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**CINEMA ADVERTISING SPENDING UP 5.8 PERCENT
IN 2008 TO OVER \$571 MILLION**

Latest Annual Report from Cinema Advertising Council Shows Growth, Up an Average of 21.5 Percent Per Year Since 2002, the First Year the Trade Association Tracked Ad Revenue

NEW YORK, JUNE 15, 2009 — The [Cinema Advertising Council](#) (CAC), a national non-profit trade association which serves cinema advertising sellers, the theatrical exhibition community and the advertising community, today unveiled its new report on cinema advertising revenues. According to the association's report, total cinema advertising industry revenues of CAC members – which account for more than 82 percent of U.S. movie screens – grew by 5.8 percent to \$571,421,000 in 2008, as compared to a total of \$539,946,000 in 2007. The announcement of the report – which was independently tabulated by Miller, Kaplan, Arase & Co. LLP – was made today by Dave Kupiec, president and chairman of the CAC.

Cinema advertising grew despite a year that saw spending in other traditional media decrease significantly. Meanwhile, since 2002 – the first year that cinema ad revenue was measured by the CAC – spending in this medium has increased for six consecutive years, with an average of 21.5 percent per year and 2008 spending reaching a total that is 208 percent higher than spending in 2002.

“Marketers’ desire for engagement, impact and ROI is stronger than ever, and they are turning to cinema in increasing numbers,” said Mr. Kupiec. “Cinema is now a regular part of national, regional and local media buys – no longer just used primarily for campaign launches or special events – and in addition to spending increases, we are seeing a substantial rise in the number of national buyers as compared with previous years. Additionally, with the box office and admissions up in 2009, the strength of the medium has never been more evident.”

The CAC report includes revenue data for both on-screen cinema advertising – including commercials airing in advance of movie previews and the feature presentation – as well as off-screen revenues – including those derived from audio programming, sampling, special events, concession-based promotions and lobby-based promotions. On-screen revenues accounted for over 90 percent of total cinema advertising revenues. Additionally, approximately 76.53 percent of total revenue is from national or regional advertisers (versus 23.47 percent from local sales).

(more...)

Top national cinema advertising categories in 2008 included Associations & Causes, Automotive, Broadcast & Cable Television, Consumer Electronics, Consumer Packaged Goods/Health & Beauty, Credit Cards, Fashion, Military, Movie Studios, Retail, Telecommunications and Wireless.

Additionally, growth in 2008 was attributable to increasing activity across a broad spectrum of emerging categories, from CPG/Health & Beauty to Media, Retail, Electronics, Leisure/Tourism and Financial Institutions.

“Cinema advertising spending continues to grow, and advertisers are seeing real results as they increasingly find ways to include cinema as part of their overall media mix, along with other sight, sound and motion buys such as television,” added Mr. Kupiec. “In fact, as a [recent cinema advertising study](#) conducted by Integrated Media Measurement Inc. (IMMI) showed, combining television and cinema in an ad campaign more than doubled the consumer conversion rate as compared to television alone, while doubling the lift and extending incremental reach, all the while targeting key demographics including ad-avoiders. These are the results media agencies and their clients crave, and cinema continues to be a growing, powerful medium.”

About The Cinema Advertising Council (CAC)

Established in 2003, the Cinema Advertising Council (<http://www.cinemaad council.org>) is a national non-profit trade association which serves cinema advertising sellers, the theatrical exhibition community and the advertising community, acting as a central source of information for the industry. In addition to representing cinema advertising companies that account for over 82 percent* of U.S. cinema screens based on 38,794** cinema screens, the CAC’s membership is also comprised of companies that provide services and products to the cinema advertising industry.

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* CAC data source: National CineMedia and Screenvision

** Source: NATO