



Northern Ireland
Assembly

Committee for Communities

OFFICIAL REPORT (Hansard)

Licensing and Registration of Clubs
(Amendment) Bill: Movie House Cinemas

21 January 2021

NORTHERN IRELAND ASSEMBLY

Committee for Communities

Licensing and Registration of Clubs (Amendment) Bill: Movie House Cinemas

21 January 2021

Members present for all or part of the proceedings:

Ms Paula Bradley (Chairperson)
Ms Kellie Armstrong (Deputy Chairperson)
Mr Andy Allen
Mr Mark Durkan
Mr Alex Easton
Ms Sinéad Ennis
Mr Robin Newton

Witnesses:

Mr Michael McAdam Movie House Cinemas

The Chairperson (Ms P Bradley): I welcome Michael McAdam to the meeting. Michael, go ahead and brief the Committee, and then we will ask you some questions.

Mr Michael McAdam (Movie House Cinemas): Certainly. Good afternoon everybody, and thank you very much for the opportunity to speak to the Committee.

A lot of people may know of Movie House Cinemas. We are a local company. I started this cinema business in 1990, so the company is over 30 years old. We worked our way up from humble beginnings in Glengormley and now have four locations. We had five but, as you may be aware, sold the Dublin Road premises a couple of years ago. We now have cinemas in Yorkgate, Glengormley, a small three-screen cinema in Maghera and the Jet Centre entertainment complex in Coleraine, which has an eight-screen cinema. We have been working hard for many years. We employ a lot of local people and, of course, our suppliers are also local.

We have invested heavily in our business, constantly, which is why we are still here after 30 years. I would go so far as to say that the Movie House offer is second to none at the moment. Over the 30 years, we have been working hard and constantly updating everything that we have been doing. For instance, back in the early days, when putting in new sound systems, we were twelfth and thirteenth in the world to have Digital Theater Systems (DTS) digital sound. We moved on to refurbishing seats and so on, and we are doing that again.

If I may, I will show you a couple of photographs of the kind of offering that we now have in most of our cinemas. In the first, two young people are sitting with their feet up, although that maybe does not show you a great deal. The next one is, I think, screen 14 in Yorkgate, which held 450 people originally. That number is now down to 230 people simply because of the size of the seats. If I flick through, I can give you another look at the type of seats that we are putting in. It is not just us; my friends at Omniplex are doing the same. We are rivals but we are going for the same offering because

we are all trying to get people out of their seats and off their sofas at home, which is quite a difficult thing to do. Unless our cinema offering cinema is better than what people have at home, they will stay in the house.

Over the years, the fact that cinemas have never been able to offer alcohol has amazed me. Having been involved with many businesses, I have had a chance to look at the licensing as it stands, and the probable reason for cinemas never having had a licence is that nobody ever wanted one. If you think back to the days of the old Curzon cinema and so on, you will remember that there certainly would not have been any room. It hardly had room for a shop, never mind the chance to serve alcohol. When you look at the Act, you will see that cinemas are not defined as places of public entertainment. I find that bizarre. At the peak of Movie House, when we had all five cinemas, we had 1.5 million admissions a year, and we are now at just over 1 million admissions a year. If we are not entertaining 1 million people a year, I do not know what we are doing, and I do not know why we are not included in that definition.

It seems odd to us that people can buy alcohol at theatres such as the Opera House, the Lyric and the MAC — even Glengormley, which is local to me, has a facility where a bar is available for live shows — but not at cinemas. It is not that every cinema will want to sell alcohol. However, in these challenging times, we are trying to give as much variety and choice to our customers as we possibly can. When this opportunity came around, I thought that we had to put our best foot forward and ask the Committee, "Can that, please, be looked at?" Due to COVID, which we will go on to later, business is very tough. Our business has been destroyed. In the weeks that we were open, we were trading at 20% of the level at which we were trading at the same time last year. That business no longer works. Our ongoing difficulty will be how to get our customers in. Social distancing, I believe, is with us for quite some time to come. Already, we are looking for different ways in which to increase our spend per head. Colleagues in Ireland, England, Scotland and Wales — we have friends in Everyman Cinemas and in Cineworld — offer their customers the opportunity to bring a drink into the theatre. Everyman, in particular, has a food and beverage offer, and over 90% of its customers bring an alcoholic beverage into the theatre. Although that is not so much the case with Cineworld, it is quite interesting, in that Cineworld and Everyman have quite different feels. Everyman has sofas and tables, whereas Cineworld is a more traditional cinema.

I showed you the seats with trays in a cinema in Coleraine. We are all used to watching Netflix and Amazon, so what else can we do to bring people out? How else can we inspire them? We all offer coffee and tea now, which are a popular alternative to Coca Cola. We feel that adults should be given the chance to have an alcoholic beverage. For instance, we show live theatre as well as films. We do not do it that often, but we have people coming in, particularly to our Coleraine location, when we transmit a live performance or send out a pre-recorded performance as live to a theatre audience. Theatre performances include an intermission, which we no longer have in cinemas. Our customers are coming out and wanting the theatre experience, but they cannot get it because we are not a place of public entertainment and therefore cannot sell alcohol.

I find it bizarre that the Licensing Act allows the consumption of alcohol in areas such as a seamen's canteen and a place of further education. That allows our friends in Belfast's Queen's Film Theatre (QFT) the opportunity to have a bar. It is a commercial cinema, so, quite often, it shows the same films as I am showing, but it has the facilities to offer customers an alcoholic beverage, along with popcorn and coke, of course. However, we are not, because we are not on the grounds of a place of further education. That is grossly unfair. I ask the Committee to look into this for us and, hopefully, to give us the opportunity to have a level playing field. Give us the opportunity to increase spend per head, give our customers more choice and make the overall experience of going to the cinema a much more pleasant one than it currently is.

The Chairperson (Ms P Bradley): Thank you, Michael for coming to join us today. As a born and bred resident of Glengormley, I remember well the opening of your first cinema in Glengormley. I am very glad to say, as an elected representative for North Belfast, that I have Glengormley and Cityside cinemas to go to. I am delighted that you are able to join us today.

This issue of serving alcohol came up when I visited you prior to Christmas. I had never thought of it and was unaware that Northern Ireland cinemas were treated so differently when it came to licensing from the rest of cinemas on these islands. I am glad that we have had the opportunity to hear from you.

You mentioned that QFT, because it is located in a place of education, is able to serve alcohol. I know for a fact that it shows many of the same films as you and that people go there purely because they can have an alcoholic drink and make an evening of it. I understand where you are coming from.

Movie House Cinemas are seen as very family-oriented cinemas. Do you imagine that there will be objections from parents because of the family-oriented theme that you have always promoted?

Mr McAdam: I do not think so because we will not be building licensed bars. I was talking to my friend from Everyman this morning, and its cinemas offer glasses of wine and plastic bottles of beer. How that sits with people would depend on the film. I do not see us selling any alcohol in the afternoon. Alcohol would be available in the evening. To be honest, I am not sure that we would even apply for a licence for the likes of our Glengormley cinema. I do not think that the desire is there. Certainly, Coleraine, which is a much larger cinema with a larger foyer space, and Yorkgate, from where I am talking to you today, would very much welcome the opportunity to have a coffee/bar area where people could meet friends beforehand.

Interestingly, our friends in Coca Cola are really good at understanding trends. For some years, they have been advising us that people want to extend their evening. They want to leave work and have somewhere to meet friends before going on to watch a movie. If a film finishes, say, at 9.10 pm, they want to go somewhere not too far away to continue their evening. Having a facility like that in those two locations would be first class.

Once again, I look at our colleagues in Everyman, Cineworld and Vue. All of their cinemas in Ireland, England, Scotland and Wales offer their customers that opportunity. Alcohol might be a bit of novelty to begin with, but it would settle down. Alcohol consumption in Cineworld cinemas, certainly when my friend was there, was not even 2% of their turnover, whereas our concession stands with popcorn and sweets account for somewhere between 3% and 5%. We are not expecting a huge level of alcohol consumption. What we are talking about is choice.

Another interesting thing that we will look at and explore as we try to rebuild our business after COVID is offering people the chance to have something to eat, such as a burger, whilst at the cinema. That causes another difficulty for us because people are likely to want to have an alcoholic beverage with their food. We cannot operate as a restaurant because we do not have the right tables and facilities within the theatre to do that. We could not become a restaurant all of a sudden. Having the opportunity to sell alcohol and to complement a burger with a beer or a glass of wine would really help us move into the food area.

Everyman cinemas do incredible business in food and beverages, but they do not do it all day long. When it comes to the family business, I do not see a family coming in and the parents drinking alcohol. I do not think that that would happen. If alcohol were to be offered in a small area in the cinema, as would be the case in Glengormley or Maghera, it would probably be out of sight, and most people would not be aware of it.

The Chairperson (Ms P Bradley): Your cinemas have private viewing rooms where families or a group of friends can watch a movie on an occasion such as a birthday. I know that that happens at the QFT because I have been to one there. That puts you on the back foot. When those attending a 40th birthday party in your cinema want to watch a movie in one of your private rooms, you can offer them soft drinks and popcorn but nothing else. I get that that is an issue for you.

Mr McAdam: It is.

The Chairperson (Ms P Bradley): I want to expand on that, You mentioned that the size of the likes of the Glengormley and Maghera cinemas means that you probably would not bother applying for a licence. Do you think that the cost of a licence would be worth your while, given that it would not be a bar? People would not stand and drink there as they do in a bar. They may go there for one, two or three drinks before, during or after their movie. How do you feel about the cost of the licence? Is there a need to look at a separate type of licence for the likes of cinemas? How do you see that?

Mr McAdam: Surely it could be the same licence as theatres have at the moment. It would just be a question of expanding that to cinemas. You can have an alcoholic drink in a theatre at a live performance. Whatever the legislation or local licensing law is for them should automatically apply to cinemas.

The Chairperson (Ms P Bradley): OK, Michael. I know that we have asked you here to speak to us about COVID as well, but I will ask members to ask any questions that they might have about the Bill first.

Ms Ennis: Hi, Michael. I know that you will touch on the COVID stuff and how the way in which you were cast in the regulations and so on has been a serious concern for you. I am sure that we will get to that.

You make a compelling case when asking to be licensed in the same way as theatres. We have an Omniplex in Newry, which is where I am, and we have seen a major shift in its output. It now offers classical music concerts, ballets and other theatre products. I suppose that that is how cinemas have had to adapt given the likes of Netflix and Amazon and the fact that movies often go straight on to those platforms. We definitely have to consider anything that can assist the survival of our cinemas through having new and innovative ways to attract audiences.

The Chair touched on the issue of most cinemas being family arenas, so there might be an issue with when you sold alcohol. Would it be just at the interval and before and after a show, as in theatres? Is that the type of scenario that we are looking at with cinemas?

You also said that you can get alcoholic beverages in some cinemas in the South and across the water. I was not aware of that. How does that work for them? What, if any, issues have arisen in those scenarios? Has it been an accepted offering in those cinemas or have there been any issues that the Committee might want to consider in its deliberations?

Mr McAdam: First things first: sadly, we no longer have intervals during the showing of films in our cinemas. Live theatre from the Royal Opera House and so on has the regular theatre intervals, and people will leave their seats. All of our colleagues in Ireland, England, Scotland and Wales sell alcohol as people come through the door. I was chatting to someone from Everyman, and its customers — this might sound classist, but bear with me — are more highbrow. Its audience goes in for the quirkier art-house films. Some 90% of its customers go in to the cinema with alcohol. In fact, Everyman even allows people to go in with glasses. We would not do that.

Our friends in Cineworld, the former UGC cinema, in the Parnell Centre in Dublin, have a bar on the second or third floor. People go in, buy their drinks at the start of their evening and go into the theatre.

We are asking for something that has been done for some time. It is not as though we are starting something new here. I am a committee member of the UK Cinema Association. All the big chains sit on that committee, and nobody has ever brought to my attention any difficulty with serving alcohol.

You must also bear in mind that we already have to do age checks, so our staff are quite aware that, when we have a 12A certificate, kids without an adult cannot get in. They are also challenged to prove that they are 15 years old or 18 years old. We already have a lot of checks built into the cinema business.

I do not believe that there have been any difficulties to date. The best way to look at this with regard to Northern Ireland might be to have a word with the police in Belfast in the area of the Queen's Film Theatre. That is a university area, and we hear good things about the area, and we hear bad things about the area, with the Holylands and so on. Rather than my saying something, we could deal with facts and have somebody talk to the local inspector to see whether there have been any issues with serving alcohol in QFT.

Ms Ennis: Am I right in saying that there is a separate cinema licence and then you have the entertainment licence?

Mr McAdam: No, it is a cinema licence only for us. All we have at the moment is a cinema licence.

Ms Ennis: Yes, that is what I am saying: there is a cinema licence and then there is an entertainment licence.

Mr McAdam: Yes.

Ms Ennis: Are you talking about scrapping the cinema licence and you guys being brought in under that entertainment licence?

Mr McAdam: I am not qualified to say how it should be done. I honestly do not know. I know that my friends in Omniplex applied for an entertainment licence for their Dundonald facility and were refused. Whether it is just an extension or add-on to the cinema licence, the local authorities will be in control of licensing anyhow. That would probably be the easiest thing: a cinema licence with an addition for alcohol.

Ms Ennis: Thanks, Michael. There is a compelling argument here, and we have to do all that we can to help our cinemas not only to recover from COVID but to adapt to the changes in the market, given the competition from Netflix and Amazon. I look forward to examining this issue in greater detail down the line.

Mr McAdam: Thank you very much indeed.

Mr Durkan: Thank you, Michael. Sinéad touched on most of what I was going to say. I concur with her on the need to do everything that we can to allow cinemas to enhance the visitor experience. If that means that people can bring a glass of wine or a bottle of beer in to watch a film, we should look at how that can be accommodated. We have seen how that has not been an issue across the water. Michael has invited us to verify with the PSNI that it has not been an issue at QFT. I am not as familiar with down South. I have never had a beer or any other alcoholic drink in a cinema in Dublin.

There is one thing that I want to ask, Michael. Has people bringing alcohol into the cinema ever been much of an issue?

Mr McAdam: On occasion, and I will give you an example that hit us quite hard. On the opening night of 'Fifty Shades of Grey', we were inundated with several hundred women who had gone straight from work to the bar and whose handbags were filled with an assortment of everything. That was the one time when I can say for sure that, yes, there was an issue of people drinking alcohol. In fact, we had to bring in bouncers for the next two weeks of the run to check handbags to prevent that from happening.

Generally, Mark, no, it has not been an issue. As soon as a show finishes — we have always done this; it is not just because of COVID — we go in and lift any litter, so we know what has been left behind. People are very lazy. Had they been enjoying a beer or something like that, they would have left the tin behind. Certainly, I am not aware of any abuse currently or of people doing that. I do not believe that they even think about it.

Mr Durkan: OK. Thanks, Michael. That is all that I wanted to check.

The Chairperson (Ms P Bradley): Thank you for that, Mark.

Michael, we have very little time left, I am afraid. We wanted to touch on the COVID issue, so maybe we can give a couple of minutes to that. When I visited you at Yorkgate before Christmas, you mentioned the difficulties that you have faced when applying for funding. Not only have you, as a businessman, never had to do that but cinemas seem to have been left out of any notifications or regulations. Michael, if you can, in a couple of minutes, talk to us a little about your experience with COVID.

Mr McAdam: COVID has been devastating to the cinema business, as you will have seen and be aware of. Currently, all cinemas in the United Kingdom are closed. I really do not know when we will get a chance to reopen. We are dealing with a very serious situation, and we have tried to adapt. Our friends in the National Association of Theatre Owners in America produced a medical document, which is way over my head, explaining how a cinema visit is much safer than most other indoor activities. One of the frustrations that we have felt — people in the licensed trade probably feel the same — is that we have all tried to work and adapt. However, a showcase has been made of us. Yet, when cinemas, pubs and restaurants closed, COVID continued.

Our argument is that, if we do not give people safe places to go, they will, because there is nowhere else, go to each other's homes, drink alcohol, do bits and pieces and have parties. Our feeling in the cinema industry is that cinemas, of all places, are safer. In a cinema, you are sitting down, you are not talking to people across the way, you are not shouting to the people in front of you, and the people in front of you are facing away from you, so you are not talking directly to them. The transfer of anything whatsoever is limited.

The call that we were trying to make was that, as we try to rebuild all our businesses, it is unfair that all hospitality and leisure are treated in the same way. That will make it difficult for the powers that be to decide where is safe and where is not safe. However, I think that, as we come out of this, we will have to do that. There is big difference between having 18 people sitting in a cinema, where there may be 50 empty seats, and having people in a packed shopping mall, as we saw at Christmas. Yet, we were forced to close, and malls were allowed to be open. It feels grossly unfair.

We are where we are. It is all about learning lessons on how we go forward. From the perspective of cinemas, we just wanted to tell Ministers and your good selves today that, when these decisions are being made, as we start to reopen and, possibly, have to close again, rather than tarring everybody with the same brush, perhaps we could take time to have our own "COVID police" visit locations to give consideration to what is safe and what is deemed unsafe.

The Chairperson (Ms P Bradley): Michael, thank you for that. I appreciate that because, as politicians, we sometimes lose sight of the fact that businesses like yours have spent an awful lot of money to try to make things as safe as possible for their customers, yet how those businesses can open safely is hardly even looked at.

I really appreciate your coming in. You have given us much food for thought. I am glad that I visited you in early December, which is when this issue arose, and mentioned the Bill that we were considering. From what we have heard from others in the Committee today, I think that there is consensus that we want to see what we can do to help cinemas out and to align them with what is being offered in the rest of the United Kingdom. Michael, thank you very much.

Mr McAdam: Thank you very much indeed. Thank you for your time.