



4/14/21

Representative Kurt Schrader

RE: HB 3376 Testimonial

Dear Representative Schrader,

Coming Attractions Theatres, Inc. (CAT) has been in business since 1989 and continues to operate movie theatres and fun centers in Oregon, Washington, California, and Alaska. We currently have nine theatre locations in Oregon and employed 153 Oregonians prior to the COVID-19 outbreak. We have lost 72 employees during the shutdown, and the majority of our current employees are still furloughed. We will be re-hiring staff as restrictions lessen and we are able to operate at full capacity, assuming we can hang on using federal, state, and local grants and loans until business can return to normal.

CAT, along with movie theatres throughout the world, was devastated by the onset of COVID-19. Unlike other businesses, movie theatres experienced a total shutdown for nearly a year. Even when we were allowed to reopen in early 2021, we could not sell concessions and had to play old movies since the movie studios would not release new product due to shutdowns throughout the country. This limited our potential revenue to slightly over the cost of payroll alone, much less any other operating costs such as film rent, utilities, etc., with prevented us from re-opening at that time.

It is vital that movie theatres be included in this relief package, as we were not included in the \$25 Million that went to live performance venues last year. With our revenues reduced over 90% due to COVID-19, it is nearly impossible for us to rebuild our business without the support from local, state, and federal grants and COVID-19 based loans. In addition, any potential Oregon State grant/Cares Act, prevented us from applying since we fell behind on property taxes due to COVID-19.

We face a very long road to recovery without new film product and capacity restrictions. Even when the restrictions soften and we have capacity allowances of 50%, we will still effectively be limited to 25% due to social distancing requirements.

We have already had to permanently close one Oregon theatre location due to our lack of ability to pay rent during the time we were forced to shut down due to governmental mandates. We still have nine locations in Oregon where we anticipate a full recovery once COVID-19 is in our rear-view mirror and we are allowed to operate our business in a normal manner.

These funds are desperately needed to sustain business operations while restrictions reduce and/or go away, while allowing us to start operations back up without being in such a deep hole. The movie-going public is desperate to get out of their homes for some quality entertainment, and we believe the magic of the movies is exactly what they are looking for, once we are allowed to fully re-open.

Sincerely,

John C. Schweiger
Executive Chairman/CEO
Coming Attractions Theatres, Inc.