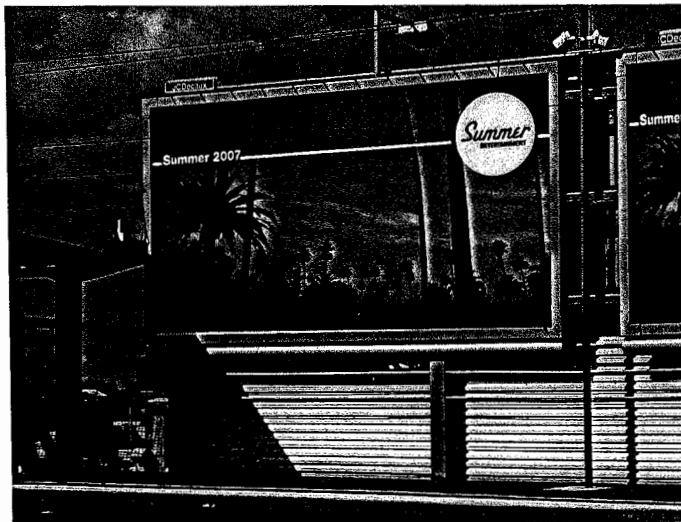
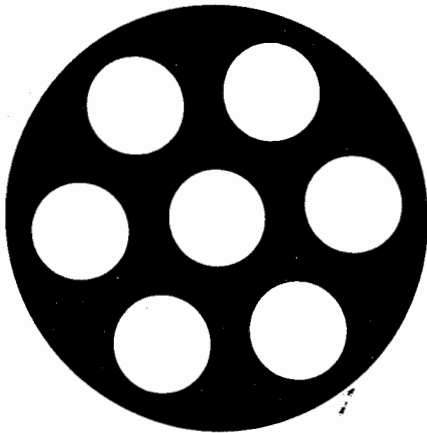
Summer Cinema works with venues to identify suitable community organizations. We then work to raise money and build awareness for your favourite community organization, with exciting events.

We share our business with our community partners so that the whole community benefits.

**James founded Australia's leading open-air cinema business and created a whole new industry. Along with Mark, they built a business and brand that has become an Australian icon.**



# CORPORATE PARTNERS



Summer Cinema offers corporate partners an entirely new way to reach an affluent, premium group of consumers. In today's world of fragmenting media, a communications platform that delivers your brand 360-degree contact with the right consumers is simply gold.

Smart marketers know that the combination of TV, print and radio is a thing of the past. The modern marketer is looking for ways to embed the brand into the very lifestyle of consumers; be part of them, and a part of how they live.

Summer Cinema will connect your brand with your consumer in ways you can't even begin to imagine.

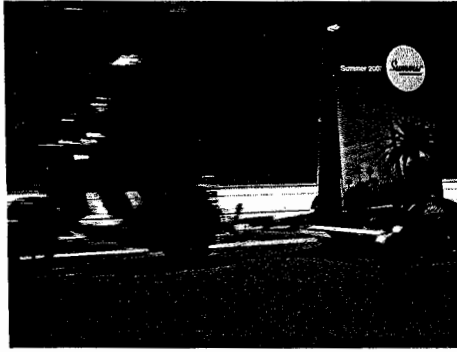
**Summer Cinema enables brands to reach their consumers again and again. On-screen advertising, corporate functions and red carpet events, signage, ticket give-aways, pourage, food and beverage rights, onsite sampling and promotions, web-based marketing, logo placement, advertising space in Summer Magazine and much more.**

Summer Cinema delivers the leaders – the people who others follow – the 'creative' class. We all know them – they were the first to embrace the digital age, the first to buy that new sound we all ended up loving. They found that boutique before anyone else knew about it. Early adopters – marketers love them! They're the people who set the path for others to follow, which ensures products get sold and the world turns.

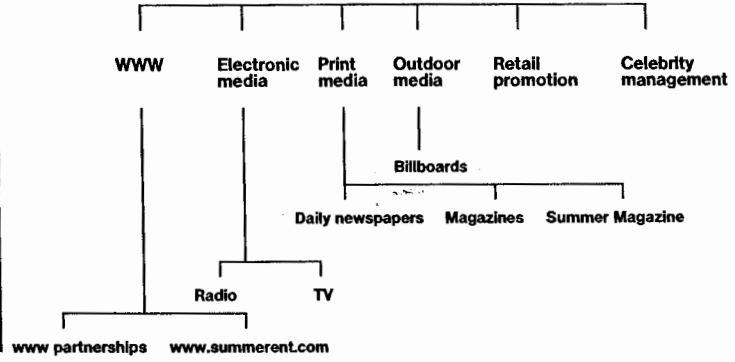
They are educated, they are affluent, they are creative. They live in LA, and they also live in Boston, Chicago, Miami, and in Austin.

To become a corporate partner of Summer Cinema is to declare your brand a leader, an innovator. You'll stay ahead of the pack riding the wave of the 'next big thing' in affluent, urban entertainment.

**Major international brands have sponsored the open-air cinema operations founded by the Summer Entertainment management in Australia. Brands such as General Motors, Haagen Daz, Absolut Vodka, Diageo, Nissan, Virgin, Visa, iPod, Sony Playstation, Beck's Beer, British Airways to name just a few.**



**Summer Cinema  
Communications Strategy  
& Brand Diagram**



Summer Cinema website



Summerent.com

Summer Sessions



The sounds of Summer

Summer Cinema



The open-air cinema experience

Summer Magazine



The guide to Summer

Summer Sounds



The open-air music experience



## **Q & A - THE FACTS**

**Q: How big will Summer Cinema be?**

**A: Summer 2007 will see the launch of 10 Summer Cinema sites in the US - from the east to the west coasts. Within five years there will be 30-plus sites.**

**Q: What type of films will Summer Cinema show?**

**A: Summer Cinema's programming will include an innovative blend of classic and quality contemporary film. We'll show premieres, new release and classic Hollywood titles. We'll have special interest nights, director's introductions and much more.**

**Q: How much will a Summer ticket cost?**

**A: Ticket prices will vary by city, but will be similar to other cinemas in the area.**

**Q: Who will run the event during the season?**

**A: Summer Cinema will appoint a resident onsite manager to coordinate all aspects of set up and operation for the full season. There will also be site visits by senior Summer Entertainment management.**

**Q: What are the direct benefits to Summer Cinema venues?**

**A: There will be a revenue stream based on a percentage of the box office turnover. Summer Cinema has the ability to become a cornerstone fundraising venue for local causes. Summer Cinema offers the local community a friendly, low-impact entertainment option without affecting other park or facility users.**

**Q: How long will Summer Cinema operate for?**

**A: Summer Cinema will operate for eight weeks within the June to August 2007 period, six nights a week, one session per night.**

**Q: Would it operate after this first season?**

**A: Summer Cinema is seeking to be an annual event subject to negotiation with relevant venues.**

**Q: What would be the hours of operation?**

**A: Activity would begin from approximately 5.00pm each day with patrons being admitted from 7.00pm. Screenings would begin at 7.30-8.45pm and finish between 10.00pm and 11.30pm, depending on movie length and sundown times. The site will be closed within one hour of the end of screening.**

**Q: Will there be traffic problems?**

**A: No, with the gates opening at 7.00pm the bulk of peak hour traffic will be over. By utilizing areas within the park and by allowing for up to two entry lanes, disruptions to surrounding streets will be minimized. Signage and directions will be posted and taken down by Summer Cinema staff.**

**Q: What will the site look like?**

**A: There will be four transportable buildings and one storage container located onsite - the projection booth, catering, storage administration and box office - with minimal impact. The screening area will be fenced using 1.8m (6ft) high chain wire fencing covered in shade cloth.**

**Q: What will the screen look like?**

**A: The screen structure is a custom built air screen. The structure is erected and taken down each day and stays on site in a 1m (3ft) high metal box structure. It will be fully certified by a structural engineer.**

**Q: How will the sound system impact surrounding areas?**

**A: The sound system will have minimal impact on surrounding areas. Summer Cinema has been successful in utilizing sound systems in highly populated areas that fully comply with all government and ordinance regulations.**

**Q: How will it be marketed?**

**A: Summer Cinema will be marketed using the full range of media from free-to-air television and radio, website, mainstream and street press, a widely distributed postcard program (with a print run of 250,000 per city) and extensive public relations activities. All these elements provide opportunities for cross promotion for venues.**

**Q: How big are the Summer Cinema venues?**

**A: Venues will have a capacity between 2000 and 3000 people per session.**

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**In summary:**

- L.A.R.P will generate \$60,000 plus revenue pa from the project.
- This proposal is part of a broader project to launch open-air cinemas in targeted United States cities.
- The CEO of Summer Cinema is also the founder of Moonlight Cinema, Australia's largest open-air cinema circuit. James has ten years' experience in large-scale open-air cinema production.
- Village Roadshow Limited (Village), 50 per cent joint-venture partner in Summer Cinema, is a publicly traded entertainment conglomerate with global interests in cinema, theme parks, and radio and film production.
- Village is best known in the United States via its Warner Brothers film production partnership.
- Summer Cinema has extensive experience and a solid record of running open-air events in sensitive environments in partnership with venue owners.
- Summer Cinema will operate for a period of approximately 8 to 10 weeks from July to September 2007.
- The event will operate 6 days a week; from 7.30 p.m. till 11.00 p.m. (Gates will open at approximately 7.30 p.m. Between 5.30 and 7 p.m., Summer production staff will be on site doing the nightly setup.)
- The event will not exclude other daytime activity from the site.
- Only prepared food and limited alcohol will be sold on site utilizing a local food and beverage supplier. Summer will only serve alcohol (wine and beer) in designated / fenced areas with ID checks performed by staff.
- Summer Cinema is covered by a comprehensive public liability insurance policy.



**Q: What will the site look like?**

A: There will be four transportable buildings and one storage container located on the site. These will comprise the projection booth, catering and storage/administration facilities and box office and will have minimal visual impact. The screening area will be fenced using 1.8 m (6 ft) high chain-wire fencing covered in green shade cloth.

**Q: What will the screen look like?**

A: Summer Cinema will use a state-of-the-art air screen. The inflatable structure will be erected and taken down each day and will stay on site throughout the season in a 1 m (3 ft) high metal box.

**Q: How will the event be marketed?**

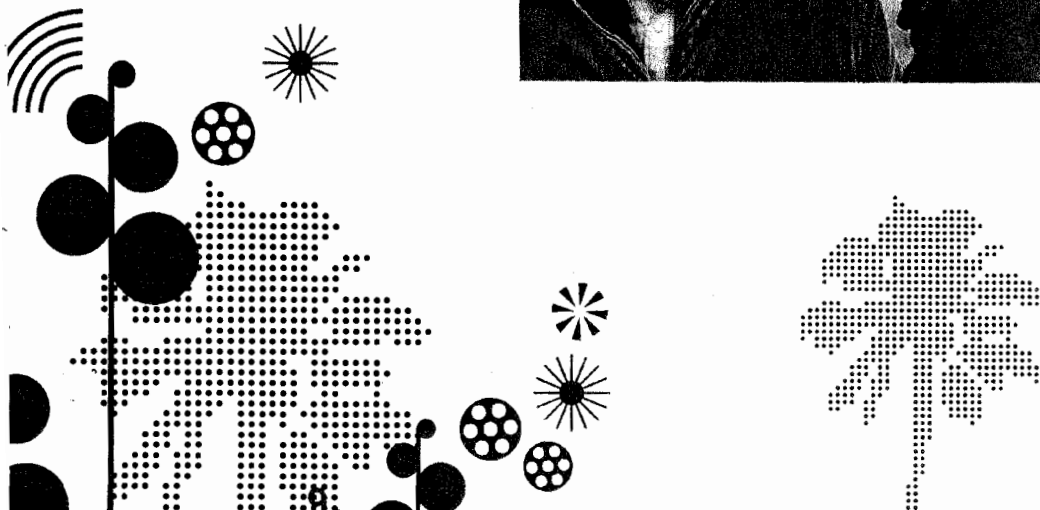
A: Summer Cinema will be marketed using the full range of media, from free-to-air television and radio to a dedicated website, mainstream and street press, a widely distributed postcard issue with a print run of 500,000, and extensive public relations activities. All of these elements will provide the sponsors and L.A.R.P. with an opportunity for cross-promotion.

**Q: Is Summer covered for public liability?**

A: Yes, Summer has a comprehensive public liability insurance policy.

**Q: Who will run the event during the season?**

A: Summer will appoint an on-site venue manager to coordinate all aspects of setup and operation for the full season. Additionally, there will be site visits by the CEO and senior production managers.



# 1. INTRODUCTION

**Summer Cinema is pleased to offer this proposal for the consideration of The City of Los Angeles, Department of Recreation and Parks (L.A.R.P). The proposal outlines the key concepts and requirements of the project. The proposal takes into consideration key issues raised in the initial meetings between Summer Entertainment and senior L.A.R.P management, including the following:**

- **Budget:** A specific budget and P/L forecast for the Pan Pacific Summer Cinema - Inc food and beverage and sponsorship revenue (see attached disc and Excel model provided).
- **Fee:** A proposed fee structure which shows each party (Summer Cinema and L.A.R.P) are receiving an equitable and fair market return (provided in attached Excel spreadsheet).
- **Community screenings:** An outline of potential "free" neighbourhood screenings and on-going discounted ticket program for local residents.
- **Auditing:** Details of auditing rights applicable to the city to ensure accuracy of gross revenue figures to be provided to L.A.R.P.
- **Site map:** topographical maps provided by L.A.R.P have been used to prepare initial site layouts for Pan Pacific Park.
- **Timing:** this proposal is prepared based on the intended time line of finalizing negotiations by end September 2006, to enable a summer 2007 start date.



## 2. SUMMER - A BACKGROUND

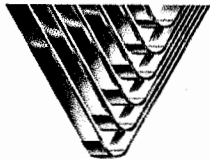
**Summer Cinema is a partnership between entrepreneur James Tutton and a publicly traded entertainment conglomerate, Village Roadshow Limited (Village).**



James founded Australia's leading open-air cinema circuit and thus created an industry, building a business and a brand that have become an Australian icon. In addition, James founded and owned Australia's second-largest cinema advertising group. James was a finalist in the Ernst & Young Entrepreneur of the Year award. James holds a college degree, with a major in Philosophy and a minor in Politics.

Village is best known in the United States via its hugely successful co-production partnership with Warner Brothers, which produced major hits such as Charlie and the Chocolate Factory, Ocean's Eleven, Dukes of Hazzard and the Matrix trilogy. In partnership with Warner Brothers, Village has produced over 40 top-grossing films in the past seven years.

Beyond the United States, Village is known for its cinemas, having owned and operated hundreds throughout Asia, Australia, Europe, and the United Kingdom. Village is Australia's largest commercial radio operator, owning Australia's two top radio networks. The other core Village business is theme parks: Village operates Warner Bros Movie World; Sea World; and Wet 'n' Wild Water World – making it Australia's number one theme park operator.



**VILLAGE  
CINEMAS**



### 3. SUMMER CINEMA - THE CONCEPT

**Summer Entertainment is launching it's seasonal open-air cinema product in park and recreational locations around the United States.**



- Summer Cinema operates a seasonal open-air cinema, offering movie-goers a unique way to see films six nights per week.
- Summer Cinema offers movie-goers a combination of social, outdoor and film experiences. It brings together some of America's favorite past times into one entertainment product.
- Summer Cinema screens a mix of new release and independent film, making it an excellent value way to see movies (tickets are less expensive than traditional cinemas).
- Summer Entertainment's core business is open-air-cinema. This ensures we are well positioned to deal with a range of production, community and stakeholder issues.
- Summer Cinema uses state of the art equipment that ensures minimal impact on the venues we partner with.



## 4. FAQs

### **Q: What are the direct benefits to L.A.R.P?**

A: There will be a revenue stream based on a percentage of the box office turnover. L.A.R.P can expect to generate \$60,000 in additional revenue from Summer Cinema.

The Miracle Mile area as well as the broader Los Angeles community will benefit from a Summer Entertainment experience showcasing Pan Pacific's many rewarding features.

As testified by Melbourne Botanic Gardens, Australia, open-air cinema has seen "the increased patronage of a demographic that would not necessarily have looked to the Botanic Gardens as a destination for a casual visit. Visitor numbers across the board have increased over the past several years ... and a significant percentage of the younger age group came into the grounds for the first time to see a movie under the stars".

### **Q: How long will Summer Cinema operate for?**

A: Summer Cinema will operate from July to September 2007, six days a week. The total season will last 8 to 10 weeks.

### **Q: Would it operate after this first season?**

A: Summer would be seeking to be an annual event, subject to negotiation with L.A.R.P.

### **Q: What will be the hours of operation?**

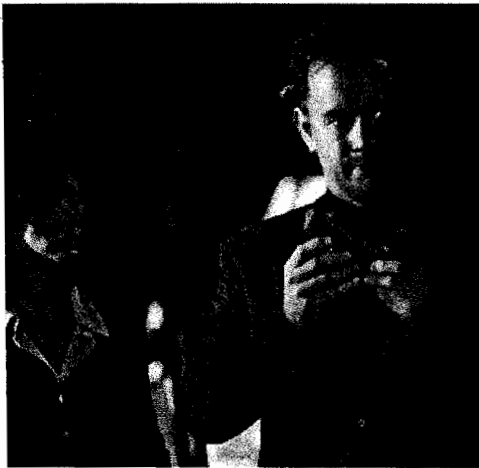
A: Site activity will start at approximately 5.30 p.m. each day; with patrons being admitted from 7.30 p.m. Screenings will start at approximately 8.30 p.m. and finish between 10.30 p.m. and 11.00 p.m., depending on movie length and sundown times. The site will be closed within one hour of the end of screening.

### **Q: What impact will the sound system have on surrounding areas?**

A: The sound system will have minimal impact on surrounding areas. In Australia, Summer has been successful in utilizing sound systems in highly populated areas that fully comply with all ordinance and government regulations.

### **Q: Will there be traffic problems?**

A: No. When the gates open at 7.30 p.m., the peak-hour traffic period will be largely over. Signage and directions will be posted and taken down by Summer staff.



## 5. MARKETING

**Summer Cinema at Pan Pacific Park will be marketed across the communications spectrum. Below is a brief outline of each aspect of the marketing program.**

### 5.1 Electronic media

Summer has a successful history of forming key cross-promotional alliances with major television and radio outlets. Summer will initiate relationships with major US-based media to promote Summer Cinema. Key on-line properties will be partnered for cross-promotional involvement.

### 5.2 Magazines

A dedicated magazine, Summer Magazine, will provide significant editorial support to Summer Cinema. The print run of 500,000 copies will be distributed free via 3000 retail outlets city-wide. This can be used to promote local retailers and other events at the venue.

Monthly lifestyle publications will be included in the media schedule. Summer's current marketing in this sector includes a diverse range of national publications.

### 5.3 Public relations

Summer's marketing will involve an extensive media relations campaign, securing editorial in mainstream as well as entertainment press, radio and digital media.

### 5.4 Printed promotional material

A free postcard listing screening details for the entire season's program, with a print run of 500,000, will be distributed in Los Angeles via cafes and retail outlets in specially designed point-of-sale stands.

A2, two-sheet and 24-sheet outdoor / street media will be used to further promote Summer Cinema.

### 5.5 Website

The Summer Cinema website – [www.summerent.com](http://www.summerent.com) – will be used as a prime marketing tool for Summer Cinema. Functions will include ticketing, movie reviews, dating capabilities, text reminders, film trailers and more.

### 5.6 Street promotions

Securing support from the retail / fashion industry will be essential to the launch of Summer Cinema. With this in mind, event promoters will distribute opening-night invitations on the street.



## 6. COMMUNITY CAUSES

**Summer Cinema's commitment to not-for-profit activities is fundamental to its corporate vision. We are using public space for our events, so it's only right for us to give back to the local community.**

Summer Cinema will operate four fundraiser screenings to raise money for either L.A.R.P or a charity of their choice.

Further, Summer Cinema will operate two free screenings for local residents and will offer all local residents heavily discounted tickets to all Summer Cinema screenings (note: L.A.R.P to discuss boundaries of area to be provided discount tickets).



## 7. SITE OPERATIONS & TECHNICAL REQUIREMENTS

### The broad technical and operational requirements of Summer Cinema are outlined below.

The guiding principle is to safeguard the existing venue environment while providing a positive customer experience. Summer Cinema is committed to high levels of technical presentation, visual appeal and patron safety.

#### 7.1 Daily operations

It is anticipated that the site will operate six days a week. The majority of the activity will take place from 5.30 p.m. each day when staff arrive to begin setting up. In order to minimize interruptions to existing site activities, Summer Entertainment will design the site layout and operational details in full consultation with senior L.A.R.P. management.

Gates will open to the public at 7.30 p.m.

The session will start at approximately 8.30 p.m., depending on sundown times, and will consist of on-screen advertising followed by the feature film.

It is anticipated that the session will finish between 10.30 p.m. and 11.00 p.m., depending on the running time of the feature. The public will exit from the site within half an hour at the end of screening.

Staff will remain on site for approximately one hour after the end of screening to clean and secure the site.

A limited number of contractors will require access outside normal operational hours. These will include cleaning staff, rubbish removalists, film couriers and food and beverage suppliers.

#### 7.2 Sound management

Summer has a successful track record in utilizing sound systems that have minimal impact on surrounding residential areas. Sound buffering, speaker direction and use of multiple smaller speakers all assist in this regard. The sound system to be used at Pan Pacific Park will comply with all site and governmental requirements.



### 7.3 General site description and layout

Subject to discussion with venue management, Summer envisages that the layout of the site will be based on a traditional amphitheatre. This will have a number of advantages, including limiting the visual impact, containing the sound, enhancing visibility for patrons, and contributing to a relaxed open-air experience.

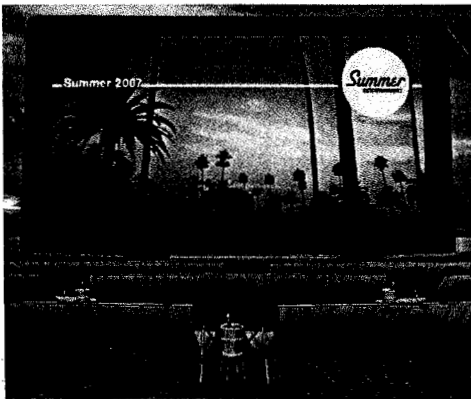
### 7.4 Site building, structure and power outline

Function of structure	Description	Size (length x width x height)	Power requirements
Projection booth	Relocatable building	3.6 x 2.4 x 2.4m	50 amp 3 phase
Ticket booth	Relocatable building	3.6 x 2.4 x 2.4m	30 amp single phase
Catering outlet	Relocatable building	6 x 2.4 x 2.4m	50 amp 3 phase
Administration & staff facility	Relocatable building	6 x 2.4 x 2.4m	30 amp single phase
Storage	Shipping container	6 x 2.4 x 2.4m	10 amp single phase
Screen	Inflatable air screen	20m(w) x 12.5m(h) approx.	TBA

If necessary Summer will provide generator power to power the event.

### 7.5 Screen structure

Summer Cinema will use a state-of-the-art air screen measuring approximately 20 m (60 ft) wide x 12.5 m (40 ft) high. The screen will be erected and taken down each night (for minimal site impact) and will stay on site throughout the season in a 1 m (3 ft) secure metal box. The structure will be fully engineered and certified, and a copy of the engineering report will be made available to L.A.R.P.



### **7.6 Site lighting**

Summer will be seeking to utilize any suitable existing site lighting during patron entry and exit. Supplementary lighting will be used around the projection, office and catering buildings during screenings and at exit points and paths to assist patrons' safe departure.

### **7.7 Toilets**

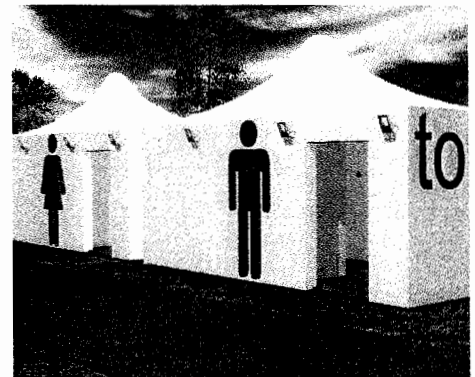
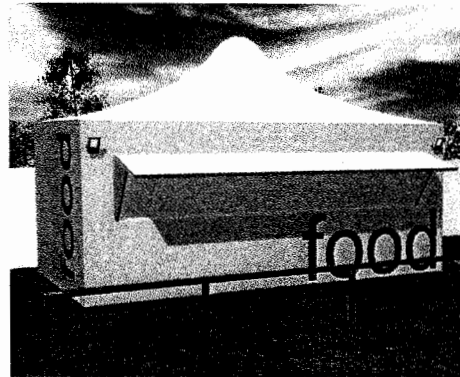
Summer will seek to utilize all suitable toilets already existing on the site. Further portable toilet facilities can be supplied as required by toilet-to-patron ratios specified in Pan Pacific Park permit guidelines.

### **7.8 Traffic management**

Summer will work with L.A.R.P. management to minimize disruptions to traffic in surrounding areas. Parking and public transport information will be published in promotional material and on the Summer Cinema website. Signage and directions for parking will be erected and taken down by Summer Cinema staff.

### **7.9 Site fencing**

Summer will be seeking to fence the screening area where necessary with 1.8 m (6 ft) high chain-wire portable event fencing covered in shade cloth. This will define the area for security and control purposes and improve visual impact. The area could be open to the public during non-screening times.



## 8. SITE SETUP & REMOVAL

**The setup/removal period will be closely supervised on site by Summer's CEO or a senior member of staff experienced in large-scale event production. No work will take place on site during these periods without the supervision of either the above or the resident manager.**

### 8.1 Setup

Based on Summer's experience in the operation of open-air cinemas, we would require a period of approximately 5 days before opening to install and test equipment. This period may be reduced in subsequent seasons as our site-specific knowledge increases.

Summer will supply a detailed production schedule before the setting up begins. This will list all activities, timing and major transport movements.

The majority of site work will take place during normal business hours. However, night work will be required to test projection equipment. Projection testing will produce no audible noise other than from vehicle movements and is expected to finish no later than 11.00 p.m.

### 8.2 Facility removal

It is anticipated that all structures will be removed and the site vacated no more than five days after closing the operation. Site works will take place between 7.00 a.m. and 6.00 p.m.

Summer will supply a detailed schedule of works two weeks before the end of the season. Summer will ensure a 110 per cent site "make-good" in returning site turf and the physical amenities to their pre-season condition.



## 9. SECURITY

**Summer's experience in running open-air events of this kind has been that the security risk is minimal, primarily due to the nature of the audience attracted. However, a number of policies and practices will be maintained in order to minimize risk.**

### **9.1 Cash management**

The ticket booth will be a secure building. A safe will be installed on site. A licensed security provider will escort cash takings off site each evening. No cash will be left on site. A significant percentage of ticket sales are done via Summer's on-line ticketing system, thus minimizing on-site cash.

### **9.2 Buildings**

All buildings will be fitted with high-security locks and screens. Doors will be reinforced and fitted with lock guards.

### **9.3 After-hours lighting**

Summer will utilize the existing site lighting for after-hours security. Further portable lighting will be provided to help patrons make their way from the cinema site to the parking facilities.

### **9.4 Security staff**

A local security team will be contracted to provide on-site, visible security for the duration of the screening. The security focus will be concentrated on patron safety, cash control and monitoring the parking facility. Summer will work with your existing law enforcement or park rangers to conduct a safe and family-orientated event.



## 10. TRASH & SITE CLEANING

**Summer has a policy of encouraging recycling at all of its events. Summer is willing to work with any existing site cleaning contractor towards this end. In the absence of such collaboration, Summer would employ the following waste management plan.**

### 10.1 Setup

A large covered commercial bin will be delivered to the site during the first day of bump-in.

Summer will ensure that the site is clean at the completion of each day's activities.

### 10.2 Operational period

General trash and recycling bins will be delivered before the start of the season. These will be strategically placed so as to encourage patrons to use them.

Summer staff will conduct a site cleanup before closing each evening.

The general trash and recycling skips will be emptied at such times to ensure a clean and safe environment.



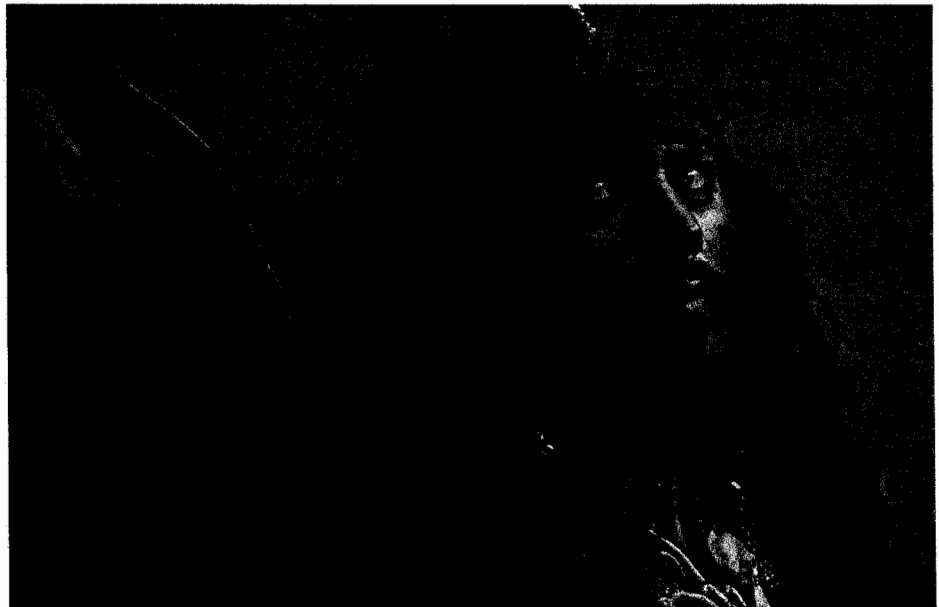
## 11. EVENT MANAGEMENT

**An experienced venue manager will be employed to oversee the total day-to-day functions of the open-air cinema for the full duration of the season, including setup, screening and final cleanup.**

The successful candidate will be trained and highly experienced in technical production on large-scale theatrical and event productions, and will have strong communication and management skills and the ability to deal with all aspects of the venture.

A national operations manager, who will report to Summer Cinema, will oversee all production.

The CEO will be available and on call throughout the screening season to respond to any major incidents that arise.



## 12. REVENUE

**L.A.R.P will benefit from the constant revenue stream for the total summer period. L.A.R.P can expect to generate in excess of \$60,000 in additional revenue.**

It is proposed that L.A.R.P receive revenue of 13 per cent of ticket sales plus all revenue from fundraising nights after film hire and staff costs have been paid. Based on an 800 person average, with an average ticket price of \$8.00, for an eight week season, this equals approximately \$40,000.

Summer Cinema will work with L.A.R.P to promote an additional four fundraising nights with the view to generating an additional \$20,000 for L.A.R.P bringing the total money generated to \$60,000.

Please note, Summer Entertainment is willing to guarantee \$40,000 of the projected revenue to L.A.R.P via a minimum guarantee structure.



KEY INDICATOR ASSUMPTIONS	
Total Number of Screenings	48
Occupancy	45%
Number of seats	2,000
Number of Screenings per Week	6
Number of Screens	1
Average Net Ticket Price	\$7.50
Film Cost %	30%
Payroll Cost %	20.51%
Labour per Admission	\$1.33
Percentage Rent %	12%

GENERAL ASSUMPTIONS	
8 week season	
Head Office costs allocated across all 10 national sites	
National Sponsorship \$3.5m allocated to all 10 national sites	

## PAN PACIFIC PARK OPERATING STATEMENT

	Year 1 P&L	Year 2 P&L
<b>REVENUE</b>		
Film Revenue	324,000	324,000
Screen advertising/Sponsorship	350,000	425,000
Other Income	-	-
<b>Total Revenue</b>	<b>674,000</b>	<b>749,000</b>
<b>COST OF SALES</b>		
Film Cost	97,200	97,200
Agency Commission	35,000	42,500
Advertising	84,240	84,240
Sponsorship Direct Costs	17,500	21,250
Other	-	-
<b>Total Cost of Sales</b>	<b>233,940</b>	<b>245,190</b>
<b>GROSS PROFIT</b>	<b>440,060</b>	<b>503,810</b>
<b>OPERATING EXPENSES</b>		
<i>Controllable Operating Expenses</i>		
Payroll	57,600	57,600
Other	-	-
<b>Sub-total</b>	<b>57,600</b>	<b>57,600</b>
<i>Non-controllable Operating Expenses</i>		
Percentage Rent (with minimum guarantee)	50,000	50,000
Production costs	57,928	57,928
Equipment Hire	94,000	94,000
<b>Sub-total</b>	<b>201,928</b>	<b>201,928</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>259,528</b>	<b>259,528</b>
<b>OPERATING INCOME</b>	<b>180,532</b>	<b>244,282</b>
<i>Allocation of HO Operating Costs</i>		
Accounting, Legal & Consulting	22,500	22,500
Management Fees & Payroll	69,800	69,800
Stationary, printing, postage etc	10,300	10,300
Rent, Utilities & Insurance	9,000	9,000
Travel & entertainment	23,300	23,300
Sundry & Other	23,767	23,767
<b>ALLOCATED COSTS/REVENUES</b>	<b>158,667</b>	<b>158,667</b>
<b>TOTAL EBT</b>	<b>21,866</b>	<b>85,616</b>

