

THE IMMERSIVE EXPERIENCE

A LOOK AT SOME OF TODAY'S LEADING IMMERSIVE SEATING PROVIDERS

by Robert Rinderman

4DX

>> 4DX got its start in 2009. It is the first and leading 4D cinema technology, with 50,000 seats and a footprint spanning 50 countries and six continents. Its award-winning parent company (CJ 4DPLEX) holds 67 global patents.

Every dedicated 4DX auditorium includes motion chairs and multisensory environmental effects such as wind, bubbles, lightning, fog, water, rain, air, and scents that work in sync with the action on-screen. According to CEO Byung-Hawn Choi, "4DX continues to grow in popularity as it enables people to enjoy theme park-like entertainment in their neighborhoods at a reasonable price."

Choi indicates that his organization's competitive landscape includes not only other 4D cinema brands, but also all premium cinema formats in which exhibitors are considering investing as they seek new ways to further increase revenues.

"This can include anything from recliners and premium seating to PLF and food and beverages. Our business goal is to be the most powerful new driver of audiences into theaters and increased revenues for our partner exhibitors," he says.

"4DX focuses on the creative aspect behind each movie, while others focus on the technical features, such as bigger screens and sound. The expert team of 4DX producers and editors ... ensure that each effect is carefully selected to maximize the audience's enjoyment of and immersion into the movie," adds Choi.

This brand of immersion tends to perform better in areas with a higher concentration of younger, tech-savvy populations, such as millennials and others based in metropolitan areas. In Japan, for example, 4DX has proactively expanded to 53 locations since its first



4DX screen with Korona in 2014.

Before installing 4DX technology, Korona was not a very well-known theater, but after having it in one of its auditoriums, awareness has increased, not to mention sales, with more than a 90 percent occupancy rate, according to Choi.

A significant portion of this year's corporate expansion has come in Western Europe, including the first 4DX locations in France, Norway, and Austria. The success has enticed neighboring countries such as the Netherlands, Switzerland, Belgium, and those in Scandinavia, to also approve installations.

Domestically, two new locations were recently opened in the Los Angeles market. 4DX debuted in Orlando, San Diego, and Seattle over the past six months. The company has also announced plans to add more than a dozen new 4DX screens in Regal theaters.

Choi expects exponential growth in Canada based on its recent success north of the border. He is bullish on the opportunities in Latin America, led by the vast Brazilian market. On the other side of the Atlantic, CJ 4DPLEX is in talks with ad-

ditional European exhibitors for further expansion in that region.

Looking ahead, Choi expects increasing convergence with other innovative premium cinema technologies. 4DX will expand to include virtual reality with 4DX VR. The company has also introduced ScreenX, the world's first multiprojection cinematic platform with a 270-degree viewing experience.

D-BOX TECHNOLOGIES

>> D-BOX was an early leader in premium, immersive seating experiences (typically 20–45 per auditorium, commanding an average \$8 per ticket up-charge). Its installed base is approximately 650 screens throughout 37 countries. This footprint includes roughly half of fellow Canadian colleague Cineplex's PLF auditoriums.

"D-BOX connects the body and the imagination for a highly believable experience through motion," says Michel



Paquette, VP of marketing. “Our motion technology, as well as related encoding skill sets, is designed to be in perfect harmony with the audio and on-screen action of the movies. It is less intrusive and can be very subtle yet powerful. We add movement only when necessary.

“In contrast to 4D, whose roots are in the theme parks, we create another level of true immersive experience through arts and technology. We get good feedback from our patrons and believe 80 percent are repeat customers, creating a universe of brand ambassadors and loyal influencers of the D-BOX brand,” says Paquette.

“We continue to adapt to the recliner wave—80 of our current locations include luxury recliners—and together with D-BOX this becomes a premium on top of another premium for the moviegoer.”

For exhibitors, numerous financial partnering models are available, with all including some type of revenue-share portion. Theater owners choose the number of seats desired, and modularity and flexibility are key components of the D-BOX business model.

According to Paquette, “Cap-ex is on everyone’s mind when it comes to making wise investment choices. What if you could get an offering that is tremendously reliable, needs very limited maintenance,

has great end-user endorsement, will not hamper any of your video or audio investment, and will live through time with a vision? This is what the D-BOX immersive solution is all about.”

Paquette remains optimistic about the future and believes there’s a definite potential to merge the best of the best in immersive solutions—Dolby, IMAX, and Barco, for example. D-BOX also foresees offering VR, AR, gaming, and alternate content for the cinema market.

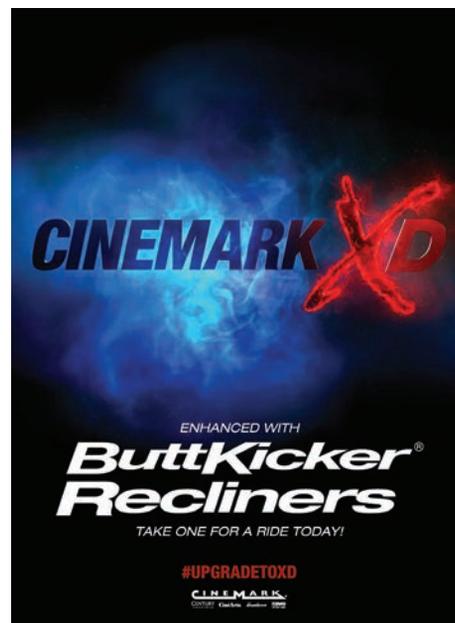
He points out that the exhibition community is increasingly more likely today to put premium immersive seating such as D-BOX technology into local markets. In the past they had typically only targeted higher box office and trafficked locations.

On a worldwide competitive landscape, he says Europe, LatAm, and Asia provide the most attractive international opportunities. “There are 160,000 screens worldwide. We still have plenty to conquer!”

THE GUITAMMER COMPANY

>> Guitammer offers an affordable immersive technology solution that is being deployed worldwide in over 45,000 seats. It works for every budget, seat, and auditorium configuration—from luxury recliners to rockers, in reseatings and retrofits. Perhaps most importantly, Guitammer’s tactile format also works with every movie, without the need for additional encoding.

According to Guitammer President Mark Luden, “We offer affordable per seat pricing that proves a six- to eight-month ROI for exhibitors. Theater owners, depending on geographic location, either include ButtKicker-enabled seating as part of their higher priced PLF offerings, notably in the U.S., or they charge a nominal per seat fee for the extra experience, which has been happening in China.”



Luden adds, “We believe Guitammer has the most auditoriums and seats deployed of any comparable or similar technology, and that we offer the most comprehensive solution in terms of affordability, suitability, audience acceptance, and exhibitor satisfaction. Our differentiation is that we do not require a special seat to be purchased, since our solution can be installed on the seating choice of the exhibitor.

“The end-user experience is musical and accurate due to a silent subwoofer that exactly follows the film’s low frequency, and our system typically requires no maintenance at all, reducing the total cost of ownership and enhancing the aforementioned ROI.”

Domestically, Guitammer is currently working with the three largest exhibitors, AMC, Regal, and Cinemark. In terms of future opportunities, Luden says he anticipates continued growth in Asia, plus the Gulf States and Europe.

In his view, larger exhibitors will continue deploying immersive seating as part of their PLF strategies, but he questions whether regional players will be able to spend the necessary capital to compete on this front. “Smaller exhibitors will begin to deploy Guitammer’s ButtKicker solution in their PLF

auditoriums because of its reasonable price point,” he says.

“For continued large-scale industry deployment and an attractive ROI, we believe there should be no more than a \$2 extra per seat charge—either separately or as part of an overall PLF premium. There is obviously pressure across exhibition coming from cap-ex requirements and competing streaming content alternatives. We think exhibitors can and should utilize our seats for eSports, live sports, and other premium experiences that command a premium price,” he concludes.

LUMMA

>> Lumma’s 4D E-Motion is a theater system equipped with motion seats and synchronized special effects including wind, water, bass shakers, vibration, smell, air shots, vibrations, and lights.



Lumma offers a comprehensive service for its 4D theater implementations, including a feasibility study, conventional theater adaptation, development, production, and

installation, plus support and maintenance worldwide. Its synchronization department is based in Los Angeles, working closely with the Hollywood studios.



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“We are obsessed with the details when we synchronize the movie, and we are convinced that the right effect at the perfect time makes the difference in setting up a breathtaking experience,” says Regional Director Marcos Franco.

Lumma’s team also collaborates with exhibitors to identify the best customized solution, whether it is a complete theater implementation or a rev-share relationship. According to Franco, “Our strategy is to offer to the moviegoer the best experience to make them feel it was money well spent, and to offer to the exhibitors a sound investment.”

In terms of its footprint, Lumma is currently strong in Latin America, with further expansion to Brazil and Paraguay planned. Europe, China and India are also on its radar.

So what does the future hold? “We are convinced that 4D is a format that will stay in the long term. It is an auspicious moment for investment in this format. There is actually a huge audience following, and we are certain that this trend will continue in coming years,” says Franco.

“We are constantly working on new technological developments to be at the forefront and provide our clients the best 4D system in the market. Lumma also designs experiences out of the cinema industry with E-Motion technology. We have the know-how and expertise in theme parks and museum attractions,” he adds.

As an example, the company recently implemented its technology at the Planetarium Galileo Galilei in Buenos Aires, Argentina. In this project it developed E-Motion VR experiences, simulators, and innovative interactive games.

MEDIAMATION

>> MediaMation’s MX4D system is a pneumatic 3DOF (Degree of Freedom) two-, three-, or four-seat bench. Seats have pitch, roll, and heave, enabling programmers to mimic rolling motion and action sequences with amazing



accuracy. Effects include mist, scent, rain, snow, and bubbles, and seats offer patrons vibrations, pokes, and tickles as well as motion.

MX4D will have a worldwide installed base of 250-plus locations by year-end, making it the second largest 4D manufacturer behind 4DX. Partnering with Luxion-Rio has greatly expanded MediaMation’s global reach throughout the cinema industry.

Key competitive differentiators include its patented arm rest, which provides wind, mist, air, and scent. This offers a consistent customer experience and helps lower installation costs since there are no railings in front of seats or ceiling fans required.

Its pneumatic system provides significant savings during installation, as there is no high voltage in the theater. Cost savings for their maintenance program, which kicks in after the first-year warranty period, are also advantageous.

The company offers a flexible business model to exhibitors. Most opt to outright purchase the 4D equipment and in-theater effects, according to Heather Blair, MediaMation’s head of cinema sales. Others prefer a flexible rev-share arrangement.

MediaMation believes its best growth opportunities are outside the U.S. because there are more new-builds, and the infrastructure costs associated with add-

ing a 4D screen are in line with installing luxury seats. Cinema patrons are eager for theme park experiences, which are typically less prevalent in overseas markets.

International growth opportunities include Russia, Serbia, Croatia, Bulgaria, and LatAm. These markets are presently underserved and open to the idea of adding 4D screen technology, says Blair.

MediaMation has also been achieving positive momentum domestically, with National Amusements and B&B. Other cinemas are beginning to take note.

“We are opening our first hybrid MX4D/eSports location at the world-famous TCL Chinese Theater in Hollywood,” says Blair. “We believe adding competitive gaming (eSports) tournaments in the MX4D room is a fantastic way to utilize the screen during slow and off-peak times.”

The company has also been holding discussions with studios, seeking joint marketing efforts to help promote 4D movies. According to Blair, “Currently they are leaving it up to the cinemas at a local level to advertise. We believe the studios should and will begin to announce at a global level which titles have been converted to 4D, thus increasing consumer awareness. Butts in seats are great ... but butts in seats with a premium up-charge is even better!” ■