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GRAND Illusions?

Nationwide is betting millions
that Kathy & Jeff Frank can lure
500,000 moviegoers to the
Arena Grand.
But it's Downtown!

BY NOELL WOLFGRAM EVANS

Photos by Greg Bartram

Movie watching and downtown theaters used to be synonymous. Then suburban multiplexes changed everything. In Columbus, the Ohio Theatre on State Street, the Palace on Broad Street and the Great Southern on Main Street all went dark—later to be renovated and reopened as live performance venues. Except for the Ohio's popular summer movie series and occasional art and classic film showings elsewhere, downtown Columbus has been a cinematic dead zone for nearly 30 years.

So the Oct. 5 opening of the Arena Grand Theatre, just south of Nationwide Arena in the heart of the blossoming Arena District, was something of a landmark event. The Arena Grand is the first Downtown cinema to open in Columbus in 70 years; it's also the biggest challenge yet for Jeff and Kathy Frank, the Drexel Theatre proprietors who've spent the last couple of decades scrambling to prove there's a market for quality films and eclectic venues in Central Ohio.

In the Arena Grand, the Franks are operating one of the most technologically advanced and service-oriented film theaters in the country. They have deep-pocketed and, thus far, enthusiastic support from mighty Nationwide Insurance, which owns the theater. Now all the Franks have to do is demonstrate that people will come Downtown to eat, drink and watch movies—in sufficient numbers to pay the bills and eventually make a buck or two.

A 365-Day Draw

The Arena Grand is an eight-screen, 1,700-seat movie theater in the center of the 95-acre Arena District. Walk north for 15 seconds from the theater's slightly out-of-the-way lobby entrance and you're standing across Nationwide Boulevard from Nationwide Arena, where the NHL Columbus Blue Jackets take to the ice. Walk east for two minutes and you're at High Street, standing beneath the towering corporate headquarters of Nationwide Insurance and just across from the Hyatt Regency and the Greater Columbus Convention Center.

Does "Nationwide" seem to be a common theme here? That's because without the huge financial services company and its aggressive real estate development arm, almost nothing in this booming district would exist—not the office towers, not the arena, not the hotels, probably not even the convention center.

And certainly not the Arena Grand. Built at a cost of nearly \$9 million, the theater is part of a \$34 million complex that includes two office buildings and a 1,600-space parking garage. That complex in turn is part of the \$350 million Arena District. Gary Nuss of Nationwide Realty Investors, an affiliate of Nationwide Insurance Enterprise, says the theater and the Arena District are financed by Nationwide Realty in partnership with the Dispatch Printing Company and the Franklin County Convention Facilities Authority.

That a movie theater would be part of what is essentially an entertainment district makes perfect sense, but the Arena Grand wasn't part of the original plan,

Ultimately, the big-box chains were thanked and sent on their way. During those conversations, though, Nationwide became convinced that having a theater in the Arena District was a solid idea. A key objective was to keep the area active 365 days a year. Ellis says Nationwide Arena is "good for activity 150 to 175 days a year" and should draw two million people annually. But what about the other 200 days?

After deciding a movie theater made good business sense, Nationwide had two options: build the theater and lease it out or maintain both ownership and operating control. Option two, Ellis says, gave Nationwide the prospect of "a higher level of profitability and control."

But Ellis knew that for the theater to be successful, Nationwide would need managers who knew and understood the film exhibition business—and the Columbus market. Enter Jeff and Kathy Frank and their video camera.

An Unusual Deal

In the late 1970s, Jeff Frank was doing marketing for the Columbus Association for the Performing Arts (CAPA) and jumping into projects such as the film series at the Columbus Museum of Art, where Kathy Frank worked. Like many young professionals, the Franks talked about owning their own business. Unlike most, they seized a chance to do more than talk the talk. In 1981, they bought the Drexel Theatre in Bexley, a single-screener of 1937 vintage, then showing second-run films. To make the theater stand out, the Franks decided to show revivals. Their

the Grandview Theatre, built in 1926, and renamed it the Drexel Grandview.

That's where things stood in 1998, when the Franks heard Nationwide was thinking about an Arena District theater. They believed a successful Downtown theater would have to be unique. "A really cool place that shows *different* films" is how Kathy Frank puts it. The chain exhibitors, Jeff Frank says, were trying to cram "a suburban concept theater into this urban setting. ... People can go to this type of venue any day, anywhere. For a theater in this project to work, it would have to add character and offer some special ... attractions."

To make their case, the Franks produced a short video illustrating how a carefully designed and run theater, given what Kathy calls "extreme TLC," could succeed and benefit the entire Arena District. The secret to success? "Attention to the details," she says.

Ellis was soon sold: Nationwide Realty Investors would build the theater and maintain ownership but hand operation over to the Franks and their newly formed Drexel Theatres Group. The couple would manage the Arena Grand while still owning and operating the Drexel and Drexel Grandview.

During the Arena Grand's first year, the two sides have met weekly to discuss business, but Ellis says that's where Nationwide's involvement ends: "As owners we have input and are kept informed, but the day-to-day operation of the theater and programming decisions are all left in the management team's hands."

Nationwide chose to open a new the-

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which was conceived in 1998. Brian Ellis, president and chief operating officer of Nationwide Realty Investors, says a theater was "never considered because we didn't believe that anyone would be interested in locating a significant number of screens in an urban setting."

When Nationwide did put the theater idea in play, it turned out that a number of theater chains *were* interested, but Ellis says their plans were "to build a big box right in the middle" and surround the box with vast expanses of surface parking—just like suburban multiplexes.

opening day featured the 1935 classic *Top Hat*, complete with a personal appearance by the film's star, Ginger Rogers.

The Drexel's evolving formula was quirky, mixing classics, first-run foreign and art films and occasional Hollywood products that the chain exhibitors overlooked or underpromoted. But the formula worked. One screen became four, and the Drexel paid its way. For a while in the 1980s and early '90s, the Franks also operated the Camelot North in Clintonville. They lost that lease when the owners decided to tear the building down but added

ater at a perilous time in the exhibition business. Simply put, there are too many screens and too few regular movie patrons willing to pay prices up to \$7.50 a ticket. According to the National Association of Theatre Owners, in 2001 there were 35,459 movie screens in the United States, including 264 in Central Ohio. And a lot of the films on those screens were playing mostly to empty seats. In the past few years, several national moviehouse chains have filed for bankruptcy, including Regal Cinemas, General Cinemas and Carmike Cinemas.

THX & Sushi

Is there a cure for the exhibition blues? "Theaters need to be an *experience* to compete with the other [entertainment] resources," says Columbus filmmaker Ed Hancock. "From seats to food, there needs to be an enticement."

These are challenges the Franks know well. To compete against megaplexes such as Easton and Lennox town centers, the Arena Grand would have to offer, as Kathy Frank puts it, "the best, most complete service of any theater around." So it's the only theater in Ohio to feature both Dolby digital sound and THX certification in all of its auditoriums. THX is a set of technical standards created by George Lucas's Lucasfilm company to ensure a movie is projected at optimum levels.

Each Arena Grand auditorium features stadium seating. Three offer reserved seats; patrons may book seats up to two weeks in advance, arrive at the theater two minutes before show time and zip into

leather seats, a private lounge and a minimum age of 21 to enter. The Franks researched what everyone else was doing before locking down the Arena Grand's plans.

Even picky film patrons seem pleased with the package. John DeSando, vice chairman of the Film Council of Greater Columbus, praises the Franks for combining "quality, service, comfortable seating, technical presentation and genuine effort."

By the Numbers

During its first six months, the Arena Grand saw just under 200,000 people walk through the doors. That's about 25 percent short of the patronage required to reach the theater's first-year goal of 500,000 tickets sold. But the Franks say they're still on a break-even track for the year, thanks in part to rental fees from groups that book the auditoriums for meetings.

In addition to the predicted evening audiences of young adults and people living nearby, Nationwide spokeswoman

Filmmakers Consortium, for example, wants "to see more local films, short or long, playing there all the time."

It's an argument Jeff Frank has heard before. His practiced response comes from the artistic side, with a stop in the financials: "If a picture is good enough and can fit, we'll show it. But people have to remember that this is, at its core, a business."

A business indeed, and one that still faces challenges. There is competition from suburban multiplexes and from other entertainment sources. Down the road there may be substantial capital needs. Converting to digital projection is one costly issue on the horizon.

And there are challenges of *perception*. Some complain that \$7.50 for an evening adult ticket at the Arena Grand is too high, though that's what you'll pay at the AMC Theatre in Easton or the Marcus Theatres' Crosswoods complex. Some say parking is too scarce or too expensive, though Ellis pleads not guilty on both counts: "Parking is actually very convenient and affordable. There are 1,600 covered spaces directly next to the theater where people can park for only a dollar, even when there is an event at the Arena."

It's true—you'll pay \$15 to park in the garage next to the Arena Grand for a Blue Jackets game but only a buck if you take in a movie and have your parking ticket validated. After more than six months, however, the theater still struggles to get this message out.

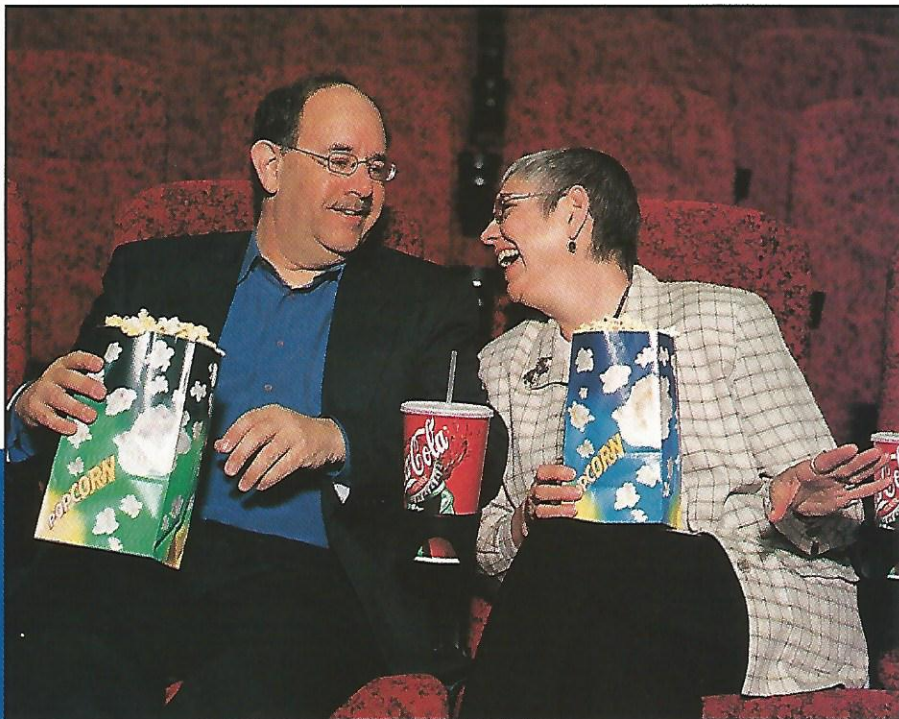
If there's a bell or a whistle that might draw more patrons, Jeff and Kathy Frank will give it a ring or a tweet. In June, they plan to open a Ben & Jerry's ice cream shop next to the Arena Grand. They say Ben & Jerry's will be a place where people can begin their movie experience or extend it after the film is over—not unlike the Franks' popular Radio Cafe next to the Drexel Theatre in Bexley.

The question still hangs in the air, of course: Will the Arena Grand work? Neither the Franks nor Nationwide can *order* suburbanites to get in their cars, drive Downtown, pay \$1 to park and then another \$7.50 each to see a movie. People have to be persuaded that the experience will be worth the effort and the money.

It won't be easy. But Jeff Frank's a persuasive guy. When he was the marketing director for CAPA, he helped to launch and grow the summer movie series at the Ohio Theatre. "I wanted people to be able to experience the thrill and excitement of seeing a movie in a Downtown theater," Frank says.

Twenty years later, he's at it again. ◇

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French made, \$300 leather balcony seats. There's a \$3 additional charge for reserved seats, but they come with discount coupons for the concession stand. There is a cash bar; a cafe serving sandwich wraps (\$6.50), pizza (starting at \$5.50), made-to-order sushi and veggie trays; and a full-time concierge.

The Franks didn't *invent* these amenities. Studio 35 on Indianola Avenue has been offering bar drinks and extended menus for years. The former General Cinemas (now AMC Theatres) rolled out a Premium Cinemas concept in 1999, featuring

Michelle Chippas says the Arena Grand has drawn surprising numbers of suburban families and daytime patrons. The plan was to open the theater at 5 p.m., but demand prompted the addition of matinees. The afternoon shows aren't selling out, but crowds are consistent enough to warrant keeping them.

You can't please all the people all the time, of course. Some in the Central Ohio film community say the Franks, being *local* exhibitors, aren't yet meeting their obligation to show the work of local filmmakers. Peter John Ross of the Columbus