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CINEMA ADVERTISING, FURTHER CEMENTING PREMIUM VIDEO LEADERSHIP ROLE, HAS BLOCKBUSTER 2015, UP 13.4% WITH REVENUE TOPPING \$700 MILLION FOR FIRST TIME

***Report Shows a 15.6% Increase in National/Regional Revenue, with 215 New Brands Advertising in 2015,
and the Sixth-Straight Year of Local Growth with a 6.6% Increase***

NEW YORK AND LAS VEGAS, APRIL 13, 2016 — Coming off of a record year at the movies, the U.S. cinema advertising industry has cemented its leadership position in the premium video category. According to new data unveiled today by the [**Cinema Advertising Council**](#) (CAC), revenues for 2015 increased a substantial 13.4 percent year-over-year, with revenue among CAC members soaring to **\$716,436,000** in 2015, up from \$631,902,000 in 2014. The national non-profit trade association made this announcement at its annual members meeting today at CinemaCon in Las Vegas.

The significant growth, according to the CAC, is attributable to Madison Avenue embracing the increasing value of cinema to reach consumers, compared with audience declines experienced by other major media categories. CAC members are continuing to make gains in market share through a variety of tactics, including a successful upfront sales strategy that includes presentations that take place alongside the leading broadcast, cable and digital networks, as well as initiating new data and technology initiatives that have also raised the appeal of cinema with brands and agencies – helping them to connect with consumers before, during and after the movie experience. Additionally, they have boosted the power of this medium through the integration of the latest digital and social media trends into the cinema environment.

The record-spending 2015 marked the first time the industry has topped \$700 million and the sixth straight year over \$600 million, bringing total cinema advertising spending to more than **\$7.31 billion since 2002**, the first year the CAC began tracking revenue. This growth – along with cinema's high engagement and recall rates; high viewability of cinema ads; and the ability to target specific demographic audiences – reinforces that cinema continues to be incredibly attractive to advertisers. Additionally, the consistency of the movie-going audience, which has purchased 1.25 billion or more tickets annually for the last 22 years and counting (with last year's box office up 7.4 percent from 2014) cannot be overstated.

“While *Star Wars: The Force Awakens* wrapped up 2015’s record year, nearly every weekend at the movies features event programming. This constant stream of tent pole titles attracts ratings that would be exciting for any video network on any sized screen, let alone the biggest and most dynamic screen in all of media, and delivers Millennial audiences whose consumption habits compared with past generations are different and elusive ... except for the movies,” said **Katy Loria, CAC President and Chairman**. “Additionally, the momentum from 2015 has led to a strong first quarter this year – both at the box office, which is outpacing last year by more than 12 percent, and in cinema ad sales – and we are strongly positioned to see cinema become an even

more essential part of media plans, with a seat at the table alongside other premium video media companies as upfront negotiations heat up."

Also according to the 2015 CAC Revenue Report:

- **National/regional sales**, which made up 76.83 percent of all cinema revenue, **grew 15.6 percent** to \$550,470,000 in 2015 from \$476,275,000 in 2014;
- **Local sales**, which made up 23.17 percent of all cinema revenue, **grew 6.6 percent** to \$165,966,000 in 2015 from \$155,627,000 in 2014 (marking the sixth consecutive year of local sales growth);
- The **leading cinema sales categories** last year were (in order by revenue): Auto, Banking/Finance/Insurance, Consumer Electronics, Government/Education and Media;
- **215 new national or regional brands advertised in cinema in 2015**, up from 121 new brands in 2014 and 93 new brands in 2013; and
- **Top new sales categories** included (in alphabetical order): Alcohol/Spirits, Colleges/Universities, Facial Make-Up Products, Sporting Goods Stores and Supermarkets.

The CAC Report is based on data independently tabulated by Miller, Kaplan, Arase & Co. LLP from CAC members, which make up approximately 90 percent of all cinema screens and box office admissions in the U.S. In addition to accounting for National/Regional and Local sales, the report measures both on- and off-screen revenue.

About The Cinema Advertising Council (CAC)

The Cinema Advertising Council (<http://www.cinemaadcouncil.org>) is a national non-profit trade association founded in 2003 and serving cinema advertising sellers, the theatrical exhibition community and the advertising community, acting as a central source of information for the industry. CAC members have generated \$600 million or higher in cinema advertising revenue for six consecutive years, with more than \$7.31 billion spent on- and off-screen since the CAC began tracking revenue in 2002. In addition to representing cinema advertising companies that account for 35,236* U.S. cinema screens, or approximately 90 percent of U.S. cinema screens and Box Office admissions, the CAC's membership is also comprised of companies that provide services and products to the cinema advertising industry.

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*Sources: CAC, NATO, NCM, Screenvision, Cinema Scene Marketing, Marcus Theatres Corp, On The Wall and Spotlight Cinema Network