

April 5, 2022

The Honorable Will Smith, Chair and Members of the Judicial Proceedings Committee

RE: HB 1238 Places of Public Accommodation - Motion Picture Houses - Captioning

POSITION: UNFAVORABLE

Good Afternoon Chairman Smith ad Members of the Judicial Proceedings Committee,

As we represent the Mid-Atlantic National Association of Theater Owners, we are respectfully requesting an unfavorable report for HB 1238. This bill will require theaters provide open captioning for each motion picture it screens for at least 2 screenings each week. In all, a total of 900 open caption shows per week in the state and 46,800 open caption shows per year. A number that just does not have that kind of demand.

During COVID, unlike some other businesses, movie theaters were shuttered in full. Many theaters in the state were completely closed for over a year, and they are still very much in a recovery period. Since the shut down in March of 2020, we estimate our collective losses at the box office and concessions to be well over \$400 million in Maryland.

Compared to 2019, Maryland box office admissions were down (\$160,548,456) in 2020, and another (\$127, 514, 871) in 2021. Together with lost concession sales, and more admission losses during the first quarter of 2022, Maryland movie theatres have been ranked 47th in the country on recovery (Hawaii is 50th). Although, there is nothing better than seeing a movie on the big screen, behaviors have changed, and content availability is at the touch of every finger.

As an industry we cannot afford to lose any customers, and it is our goal to ensure every customer that comes to the movies wants to return. Movie theaters will not survive without great customer service and a great experience for movie-goers.

Only one state\* has imposed a similar law – the state of Hawaii. <u>Linked here</u> is the impact report from the Hawaii Department of Business, Economic Development & Tourism, and it shows a loss of viewership and revenue in a much smaller market than Maryland. Data in their report shows that "...the difference in aggregate patron attendance <reduced attendance > between open-caption showings and non-open-caption showings was estimated at 94,755 patrons per year for the two theater companies combined."

(\*NYC recently enacted a law, but it is currently not in effect, and the impact is unknown.)

2 FRANCIS STREET, ANNAPOLIS, MD 21401 | 410.204.1707

Advocates for the bill say theaters will not be negatively impacted by this bill—yet we have not seen any data to indicate that contention. We would gladly review any studies or meet with any advocates who are willing to share with us on this point.

Our industry has been one of the hardest hit. Movie theaters have been at the center of large developments but unfortunately, Maryland has lost movie theaters to closure, and sadly we have lost movie goers as well. This legislation could have unintentional consequences of further alienating some movie goers that avoid open captioned shows and accelerating the closing of more theaters. We request an unfavorable report.

We have included written testimony submissions from several theater owners, National Association of Theater Owners, and Mid-Atlantic National Association of Theater Owners. Please refer to the documents in pages 3-18.

Thank you for your consideration.

Ellen Valentino, Cornerstone Government Affairs
Jenna Massoni, Cornerstone Government Affairs
Bernie Marczyk, Cornerstone Government Affairs
Delora Sanchez Ifekauche, Cornerstone Government Affairs
Doug Murdoch, Executive Director, Mid-Atlantic National Association of Theater Owners



House Bill 1238 – Places of Public Accommodation - Motion Picture Houses – Captioning Before the Senate Judicial Proceedings Committee April 5, 2022 POSITION: Oppose

Testimony of Donald Fox Fox Theatres LLC

My name is Donald Fox. I am the owner of Fox Theatres LLC, a movie theater company based in Reading, Pennsylvania. The company, founded in 1957 by my father, Richard Fox, today operates twenty screens in three theater locations. Two theaters, the Sun & Surf Cinema and the Fox Gold Coast, are in Ocean City, Maryland, and one additional theater is in Reading, Pennsylvania.

I am submitting this written testimony in opposition of Senate Bill No. 958. While Fox Theatres fully supports access for all guests, and already has a number of methods to serve our hearing impaired community, the audience is small and the demand is minimal. This bill will hurt our business more than it will impact the deaf and hard of hearing customers.

On a personal note, I have severe hearing loss and wear hearing aids in both ears. While I agree that open captions would give some moviegoers another option, it's totally unnecessary to run two open captioned shows per film every week. In February 2022, we began offering two open captions shows per week for one film only, a new release, at our 8-screen movie theater, Sun & Surf Cinema: one show on Sunday at 3pm and one on Wednesday at 3pm. Only nine-percent of the customers attending these open caption shows came for the open captions. We know this because we survey the audience at every open caption show.

This means 91% of customers at our open caption shows are not there for open captions, they are there to see a movie at that particular showtime. They are not looking for an open caption showtime and some customers have left the theater when they find out their showtime has open captions. Additional open captions shows each week would not bring in more deaf and hard of hearing customers, it would only alienate hearing customers.

Movie theaters are just starting to recover from the devastation the pandemic had on our business and the resulting new competition from streaming. The passage of the law would create an additional financial burden to movie theaters because of the loss of revenue from patrons who will avoid going to an open caption showtime and don't have other options that work for their schedule. I thank you for allowing me to convey our concerns, and urge the committee to vote NO on Senate Bill 958.



#### HB 1238 – Places of Public Accommodation - Motion Picture Houses – Captioning Before the Senate Judicial Proceedings Committee April 5, 2022

**Position: Oppose** 

On behalf of Cinemark Theatres, we respectfully request that you oppose HB 1238. Cinemark Theatres is already providing open caption showtimes voluntarily at our two theatres in Maryland and we are also compliant with federal law on accessibility, we believe that this legislation is unnecessary.

Cinemark has been an industry-leader when it comes to offering our deaf and hard of hearing guest's options to see a movie. Years before it was a federal requirement, Cinemark proactively equipped all of our theaters with Closed Caption and Assisted Listening devices that allowed on-demand viewing of all caption-capable features at our guests' convenience. These devices are in regular use every week and we continue to receive positive feedback on both convenience and ease of use. When we were able to reopen in mid-2020, we made a commitment to expand open caption options through both our Private Watch Party and Group Events programs. And although these open caption options are not frequently taken advantage of, they have been well received.

Starting in the middle of 2021, Cinemark Theatres once again evolved and has undertaken a voluntary open caption program in several states, including Maryland, where we recently began offering open captioning showtimes. Each of our two theatres offers showtimes on every feature with a full schedule twice a week: once on the weekend and once during the week. To be more specific, our theatre in Towson offers showtimes on Saturdays and Mondays while our theatre in Arundel Mills Mall in Hanover offers open captioning showtimes on Sundays and Wednesdays. As a result, Cinemark Theatres is offering open captioning four days every week. For your reference, here is a picture of our messaging that appears on each theatre's website landing page on cinemark.com. This screen shot is for our theatre in Towson.

#### On-Screen Captions Available

This theatre offers on-screen captions for select showtimes. On-screen open captions display dialog and sound descriptions in text throughout a film. Look for the on-screen caption designation next to applicable showtimes every Saturday & Monday.

As you can see, we are communicating clearly and with detail. Furthermore, and as noted above, we offer open captioning showtimes on all films that have a full schedule for the day, thus, we are pleased to offer our guests a wide range of choice when coming to our theatres.

Senators, we are working hard to understand and react to the needs of our deaf and hard of hearing communities. We have never waited for legislation to dictate our programming and, because of what we have been happily willing to do, we do not feel legislation is necessary now.

Additionally, I have a grave concern regarding a provision in HB 1238 that could have unintended consequences for our audiences in Maryland. The bill as written requires that ALL features be offered with open captioning two times a week. The theatre exhibition industry's show scheduling is fluid and evolves from week to week. Quite often we feature special one day only events that are unique and special or we may just decide to offer just one showtime a day of an older movie that is at the end of its engagement. As currently written, I am concerned we would no longer be able to exhibit these special events because we would be in technical violation of the law.

By allowing Cinemark Theatres to offer open caption showings on a voluntary basis, rather than a mandated basis, it allows us to react to actual demand and adjust the number of screenings and the showtimes as appropriate. As you may know, our movie theaters were closed for approximately fifty weeks due to the pandemic. As we economically recover from a period of time in which we had zero income, flexibility in scheduling is paramount.

In conclusion, we believe that our voluntary open caption program meets consumer demand as opposed to a rigid mandate that would be economically damaging and unnecessary. Therefore, we respectfully request that you give HB 1238 an unfavorable report.

Sincerely,

Arthur D. Murtha Senior Vice President, Operations Cinemark Theatres amurtha@cinemark.com



### House Bill 1238 – Places of Public Accommodation - Motion Picture Houses – Captioning Before the Senate Judicial Proceedings Committee Position: Oppose

On behalf of AMC Theatres, the largest theatrical exhibitor in the State of Maryland and the United States, we respectfully request that you oppose HB 1238. Since AMC is already providing open caption showtimes voluntarily and complies with federal law on accessibility, this legislation is unnecessary.

Inclusive programming is core to AMC's strategy, and we are proud to lead the theatrical exhibition industry by making open caption showtimes available in the state of Maryland. Currently, guests at 7 AMC locations within the state can find clearly marked open caption showtimes at AMCTheaters.com and on the AMC mobile app. The showtimes currently represent a mix of weekend and weekdays, evenings, and matinees, and are expected to evolve with movie-going demand and guest feedback.

In addition to public showtimes, open captions are also available through AMC's Private Theatre Rentals program. While AMC is excited to offer open captioning for those guests who desire this format, substantially all showtimes at AMC will continue to be offered with closed captioning, which allows audience members to attend all shows at every time without any disruption in ticket sales. Therefore, AMC will continue to have closed captioning and assisted listening devices available at all its locations in the state.

By allowing AMC to offer open caption showings on a voluntary basis, rather than a mandated basis, it allows us to react to actual demand and adjust the number of screenings and the showtimes as appropriate. As you may know, our movie theaters were closed for approximately fifty weeks due to the pandemic. As we economically recover from a period of time in which we had zero income, flexibility in scheduling is paramount.

In conclusion, we believe that our voluntary open caption program meets consumer demand as opposed to a rigid mandate that would be economically damaging and unnecessary. Therefore, we respectfully request that you oppose this legislation.

Sincerely,

Derek Hein On behalf of AMC Theatres derek@1861consulting.com (785) 319-9898



HB 1238 – Places of Accommodation – Motion Picture Houses – Captioning Senate Judicial Proceedings Committee April 5, 2022

Position: Unfavorable

Dear Chairman Smith, Jr., Vice-Chair Waldstreicher, and Members of the Committee,

I am writing in opposition to HB 1238 - Motion Picture Houses - Captioning.

My name is Thomas Wienholt, and I am the Vice President of Horizon Cinemas. We are a small family-owned movie theatre company with 5 locations in MD. Each of our locations has 8 or less screens. Since we have limited screens at each location, I am concerned this bill will financially hurt our company. We are just starting to recover from the pandemic after forced closures in 2020 and 2021, and attendance is still about 50% below pre-pandemic levels. Forcing us to program multiple open caption shows will create another challenge to overcome in our efforts to stay in business.

Currently, we are accommodating the needs of our hearing-impaired customers in a number of ways. As required by law, we provide headsets and/or open caption devices (which mount on the seats) upon request. In addition, we allow customers to request on-screen open captions via our website: https://horizoncinemas.com/about--contact

On average, we only receive one or two on-screen open caption requests per week, for all our locations combined. We promptly respond to these requests, program the open caption show as close to the requested time as possible, and update the website so that the showtime is labeled "w/Open Captions." Typically, ticket sales for these shows are very low since most of our customers do not want/need the captions. In fact, we have received negative feedback and demands for refunds from customers who were unhappy the screening was open-captioned, even though it was clearly labeled that way on the website and theatre signage.

Our current system has worked well for our customers and in fact, we were recognized by Anne Arundel County a few years ago for our efforts to provide on-screen open captions to our customers.

As written, the bill would require at least two open captioned shows per film each week, after the first week. This one-size-fits-all mandate would not take into consideration the availability of our customers to attend these shows, so we would still have to offer open captions on demand.

Please continue to give us the flexibility to respond to our guest requests and market demands, rather than a one-size-fits-all legislated mandate that will impede our recovery form the pandemic.

Thank you for your time.

Respectfully,

Thomas Wienholt - VP



Testimony of Bobby Fiandra/ Regal Cinemas in OPPOSITION To House Bill 1238 - Places of Public Accommodation - Motion Picture Houses – Captioning Before the Senate Judicial Proceedings Committee

April 5, 2022
POSITION: Oppose

Good afternoon Chairman Smith and members of the committee. My name is Bobby Fiandra, I am a District Manager for Regal Cinemas overseeing operations in Maryland, Delaware, and Pennsylvania. Regal Cinemas operates 13 theatres and 187 screens in Maryland. We respectfully oppose Bill 1238.

As you are aware the pandemic significantly impacted our business. Movie theatres were among the last to reopen. During the twelve months we were closed, our company incurred heavy fixed costs, such as rent and utilities, which dramatically compounded our losses. The effects of the pandemic are still impacting our business today. Audiences of all types, including the hearing-impaired community, have not returned to prepandemic levels. As a result, we have found ourselves having to make operational sacrifices including curtailing hours of business.

As a company, serving all audiences is integral to our financial success. We feature a diverse array of film product ranging from blockbuster movies to independent films as well as foreign features. Our intention is to appeal to as wide of an audience as possible and this includes members of the Deaf and hearing-impaired community.

All of our Maryland sites currently play Open Caption titles upon guest request. We believe that listening and responding to our guests in the market is what allows us to best serve the community and meet business needs. We feel that collaboration rather than legislation is the best approach.

Although we feature Open Caption shows daily at some of our Maryland locations; the occupancy for these performances has been very low. The majority of our theatre going audience is not interested in performances with subtitles and will typically avoid captioned performances all together. In many cases, guests request a refund after attending as they find the captioning to be distracting Mandating open caption performance counts would have a negative financial impact on our business at a time when we're still recovering from Covid related losses.

In addition to proactively providing Open Caption performances based on demand, we also offer several technologies along with private rentals to further accommodate our guests. All of our locations are equipped with Assisted Listening headphones to amplify the audio and Closed Captioning headsets to allow guests to see captions in their field of view without affecting other moviegoers. Additionally, our Private Watch Party program allows guests, even in small groups, to rent an entire auditorium to watch a movie of their choice.

To summarize, our intention is to enable as many people to patronize our cinemas as possible. It is in our best interest to engage and accommodate our Deaf and Hearing-impaired guests but mandating open captioning across the board will limit flexibility and cause further harm to our recovering business.



231 W. Cherry Hill Ct., P.O. Box 1056 Reisterstown, MD 21136-7056 Telephone 410-526-4774 Fax 410-526-6871

#### <u>HB 1238 – Places of Accommodation – Motion Picture Houses - Captioning</u>

#### **Senate Judicial Proceedings Committee**

**April 5, 2022** 

Position: Unfavorable

My name is David Phillips and I am the Chief Operating Officer of RC Theatres. R/C Theatres is a small 3<sup>rd</sup> generation family owned Maryland Company. It was started in the 1920's with the Leader Theatre in Baltimore and is presently owned by the founder's grandson, Scott R. Cohen. R/C maintains its corporate office in Maryland, employees over 100 Marylanders and operates theatres in Westminster, Arbutus and California MD.

I am concerned that this bill will be detrimental to our business and does not reflect the programming demand of our consumers. Recently an open caption trailer was accidently scheduled on one of our films, sending someone out to the lobby asking if there was something wrong with the presentation; not wanting or expecting subtitles on the screen. Even with best efforts to inform our guests, we worry that open caption shows will result in negative experiences and stifled ticket sales.

As written, the bill would require at least two open caption shows per film each week. This one-size-fits-all mandate would not reflect the demand for open captioning at our Maryland theatres; and would prove challenging to schedule for films held over for just a show or two per day, as well as specialty programs that may play only once or twice in any given week.. If this bill passes, I fear it will hurt our recovery through lower attendance, a decline in ticket sales, and negative customer feedback.

We appreciate and welcome our deaf and hard of hearing patrons, and already provide closed captioning devices that give these guests the opportunity to attend any movie, at any time. In addition, we are able to schedule open caption shows upon request through the Accessibility page on our website (<a href="https://www.rctheatres.com/page?id=12302">https://www.rctheatres.com/page?id=12302</a>). As a company, in our many years of operation in Maryland, we have received so few requests they could be counted on one hand.

Please continue to give us the flexibility to respond to our guest requests and market demands, rather than a one-size-fits-all legislated mandate that will seriously impact ticket sales and impede our recovery.

Respectfully,

David Phillips, COO

Alex

April 4, 2022

RE: HB 1238 – Places of Accommodation – Motion Picture Houses –

Captioning

Senate Judicial Proceedings Committee

April 5, 2022

Position: Unfavorable

Dear Chairman Smith, Jr., Vice-Chair Waldstreicher, and Members of the Committee:

My family owns and operates The Charles Theatre in Baltimore, and, respectfully, I am writing to ask that you oppose HB 1238 - Motion Picture Houses - Captioning. As written, the bill would require at least two open-captioned shows per film each week, after the film's first play week.

This one-size-fits-all mandate is problematic because not all cinemas offer the same programming. The legislation would (1) prove challenging logistically for many of the titles we offer our patrons, potentially eliminating certain programming altogether, and (2) does not reflect the demand for open-captioning in Baltimore.

Our theater screens independent films and revival films. With independent films, there may be only one or two shows scheduled per day. And the "revival" films are offered on an even less frequent basis, at times only once or twice in a given week. Note that the number of screenings offered for a title in any week is based on expected attendance. For more obscure programming, there might be only one screening in a week.

Thus, a requirement to screen at least two open-captioned shows of every film every week would potentially eliminate programming a film that would receive only one showtime in a week.

To be sure, we appreciate and welcome our deaf and hard-of-hearing patrons. We provide closed-captioning devices that give deaf and hard-of-hearing guests the opportunity to attend any movie, at any time. The devices are utilized approximately once or twice per month.

We have good relationships with our deaf and hard-of-hearing patrons. We are able to schedule open-caption shows upon advanced request, and we did so, for example, this past February for screenings of BELFAST.



Anecdotally, last August I met with Jacob Leffler of the Baltimore City Association of the Deaf ("BCAD"). Mr. Lefler had inquired about a fundraising opportunity at our theatre for BCAD in connection with the release of the movie CODA. Attached is my email exchange with Mr. Leffler.

In support of the BCAD's efforts, we offered at no charge use of our lobby so that BCAD could present promotional materials to the theater's customers and invite them to sign up on BCAD's mailing list. The BCAD held its event on August 20, 2021.

In the days leading up BCAD's event, I met with members of the BCAD, including Mr. Leffler, to show them the lobby space. At that time, Mr. Leffler posed the question whether the theater would consider screening open-caption shows. I responded, yes, and invited BCAD to let us know of any titles in which they had interest. I have not received any further inquiries from either BCAD or Mr. Leffler about open-caption programming.

Please continue to give us the flexibility to respond to our guests' requests and market demands, rather than a one-size-fits-all approach, which does not, in fact, fit. Know that this legislation would impact programming choices, ultimately eliminating some programming altogether.

We, therefore, ask that you vote unfavorable on HB 1238. Thank you for your time.

Respectfully,

Christopher J. Lyon

**Enclosure** 





## HB 1238 – Places of Accommodation – Motion Picture Houses - Captioning Senate Judicial Proceedings Committee April 5, 2022

**Position: Unfavorable** 

On behalf of Mid-Atlantic NATO, a regional affiliate of the National Association of Theatre Owners (NATO), representing movie theatres throughout Maryland, we respectfully submit these written comments in opposition to HB 1238.

Maryland's movie theaters are committed to access for the deaf and hard of hearing. For over 25 years, the movie theater industry has collaborated with individuals who are deaf or hard of hearing, advocacy groups, film studios, and technology developers to achieve access to all feature films at all times.

Moviegoers in Maryland seeking captions have the flexibility to view a movie with captions at any showtime, on any day. In 2016, the Department of Justice issued a final rule requiring digital movie theaters to provide closed movie captioning equipment. The DOJ adopted the majority of recommendations set forth in an agreement between the National Association of Theatre Owners and major advocacy groups, including the Hearing Loss Association of America and the National Association of the Deaf. Through these collaborative efforts, today, digital movie theaters in Maryland offer closed movie captioning devices (allowing text to be viewable by an individual moviegoer) that can be used at any show time for any movie that comes with closed movie captions.

Movie theaters in Maryland already work with their local communities to enhance existing access by scheduling open movie captioned shows on a regular basis. In addition to closed captioning offerings, where the demand for open captioned (text on the screen viewable by all moviegoers) showtimes exists, movie theaters in Maryland work with their deaf and hard of hearing patrons to develop market appropriate programming and accommodations. A listing of current open movie captioning programs being offered throughout the state is included with this testimony.

**Lawmakers should allow the industry to respond to the marketplace instead of passing a "one-size-fits-all" statewide mandate.** Our records indicate that the mandate set forth in HB 1238 would apply to 49 movie theater locations across the state where owners operate at least two locations. The bill would require these locations to provide open captioning twice per week per film, after the first week, for almost every movie played, regardless of local demographics. Based on the 524-screen count across these 49 locations, we estimate this bill would require approximately 900 open captioned shows per week, 46,800 open captioned showtimes per year.

Historically, the industry has found that when open-captioned shows are mandated, instead of scheduled based on customer demand, theaters see a significant drop in attendance. Despite assertions to the contrary, attendance data demonstrates that open caption showtimes have a very small turnout due to limited consumer demand.

Movie theaters were devastated by the pandemic and are struggling to recover. Despite slight gains over 2020 attendance numbers when theatres were shuttered for most of the year, box office admissions in





Maryland were still 64.8% lower in 2021 than they were in 2019. Even with the most recent blockbuster release making national headlines in March of 2022, our Maryland theatres were still more that 50% lower than pre-pandemic levels. It will likely take years to recover their losses, and the open captioning mandate outlined in HB 1238 would further reduce theater attendance at a critical time for movie theaters' recovery. Since movie theaters are already 100% accessible and offer enhanced access with open movie caption showtimes, we believe this legislation to be unnecessary and potentially harmful to a theater's financial viability.

HB 1238 also has technical issues within the language of the bill that could have unintended consequences on how the rule would be applied to Maryland movie theaters. While house lawmakers have described the bill as being based on prior legislation from Hawaii (the only state with a captioning law, with far fewer theater owners covered), Maryland's definition of "closed captioning" in motion picture theaters is misplaced, the use of the word "houses" to describe covered locations is ambiguous, and the reference to provide "open captioning" for films produced and offered with "closed captioning" is inherently incorrect.

In its 2016 ruling, the Department of Justice (DOJ) intentionally used the terms "open movie captioning" and "closed movie captioning" instead of "closed captioning" so as not to confuse viewers and readers with the terms used in the context of television captioning, whereby a viewer at home is able to activate the "hidden" captions with the selection on a remote control, thereby making the captions visible to all by choice. Captioning on television cannot be viewed with the same assistive technology as used in a movie theater, and captioning on a movie screen cannot be accomplished with the same assistive technology as on a television.

**Not all films play full-week schedules.** As written, HB 1238 would require open captioning twice per week for each motion picture it screens, without allowance for special event films that may only play once per week, or once per day. In addition, many films in subsequent weeks after the first few weeks will be held over for just a show or two per day, and may end mid-week to allow space to open a new motion picture.

For these reasons, we ask for an unfavorable report on HB 1238.

For further information, please contact Jenna Massoni (410-935-1470, <a href="massoni@cgagroup.com">jmassoni@cgagroup.com</a>) or Ellen Valentino (410-693-2226, <a href="massoni@cgagroup.com">evalentino@cgagroup.com</a>) of Cornerstone Government Affairs, registered lobbyists for Mid-Atlantic NATO, or Doug Murdoch, Executive Director of Mid-Atlantic NATO (443.895.1446, <a href="massoni@cgagroup.com">doug@midatlanticnato.com</a>).





# Open Movie Captioning Programs Maryland Movie Theaters April 2022

#### Introduction

Mid-Atlantic NATO (Maryland) and the National Association of Theatre Owners (NATO) appreciate the opportunity to work with advocates, state and local governments, and theaters of every size to increase access for individuals who are deaf and hard-of-hearing. While all digital theaters are currently accessible to individuals who are deaf and hard of hearing, NATO members understand consumer desire for access options and are committed to expanding access by the creation and implementation of pilot open movie captioning programming. NATO members are eager to partner with advocacy organizations to promote these showtimes to moviegoers.

In addition to open movie caption programs in Maryland and across the country, NATO members will continue to offer the use of closed movie captioning devices and make these individual devices available at every movie, at every showtime in accordance with the exhibition industry's agreement with the Department of Justice. Staff will continue to be trained on the preparation and use of the devices. NATO is also developing additional training material for its members on proper maintenance of closed movie captioning devices and systems.

This memo outlines select open movie captioning programs currently happening in Maryland theaters, but should not be considered complete, as all locations are scheduling additional open captioned showtimes on a theater-by-theater basis in response to guest requests.

#### **AMC Theatres**

AMC has a nationwide program with 260 locations currently offering showtimes with open captions. The following Maryland locations are participating in this program:

- AMC Rio Cinemas 18 Gaithersburg
- AMC Owings Mills 17 Owings Mills
- AMC White Marsh 16 Baltimore
- AMC Montgomery 16 Bethesda
- AMC Columbia Mall 14 Columbia
- AMC MJ Capital Center 12 Largo
- AMC Wheaton Mall 9 Wheaton

For all week-one wide release titles with open captions available, open caption showtimes are scheduled for at least one weekend matinee time and one weekday evening. For all blockbuster titles, theaters will play one show per day in its first full week of release, followed by a second week of one weekend matinee and one weekday prime show.





#### **Cinemark Theatres**

Cinemark operates two locations in Maryland, and will offer open captioned showtimes on all films that have a full, daily show schedule as follows:

- Cinemark Egyptian 24 Hanover Sunday afternoons and Wednesday evenings.
- Cinemark Towson 15 Towson Saturday afternoons and Monday evenings.

#### **Fox Theatres**

Fox Theatres Sun & Surf 8 in Ocean City is playing one new or recently released movie in open caption twice per week at 3pm on Sundays and Wednesdays. Listed on their website at <a href="https://www.foxshowtimes.com/page?id=15700">https://www.foxshowtimes.com/page?id=15700</a>.

#### Hoyt's

Hoyt's West Nursery Cinema 14 in Linthicum is playing one open caption show daily, random movies and times as listed on their website at <a href="https://www.westnurserycinemas.com/showtimes">https://www.westnurserycinemas.com/showtimes</a>.

#### **RC Theatres**

RC will schedule open caption shows upon advanced request through the accessibility page on their website at <a href="https://www.rctheatres.com/page?id=12302">https://www.rctheatres.com/page?id=12302</a>. Participating locations include:

- R/C Hollywood Cinema 4 Arbutus
- R/C Lexington Exchange Movies 12 California
- R/C Westminster 9 Westminster

#### **Regal Cinemas**

Regal has instituted open captioning programs in the following Maryland locations:

- Regal Majestic 20 Silver Spring
- Regal Westview 16 Frederick
- Regal Germantown 14 Germantown
- Regal Snowden Square 14 Columbia
- Regal Hunt Valley 12 Hunt Valley
- Regal Laurel Towne Center 12 Hyattsville

The weekly open captioning lineup features the top three titles per week according to gross. The top-grossing film will play three times a week on a Friday evening, a Sunday matinee, and a Wednesday matinee. The second highest-grossing film in each week will play with open captions during a Saturday matinee and a Tuesday evening. The third film will play in matinee slot on Mondays and Thursdays.





#### **Warehouse Cinemas**

Warehouse Cinemas has a long-standing partnership with local deaf and hard of hearings advocates in Frederick, and representatives from the Maryland School for the Deaf. Each week, they work together to select films and showtimes to offer open captioned shows. They have two locations participating as follows:

- Warehouse Cinemas Frederick 10 Frederick At least two open caption shows per day on films selected by feedback.
- Warehouse Cinemas Hagerstown 10 Hagerstown Four to five open caption shows per week. The number of showtimes will increase with demand and additional film product.

#### **ALL LOCATIONS**

#### **Marketing of Open Captioned Films**

NATO members are clearly displaying which showtimes offer open captioning in each of their theatres when patrons purchase a ticket on a theatre's website or at the box office.

#### **Open Captioning Programs Framework**

NATO members operating in Maryland are committed to continuing voluntary open captioning programs on a theater-by-theater basis. A "one-size-fits-all" approach does not reflect the individualized operations of each theater or the markets in which they operate. Consequently, theater operators are seeking to develop open captioning programs that meet or exceed the demands of the market in which they operate and have developed varying programs to meet those goals.

The current open movie caption programs will run indefinitely, but no less than at least a year from April 1, 2022. Note, based on consumer feedback and the results of individual companies, the parameters of individual programs may change from time to time to reflect the marketplace.

For further information, please contact Jenna Massoni (410-935-1470, <a href="massoni@cgagroup.com">jmassoni@cgagroup.com</a>) or Ellen Valentino (410-693-2226, <a href="massoni@cgagroup.com">evalentino@cgagroup.com</a>) of Cornerstone Government Affairs, registered lobbyists for Mid-Atlantic NATO, or Doug Murdoch, Executive Director of Mid-Atlantic NATO (443.895.1446, <a href="massoni@cgagroup.com">doug@midatlanticnato.com</a>).



#### Statement of Position National Association of Theatre Owners

#### In Opposition to HB 1238: Motion Picture Houses - Captioning

#### Before the Senate Judicial Proceedings Committee, Maryland State Assembly

#### April 5, 2022

On behalf of the membership of the National Association of Theatre Owners (NATO) operating in Maryland, we respectfully submit these written comments in opposition to HB 1238 - Motion Picture Houses - Captioning.

The exhibition industry is committed to providing access for all patrons attending a motion picture. To achieve this goal, NATO has worked with the federal government, exhibitors, advocacy groups, film studios, and technology developers to provide personal closed captioning devices that ensure equal access for every movie at every showtime. Furthermore, theatres throughout the country, and especially those operating in Maryland, are committed to providing additional options for access by scheduling open-captioned showtimes based on consumer desire and guest feedback. In any given week, there are likely over 150 open captioned shows being offered throughout the state.

As you know, the exhibition industry continues to struggle in the wake of the COVID-19 pandemic. Nationally, theatres are down more than 50% this year compared to pre-covid numbers. With the extended closure of over a year in both Montgomery and Prince George's Counties, Maryland's theaters have been affected much worse than most areas. As of the end of 2021, Maryland's revenue loss at the box office and concessions was estimated to be well over \$400 million.

Meanwhile, data collected by exhibitors shows that open-captioned showtimes attract fewer guests than non-captioned shows. A mandate such as HB 1238 would further inhibit the industry's recovery in Maryland. Instead, we ask that the exhibitors be allowed to continue developing models for open-captioned programming that fit the needs of the communities where they operate.

A "one-size-fits-all" approach does not reflect the individualized operations of each theater nor the customers they serve. An open-captioned mandate would not allow theatres to build a flexible framework in which operators and advocates can work together to create market-driven programs that can be adjusted and improved where needed. Through this joint process, movie theaters aim to implement open-captioned programs that meet or exceed the demands of the local market.

For these reasons, NATO respectfully opposes HB 1238: Motion Picture Houses - Captioning. The exhibition industry remains committed to maintaining access for all patrons attending movies and expanding options for their customers based on consumer demand.



#### **OPEN CAPTION MANDATES DO NOT REFLECT THE MARKETPLACE**

Overbroad legislation requiring mandatory open captioned showings of films without consideration for economic realities would have a negative impact on the state's movie theater industry—especially as financially crippled cinemas emerge from the pandemic. Instead, movie theater operators are working to expand access options for individuals who are deaf and hard of hearing through consumer-driven programs for films with on-screen subtitles. This is a proven solution as advocates and policymakers in other states have recognized the benefits of pursuing collaborative solutions instead of onerous, inflexible legislation. Additionally, allowing market-driven open caption programs to proceed will enable theatres to continue gathering and evaluating data, and work with stakeholders to pursue the most effective paths forward for motion picture accessibility in the state.

- Build Open Caption Programs. Put simply, a "one-size-fits-all" approach does not reflect the individualized operations of each theater nor the communities they serve. Instead, it is important to avert rigid legislative mandates by building a flexible framework in which stakeholders work together to create market-driven programs that can be adjusted and improved where needed.
- Collect Data to Improve Access. Cinemas will continue to collect and share data on the impact of open caption programs.
- **Promote Open Caption Films.** Cinemas clearly display which showtimes offer open caption films on company websites and at the box office. Historically, NATO members have partnered with stakeholders to promote open caption programs in communities across the state.
- mprove Closed Caption Moviegoing Experience. In accordance with NATO's historic agreement with advocacy groups and the Department of Justice, cinemas will continue to provide closed caption devices for use at every movie showtime. NATO is also developing new staff training resources on proper maintenance and operation of closed caption devices and systems.

Cinemas throughout the country have been tracking open caption programs. Recent data from these efforts show little to no attendance at open caption shows in key industry markets, and even lower attendance where open caption shows have been mandated.



#### 4.14 Tickets

Average Attendance Per Open Captioned Show Regal Cinemas Hawaii Statewide (Mandate by Law) Locations: 8

**1,191 Open Caption Shows** Seats Unsold: 95.44% (11/5/21 – 3/20/22)



#### 5.18 Tickets

Average Attendance
Per Open Captioned Show
Regal Cinemas
Colorado
(Test Market)
Locations: 5

**1,108 Open Caption Shows** Seats Unsold: 95.83% (11/5/21 – 3/20/22)



#### 8.9 Tickets

Average Attendance
Per Open Captioned Show
Cinemark
Colorado
(Test Market)
Locations: 8

**4,170 Open Caption Shows** Seats Unsold: 91.2% (6/12/21 – 12/31/22)



#### 12 Tickets

Average Attendance
Per Open Captioned Show
AMC Theatres
New York City DMA
(Top USA Market)
Locations: 16

**914 Open Caption Shows** Seats Unsold: 94.2% (10/1/21 – 11/14/21)