

CINEMA ADVERTISING COUNCIL ANNOUNCES 2018 REVENUE EXCEEDING \$750 MILLION FOR THIRD YEAR IN A ROW

2018 marks the fourth straight year of national and regional growth for the cinema advertising industry, reinforcing its status as a media powerhouse.

New York, N.Y. and Las Vegas, Nev., April 16, 2019 – The Cinema Advertising Council (CAC), the national nonprofit trade association for the cinema advertising industry, today announced that 2018 revenue among CAC members reached \$781,190,000, surpassing \$750 million for the third year in a row. This marks the fourth year in a row of national and regional revenue growth.

According to the CAC, cinema advertising continues to thrive and maintain its position as the ultimate premium video offering, despite other major media categories experiencing audience decline. Providing unmatched impact on a captive audience, engaging on-screen storytelling, and strategic technological advancements, the industry has capitalized on the stability of cinema to offer unparalleled value to advertisers.

Cinema advertising earnings have surpassed \$750 million for three years running. This year also marks the fourth consecutive year of national sales growth, proving the continued significance of cinema advertising within the overall media industry. As of 2018, and since the CAC began tracking revenue in 2002, cinema advertising's spending has exceeded \$10.2 billion.

These achievements are especially notable considering other media categories like broadcast advertising are on the decline. Media agency Magna estimates national TV broadcasting will fall 3 percent this year from 2017. In comparison, cinema advertising's year-over-year growth cements its standing as a leading video offering and leaves the industry well-positioned heading into the upfront season.

"We are thrilled to report yet another year of strong revenue growth," said Scott Felenstein, CAC President and Chairman. "2018 saw a new box office record of \$11.8 billion in domestic sales, proving that the cinema industry and its engaged audience are more attractive to advertisers than ever. We are confident that the industry will continue on its growth trajectory to remain a stable medium and a superior advertising option, even as other traditional video mediums may experience a decline."

According to the 2018 CAC Revenue Report:

- **National/regional sales**, which made up 89.5 percent of all cinema revenue, grew 5.4% from \$596,507,000 in 2017 to \$628,835,000, marking the fourth straight year of national sales growth
- **On-screen revenue** for 2018 reached \$718,756,000, growing 2.7 percent from 2017's total of \$699,964,000
- After a 1.5 percent decrease in 2017, **off-screen revenue increased** 23.2 percent to \$62,434,000 in 2018
- The **top five cinema sales categories** for the year were: Telecommunication, internet, and media; automotive; insurance and real estate; entertainment; and consumer electronics
- **185 new national or regional brands** advertised in cinema in 2018

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.

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ABOUT THE CINEMA ADVERTISING COUNCIL (CAC)

The Cinema Advertising Council is a national nonprofit 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 \$8.68 billion spent on- and off-screen since the CAC began tracking revenue in 2002. In addition to representing cinema advertising companies that account for 35,502* 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. For more information, please visit

<https://www.cinemaadcouncil.org/>.

*Sources: CAC, NATO, National CineMedia, Screenvision Media, Vision Media, Marcus Theatres Corp, On The Wall and Spotlight Cinema Networks