IAAPA is made up of more than 4,000 members in 90 countries and work through a series of volunteer committees to provide services in four areas:

- Conference, exhibitions and meetings
- Education, professional development, and training
- Communications and media relations
- Government relations and safety

IAAPA was formed more than 80 years ago for professionals who own, manage and operate:

- Amusement parks
- Theme parks
- Waterparks
- Family entertainment centers
- Zoos and aquariums
- Museums
- Attractions
- Manufacturers and suppliers that serve them
Education and Professional Development

- Expo Conference Programs
- Executive Education Programs
- Webinars
- Safety Institutes
- Certification

Program Goals

- To develop skills necessary to become a senior member of a management team
- To demonstrate an understanding of the complexities involved in business development and expansion in the industry
- To explore different issues and challenges facing people in the industry
Program Goals

- To apply critical leadership skills such as communication, decision-making, consensus-building, networking and negotiation
- To learn independently and cooperatively within groups to achieve success

Objectives

Participants will:
- Make decisions based on information provided
- Define elements of five core content areas:
  - Finance,
  - Marketing,
  - Revenue Operations,
  - Leadership, and
  - Safety
- Share insight into best practices in the industry
- Construct a personal plan of action
Course Logistic

Course materials:
- Copy of Funworld Park data (sent in advance)
- Course manual

Who R U?
What is the attractions industry?
Can you and your team name **50** different attractions types ....

... in 60 secs?
A Brief History of Theme Parks

No, it wasn’t all started with a mouse...

The Theme Park concept was introduced by “the mouse” in 1955 with the opening of Disneyland...
Dynamics of Theme Park development by world region

<table>
<thead>
<tr>
<th>Year</th>
<th>USA-Canada</th>
<th>Europe</th>
<th>Asia/the Pacific</th>
<th>Rest of the world</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>Start</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>Development</td>
<td>Start</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>Expansion</td>
<td>Development</td>
<td>Start</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>Maturity</td>
<td>Expansion</td>
<td>Development</td>
<td>Start</td>
</tr>
<tr>
<td>1990</td>
<td>Concentration</td>
<td>Adaptation</td>
<td>Expansion</td>
<td>Development</td>
</tr>
<tr>
<td>2000</td>
<td>Diversification</td>
<td>Repositioning</td>
<td>Selective growth</td>
<td>Expansion</td>
</tr>
</tbody>
</table>

Salvador Anton Clavé, 2007
The Themepark Industry: Today

Industry Statistics

• There are more than 400 amusement parks and traditional attractions in the United States alone.

• The industry generates $57 billion for the US economy

• In 2008, amusement parks in the United States entertained 300 million visitors who safely enjoyed more than 1.7 billion “rides.”

• There are more than 300 parks in Europe with overall attendance of 150 million visitors and revenues of 10 billion Euros

• Amusement parks globally generated $24.0 billion in revenues in 2007.

Source AECOM / TEA 2010 Theme Index and IAAPA
The Themepark Industry: Today

Industry Statistics cont’d

- Family Entertainment Centers (FECs) host an average of 381,000 guests annually, with the larger facilities hosting up to 622,000 guests annually.

- FECs also experience comparatively high levels of repeat visitation—more than three visits per season.

- The United States amusement park industry provides jobs for approximately 500,000 year-round and seasonal employees.

- 28 percent of Americans surveyed visited an amusement park last year, with 50 percent of Americans indicating that they plan to visit an amusement park within the next 12 months.

Top 10 amusement park chains worldwide

<table>
<thead>
<tr>
<th>Park</th>
<th>#</th>
<th>Attendance 000’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>WALT DISNEY ATTRACTIONS</td>
<td>1</td>
<td>120.6</td>
</tr>
<tr>
<td>MERLIN ENTERTAINMENTS GROUP</td>
<td>2</td>
<td>41</td>
</tr>
<tr>
<td>UNIVERSAL STUDIOS RECREATION GROUP</td>
<td>3</td>
<td>26.3</td>
</tr>
<tr>
<td>PARQUES REUNIDOS</td>
<td>4</td>
<td>25.8</td>
</tr>
<tr>
<td>SIX FLAGS INC.</td>
<td>5</td>
<td>24.3</td>
</tr>
<tr>
<td>CEDAR FAIR ENTERTAINMENT COMPANY</td>
<td>6</td>
<td>22.8</td>
</tr>
<tr>
<td>BUSCH ENTERTAINMENT</td>
<td>7</td>
<td>22.4</td>
</tr>
<tr>
<td>OCT PARKS CHINA</td>
<td>8</td>
<td>19.3</td>
</tr>
<tr>
<td>HERSCHEND ENTERTAINMENT</td>
<td>9</td>
<td>9.6</td>
</tr>
<tr>
<td>COMPAIGNE DES ALPES (GREVIN)</td>
<td>10</td>
<td>9</td>
</tr>
</tbody>
</table>

Total 321.1

Source AECOM / TEA 2010 Theme Index
### Global Themepark Revenues

![Image of Global Themepark Revenues chart]

*PWC Global Entertainment and Media Outlook 2008 - 2012

### Global Themepark Attendance (2010)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Themepark</th>
<th>Attendance (2010)</th>
<th>% from 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MAGIC KINGDOM at Walt Disney World, Lake Buena Vista, FL, U.S.A</td>
<td>16,972,000</td>
<td>-1.50%</td>
</tr>
<tr>
<td>2</td>
<td>DISNEYLAND, Anaheim, CA, U.S.A.</td>
<td>15,980,000</td>
<td>0.50%</td>
</tr>
<tr>
<td>3</td>
<td>TOKYO DISNEYLAND, Tokyo, Japan</td>
<td>14,452,000</td>
<td>5.90%</td>
</tr>
<tr>
<td>4</td>
<td>EPCOT at Walt Disney World, Lake Buena Vista, FL, U.S.A.</td>
<td>12,663,000</td>
<td>5.50%</td>
</tr>
<tr>
<td>5</td>
<td>DISNEYLAND PARK at Disneyland Paris, Marne-la-Vallee, France</td>
<td>10,825,000</td>
<td>-1.50%</td>
</tr>
<tr>
<td>6</td>
<td>DISNEY'S ANIMAL KINGDOM at Walt Disney World, Lake Buena Vista, FL, U.S.A.</td>
<td>10,500,000</td>
<td>-2.60%</td>
</tr>
<tr>
<td>7</td>
<td>DISNEY'S HOLLYWOOD STUDIOS at Walt Disney World, Lake Buena Vista, FL, U.S.A.</td>
<td>9,686,000</td>
<td>1.00%</td>
</tr>
<tr>
<td>8</td>
<td>UNIVERSAL STUDIOS JAPAN, Osaka, Japan</td>
<td>8,160,000</td>
<td>2.00%</td>
</tr>
<tr>
<td>9</td>
<td>EVERLAND, Gyeonggi-Do, South Korea</td>
<td>6,884,000</td>
<td>11.00%</td>
</tr>
</tbody>
</table>

Source: AECOM / TEA 2010 Theme Index
Global Themepark Revenues (2007)

<table>
<thead>
<tr>
<th>Region</th>
<th>Revenue US$ millions</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>$11,990.00</td>
<td>49.85%</td>
</tr>
<tr>
<td>Europe</td>
<td>$4,946.00</td>
<td>20.56%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>$6,367.00</td>
<td>26.47%</td>
</tr>
<tr>
<td>Latin America</td>
<td>$261.00</td>
<td>1.09%</td>
</tr>
<tr>
<td>Canada</td>
<td>$487.00</td>
<td>2.02%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$24,051.00</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

*PWC Global Entertainment and Media Outlook 2008 - 2012

The Themepark Industry: Today

- **189.1 million** Total theme park attendance for top 25 worldwide parks
- **123.6 million** Total visits to the top 20 parks in North America
- **56.3 million** Attendance for the top 20 European parks
- **83.3 million** Total visits to the top 15 Asian parks
- **13.3 million** Attendance to top 10 parks in Mexico and Latin America
- **22.2 million** Top 20 worldwide waterparks attendance
- **15.1 million** Total visitation to top 20 waterparks in US

2010 TEA/AECOM Report
## Asian Attendance and Growth 2008-2012

### Theme Park Market

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance (Millions)</td>
<td>232</td>
<td>236</td>
<td>234</td>
<td>244</td>
<td>249</td>
<td>257</td>
<td>265</td>
<td>274</td>
<td>281</td>
<td>290</td>
</tr>
<tr>
<td>Per Capita Spending (US$)</td>
<td>23.65</td>
<td>23.90</td>
<td>24.40</td>
<td>25.04</td>
<td>25.57</td>
<td>26.06</td>
<td>26.65</td>
<td>27.37</td>
<td>28.10</td>
<td>29.02</td>
</tr>
<tr>
<td>Total Spending (US$ Millions)</td>
<td>5,487</td>
<td>5,640</td>
<td>5,710</td>
<td>6,110</td>
<td>6,367</td>
<td>6,697</td>
<td>7,002</td>
<td>7,499</td>
<td>7,896</td>
<td>8,419</td>
</tr>
</tbody>
</table>

*At average 2007 exchange rates.
Sources: PricewaterhouseCoopers LLP, Winkley Gruen Associates

### Theme Park Market Growth (%)

<table>
<thead>
<tr>
<th>Asia Pacific</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007p</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012 (\text{CAAGR})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance</td>
<td>–1.3</td>
<td>1.7</td>
<td>–0.8</td>
<td>4.3</td>
<td>2.0</td>
<td>3.2</td>
<td>3.1</td>
<td>3.4</td>
<td>2.6</td>
<td>3.2</td>
</tr>
<tr>
<td>Per Capita Spending</td>
<td>1.9</td>
<td>1.1</td>
<td>2.1</td>
<td>2.6</td>
<td>2.1</td>
<td>1.9</td>
<td>2.3</td>
<td>2.7</td>
<td>2.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Total Spending</td>
<td>0.5</td>
<td>2.8</td>
<td>1.2</td>
<td>7.0</td>
<td>4.3</td>
<td>5.2</td>
<td>5.5</td>
<td>6.2</td>
<td>5.3</td>
<td>6.6</td>
</tr>
</tbody>
</table>

Sources: PricewaterhouseCoopers LLP, Winkley Gruen Associates

### Theme Park Spending by Country (US$ Millions)

<table>
<thead>
<tr>
<th>Asia Pacific</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007p</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012 (\text{CAAGR})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>153</td>
<td>159</td>
<td>163</td>
<td>171</td>
<td>180</td>
<td>188</td>
<td>197</td>
<td>205</td>
<td>213</td>
<td>223</td>
</tr>
<tr>
<td>China</td>
<td>1,216</td>
<td>1,268</td>
<td>1,320</td>
<td>1,398</td>
<td>1,483</td>
<td>1,575</td>
<td>1,674</td>
<td>1,821</td>
<td>1,950</td>
<td>2,061</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>73</td>
<td>94</td>
<td>146</td>
<td>314</td>
<td>359</td>
<td>380</td>
<td>408</td>
<td>428</td>
<td>447</td>
<td>458</td>
</tr>
<tr>
<td>Japan</td>
<td>3,497</td>
<td>3,488</td>
<td>3,476</td>
<td>3,556</td>
<td>3,709</td>
<td>3,875</td>
<td>4,080</td>
<td>4,319</td>
<td>4,431</td>
<td>4,476</td>
</tr>
<tr>
<td>South Korea</td>
<td>581</td>
<td>570</td>
<td>565</td>
<td>587</td>
<td>549</td>
<td>582</td>
<td>622</td>
<td>676</td>
<td>733</td>
<td>809</td>
</tr>
<tr>
<td>Other Countries</td>
<td>57</td>
<td>63</td>
<td>80</td>
<td>84</td>
<td>87</td>
<td>89</td>
<td>95</td>
<td>100</td>
<td>125</td>
<td>132</td>
</tr>
<tr>
<td>Total</td>
<td>5,487</td>
<td>5,640</td>
<td>5,710</td>
<td>6,110</td>
<td>6,367</td>
<td>6,697</td>
<td>7,002</td>
<td>7,499</td>
<td>7,896</td>
<td>8,419</td>
</tr>
</tbody>
</table>

*At average 2007 exchange rates.
Source: PricewaterhouseCoopers LLP, Winkley Gruen Associates
### Top 15 amusement parks/theme parks in Asia-Pacific

<table>
<thead>
<tr>
<th>Rank</th>
<th>Park Name</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Tokyo Disneyland, Japan</td>
<td>14,452,000</td>
</tr>
<tr>
<td>2.</td>
<td>Tokyo Disney Sea, Japan</td>
<td>12,663,000</td>
</tr>
<tr>
<td>3.</td>
<td>Universal Studios Japan, Osaka, Japan</td>
<td>8,160,000</td>
</tr>
<tr>
<td>4.</td>
<td>Everland, Kyonggi-Do, South Korea</td>
<td>6,884,000</td>
</tr>
<tr>
<td>5.</td>
<td>Lotte World, Seoul, South Korea</td>
<td>5,551,000</td>
</tr>
<tr>
<td>6.</td>
<td>Hong Kong Disneyland</td>
<td>5,200,000</td>
</tr>
<tr>
<td>7.</td>
<td>Ocean Park, Hong Kong</td>
<td>5,100,000</td>
</tr>
<tr>
<td>8.</td>
<td>Nagashima Spa Land, Kuwana, Japan</td>
<td>4,465,000</td>
</tr>
<tr>
<td>9.</td>
<td>Hakkeijima Sea Paradise Yokohama, Japan</td>
<td>4,023,000</td>
</tr>
<tr>
<td>10.</td>
<td>OCT EAST, Shenzhen, China</td>
<td>3,530,000</td>
</tr>
<tr>
<td>11.</td>
<td>Happy Valley, Shenzhen, China</td>
<td>3,050,000</td>
</tr>
<tr>
<td>12.</td>
<td>HAPPY VALLEY, Beijing, China</td>
<td>2,734,000</td>
</tr>
<tr>
<td>13.</td>
<td>Window on the World</td>
<td>2,651,000</td>
</tr>
<tr>
<td>14.</td>
<td>DUNIA FANTASI, Jakarta, Indonesia</td>
<td>2,400,000</td>
</tr>
<tr>
<td>15.</td>
<td>CHIMELONG PARADISE, Guangzhou, China</td>
<td>2,400,000</td>
</tr>
</tbody>
</table>


---

### The Themepark Industry: What Makes Us Different?
Marketing

Our product... a feeling!
Differs from most other industries.
Typically harder to market emotions and feelings

Segments
Ranging from children families over festival enthusiasts to seniors and businessmen.
Marketing is typically local or regional

Loyalty
Special treatment for Annual card holders – or ambassadors

New media
New possibilities to create emotions outside the park

Leadership and Human Ressources

Many professions
Ride operators, security staff, architects, engineers, cooks, waiters, actors, singers, dancers, musicians, cleaning staff, art directors, webdesigners, communication staff, nurses, zoo keepers, divers, veterinarians, lawyers, tailors, carpenters, painters, scenographers, lifeguards, electricians, blacksmiths, retail staff, firemen etc.

All ages
Children, students and seniors

All vacancies
Full times, part times, seasonals, internships

Challenges
Mass seasonal hiring
Young people
Need to hire and train employees quickly
High turnover
Finance

Attraction finance...
... is very similar to all other industries.

Rollercoaster Math
Our industry operates with definitions like Annual Attendance, Gross Revenue, Per Capita, Revenue per capita etc.

Amusement Parks
Originally, many family-owned parks, high equity
Now more consolidations - Merlin, CDA, etc. Higher debt share = demands for higher dividends

Other attractions
Often funded by public or semi-public
Increased need to exist on traditional market conditions, which are difficult due to the mature market
Increases the competition

"What a week!"

Revenue operations

Revenue types for a typical attraction park
Food & Beverage (F&B), retail, games (skill games, arcades, paid attractions), lockers, parking, rental of strollers, wheelchairs, etc.

Challenges
Limited season
Impulse purchase – and majority by the end of the day
Limited repeat business
Revenue Breakdown

![Revenue Breakdown Diagram](image)

- Admissions: 53%
- Food & Beverage: 13%
- Merchandise: 5%
- Games: 4%
- Parking: 1%
- Sponsorship: 1%
- Other: 1%

IAAPA 2009

Operations and safety

What is the most safe recreation activity?
- Bowling – Amusement Rides – Fishing

![Question Mark](image)
Operations and safety

Injury Risk
The attractions industry is safer than most other forms of recreation:

Injury risk rates* for a variety of sports and recreation:
Football: 343
Fixed-site amusement rides: 8
Basketball: 876
Bowling: 39
Fishing: 88

In 2007, over 300 million guests visited US amusement facilities; of the total 1,713 ride-related injuries, only 132 required overnight hospital treatment

More than just ride safety...
Food, employees, crowd safety, fire, risk of terror, animal hold etc.

* Injuries per million activity participant days


What will Theme Parks be like in 2020?
Theme Parks of tomorrow

Trends and tendencies

- Mature market
- Higher expectations
- Consolidation
- Building destinations
- Hybrids
- Branding rules
- Changed demographics
Fun World Park

Park Characteristics:

- Small Regional Park in mid-west USA
- 50 Hectares in size
- Annual Attendance 750,000
- Operating Days 126
- Operating Profit US$ 5.3 million
- Ticket Price US$23.99

Fun World Park

Park Characteristics cont’d:

- # Full time Employees 47
- # Seasonal Employee (2010 peak) 373
- # Rides 42
- # Food an Beverage Outlets 7 plus 12 carts
- # Retail Outlets 5
- # Games 22
Fun World Park

Group Activity:
• Pick one area of the park (marketing, revenue operations, etc).
• Identify at least one thing that you might change to improve operations.
• Give reason for your answers.