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By Brooks Barnes

Lionsgate Seeks to Build on Its Library of Film Properties with Theme Parks

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LOS ANGELES — Katniss Everdeen, theme park queen?

Three years ago, as the first "Hunger Games" movie was breaking box-office records, Jon Feltheimer, the chief executive of Lions Gate Entertainment, asked his lieutenants to investigate ways to turn their hit movie into a Disneyland-style ride. His team thought he might be off his rocker: The film's titular games involve children killing children for the amusement of a futuristic society.

But then Tim Palen, who is now the studio's chief brand officer, started to brainstorm. "The more we thought about it, the more we realized there was a major opportunity — not just to create something smart and captivating that 'Hunger Games' fans would love, but to bring all of our franchises alive in new ways," Mr. Palen said.

Roller coasters and other rides based on the "Hunger Games" movies will anchor new theme parks in the United States and China, Mr. Palen said. The two parks, built by separate companies and planned for areas near Atlanta and Macau, will join an already announced "Hunger Games" stage show in London and an elaborate Lionsgate zone at a \$3 billion entertainment complex under construction between Abu Dhabi and Dubai in the United Arab Emirates.

The theme park deals also call for "Step Up" dance shows and attractions based on the studio's "Divergent" movies and the film "Now You See Me," about a troupe of illusionists who are implicated in a heist. Lionsgate also hopes to bring its "Twilight" series to theme parks.

These endeavors are meaningful for a company of Lionsgate's size, said Amy Yong, an analyst at Macquarie Securities. The studio, which reported \$2.4 billion in revenue and \$181.8 million in net income for the 2015 fiscal year, which ended March 31, stands to generate \$100 million in additional revenue from what it calls "location-based entertainment" over the next few years. The total could be higher if gift-shop sales of themed merchandise take off.

"It speaks to the ability of management to skillfully leverage their intellectual property to other growth avenues," Ms. Yong said.

Theme park attractions and stage shows are entirely new businesses for Lionsgate. To limit risk, the studio is licensing its movie properties to developers, who will in turn pay to build and operate the attractions. Lionsgate, in other words, is trying to emulate not Disney or Universal, but Warner Bros., which has long licensed its characters, which include Batman and Bugs Bunny, to theme parks such as Six Flags.

But even that approach can be perilous. Theme park projects have a long history of failing to make it to opening day. "It's always going to happen that more parks get announced than actually built," Judith Rubin, a spokeswoman for the Themed Entertainment Association, wrote in an email, citing shifting economic winds and government regulations as two hurdles.

It all depends on Lionsgate's partners. The studio, for instance, has licensed "The Hunger Games" and other movies to developers who plan to build an entertainment destination near Atlanta called Avatron Smart Park. But those developers are on the hook for raising the estimated \$625 million needed for construction, according to James Ram, Avatron's vice chairman. Mr. Ram said financing efforts were "really far along" and were expected to conclude by the end of the year.

Avatron Smart Park hopes to open by 2019. Avatron's chairman is David C. Garrett III, an experienced developer and a former Georgia Lottery executive. Designs for rides are in the early stages, but Mr. Ram said he had no qualms about the harsher "Hunger Games" story lines. "There are so many positives about these movies, starting with the fact that she's an empowered young woman," Mr. Ram said.

Also in an early phase is a 237,000-square-foot indoor "experience center" planned for <u>Hengqin, China</u>. Lionsgate says it has a deal with <u>eSun Holdings</u>, a Chinese company with interests in media and property development, to bring rides and shows based on six movie properties to the venue. Late 2018 is the target opening date.

Much further along is **Motiongate** in the Middle East.

That park, built by Dubai Parks and Resorts, is scheduled to open next year. It will include areas dedicated to movies from Lionsgate, DreamWorks Animation and Sony Pictures. Most of the Lionsgate zone, at least initially, will be devoted to "The Hunger Games." After passing through the gates, visitors will arrive in a re-creation of the fictional District 12, a mining region where Katniss grew up. There will be costumed characters and real-life versions of Peeta Mellark's bakery and the Hob black market.

A lavish roller coaster will be designed to resemble the movies' high-speed Capitol trains, Mr. Palen said. A simulator-style ride, similar to Disney's well-known Star Tours attraction, will take people on a hovercraft tour of Panem, the post-apocalyptic nation where "The Hunger Games" takes place.

The studio has more than instant cash on its mind. Theme park attractions can keep film series alive during multiplex absences. "Jurassic Park" flume rides at Universal parks, for instance, kept the pilot light burning between "Jurassic Park III" in 2001 and "Jurassic World," which opened this year.

The "Hunger Games" series will conclude on Nov. 20, when a fourth film, "Mockingjay Part 2," arrives in theaters. Lionsgate has said that it wanted to eventually pursue spinoffs. (It is not by accident, for instance, that the tagline for the coming movie is "the fire will burn forever.") But no timing is certain.

Lionsgate is not the only Hollywood company with theme-park fever. As streaming roils the television business and movie companies struggle with rising costs, theme parks have emerged as a stable, growing business. The Walt Disney Company and NBCUniversal, a division of Comcast, are <u>pouring</u> <u>billions of dollars</u> into their resorts, and 21st Century Fox is working on a major project in the Middle East; Fox movies include "Avatar," "Ice Age" and "Planet of the Apes."

Still, bringing "The Hunger Games" to theme parks is unusual. The dystopian movie series, based on books by Suzanne Collins, is not exactly the whimsical world of "Harry Potter." Mr. Palen conceded that

some theme park operators initially approached by the studio were not overly encouraging. He declined to say more, but an obvious first stop would have been Universal Parks & Resorts, which licenses movies from various studios, including "Transformers" from Paramount Pictures.

Mr. Palen noted that some Hollywood executives had similar doubts about "The Hunger Games" as movie adaptations — before the films became <u>cultural phenomena</u>, taking in \$2.3 billion worldwide.

"As we had more discussions with potential partners and the franchise has continued to grow, we uncovered a wealth of opportunities," Mr. Palen said, indicating that more deals are likely on the horizon.

The Atlanta Journal & Constitution

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Theme Park with 'Hunger Games' Attractions Coming to Georgia

http://www.fox5atlanta.com/news/43820418-story

ATLANTA - It looks like the odds are ever in Georgia's favor!

A new theme park, which will feature attractions from the blockbuster hit *The Hunger Games*, is coming to metro Atlanta.

Lionsgate Entertainment Corp. confirmed Monday that *The Hunger Games* franchise has been licensed for development in the theme park, which will be located in Bartow County about 45 minutes northwest of the city.

According to the New York Times, the estimated \$625 million AVATRON Park is targeted to open by 2019.

A news release from AVATRON revealed the principal partners are originator James Ram, experienced developer David C. Garrett and technology innovator Jo Ram.

"We are proud to introduce AVATRON Park to the great state of Georgia and American audiences everywhere," said James Ram, vice chairman. "We are pushing the thresholds of location-based entertainment storytelling like never before, thanks, in part, to our unique combination of experienced creative leadership and technology integration expertise. We look forward to sharing this game changing experience with future guests."

The news release said the development will be built on the crossroads of where entertainment meets fantasy and perception becomes reality.

Not only will the park feature attractions based off *The Hunger Games*, but the agreement includes other Lionsgate productions such as *Step Up* and *Now You See Me*.

"The innovative storytelling platforms we offer provide different ways and dimensions for fans of all three franchises to continue and extend their personal engagement," said Jo Ram.

A Hunger Games "experience center" is also in the early planning stages for China.

Fans are already getting to interact with heroine Katniss Everdeen through attractions such as the traveling display "The Hunger Games: The Exhibition," which is now in Discovery Times Square in New York. A theatrical show is set to open in London next summer and a theme park featuring a "Hunger Games" zone is planned to debut in Dubai late next year.

The final movie in *The Hunger Games* franchise, "Mockingjay Part 2," is set to hit the big screen this month.