

# Keeping your FEC's Fresh – Choosing New Attractions


Ken Withers

General Manager – SpeedZone Los Angeles  
Palace Entertainment

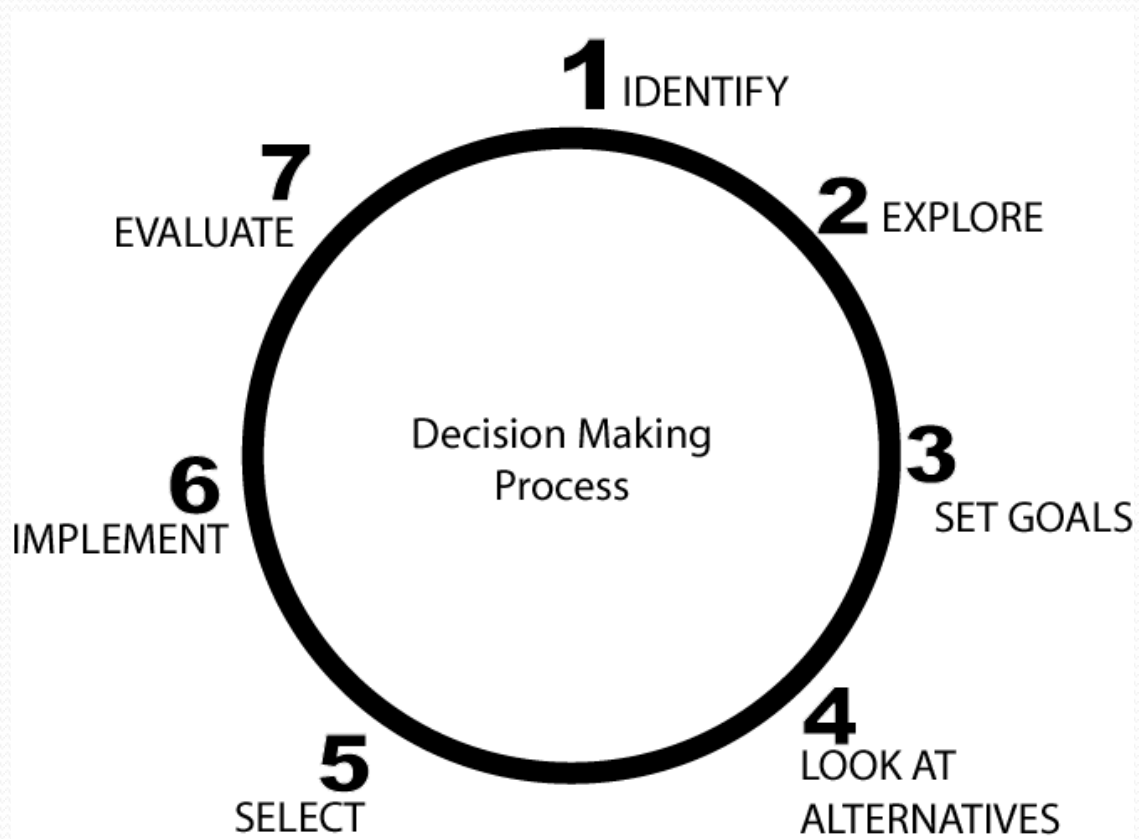
Gregg Borman

SVP-FEC Division  
Palace Entertainment



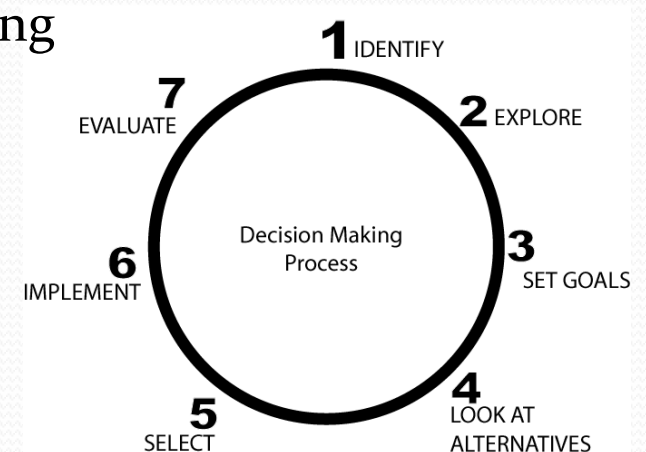
- 
- Adding new attractions to your FEC
  - With limited capital and multiple choices for attractions it is important to make sure you have a plan

## Decision Making Process for New Equipment / Attractions



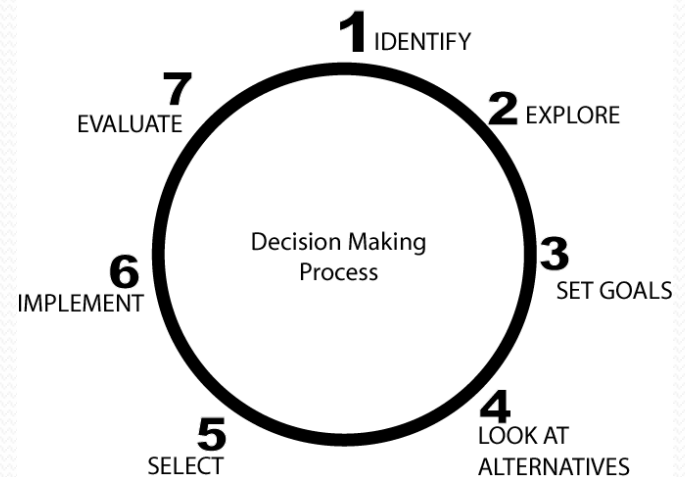
# Identify

- What is the problem
- Identify need for new attraction
  - Revenues low
  - Time for a new attraction
  - Looking to cater to a new or under visited demographic
  - Community looking for this type of attraction
  - How are your current attractions performing



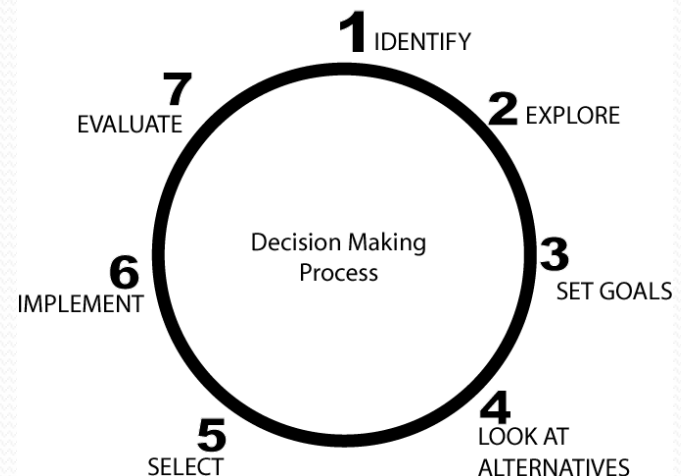
# Explore

- What your options
- Do not focus on budget (at first)
  - What are the needs of the location
  - Refurbish, re-theme or upgrade current attractions
  - What space do you have to install (be creative)
- Best use of space



# What attraction is best for me?

- Space
  - Size of attraction, including queue lines
- What does your guest want
  - What does the market want
  - How does it distinguish you from your competitors
  - Conduct a guest Survey
- Synergy
  - How can it increase revenues in other profit centers?
- City/State/County Requirements
- What needs to be done to install
- Cost
- Mobility of Attraction



Stark Car Simulator

Season Pass/Item	1/19/19 Toy Purchases	Superhero Friends/Toy	Single Item Purchase	Party/Group
Visiting this weekend			<input checked="" type="checkbox"/>	

When was the last time you visited us?

Less than 1 Month	1-3 Months	Half Year	<u>Over a year ago</u>	Never
-------------------	------------	-----------	------------------------	-------

Why did you choose Speedway?

<u>Race Tracks</u>	Other Activity	Party/Group	Fun/Restaurant	Care/Room
--------------------	----------------	-------------	----------------	-----------

Other Reason? SISTERS Birthday

What did you purchase?

5 \$40 cards online

What is your favorite race track?

Stark	<u>Top 5</u>	Midwater	Trubo	Crash Pit
-------	--------------	----------	-------	-----------

Do you plan to try StrikeZone Bowling?

<u>Yes</u>	NO
------------	----

Do you plan to play video games?

<u>Yes</u>	NO
------------	----

Do you plan to play computer games?

Yes	<u>NO</u>
-----	-----------

What is your favorite game?

\_\_\_\_\_

Do you believe spontaneous offers are high effectiveness?

<u>YES</u>	NO
------------	----

What attractions would you like to see added to the park?

Race Track	Hikes	Other ?
------------	-------	---------

Would you like to see rides at spontanna?

<u>Yes</u>	NO
------------	----

Please take a look at this new attraction

Do you think it's something you would like to try?

<u>YES</u>	NO
------------	----

Why or Why Not? Looks fun

What are your first impressions of the attraction?

<u>Looks Fun</u>	Very interesting
------------------	------------------

Would you pay \$5 per ride for this attraction?

<u>YES</u>	NO
------------	----

Would you play if it is going?

<u>YES</u>	NO
------------	----

Do you have children?

YES	<u>NO</u>
-----	-----------

If yes, what ages?

Under 6	7-10	11-14	15-17	18 and older
---------	------	-------	-------	--------------

What is your age?

Under 12	13-17	18-24	25-34	<u>35 and older</u>
----------	-------	-------	-------	---------------------

# Explore

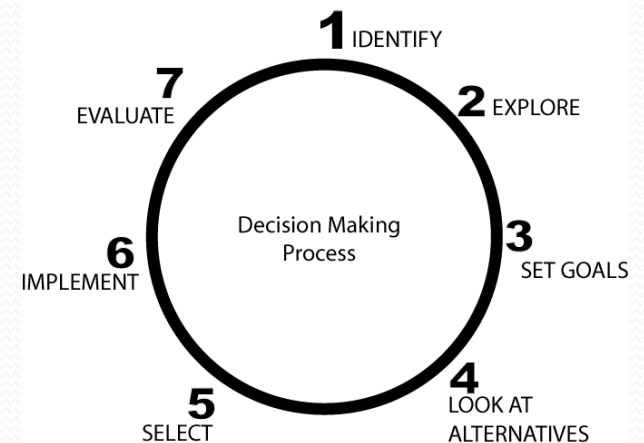
- Types of Attractions

Rides	Participatory Play	Water	High Tech
Bumper Cars	Batting Cage	Interactive Play Structures	Virtual Reality
Kiddy Rides	Bowling	Boats	Simulators
Small Coasters	Climbing Wall	Water Slides	
Dark Rides	Inflatable		
	Laser Tag		
	Mazes		
	Interactive Sport		



# Set Goals

- Budget
- Revenue Goals
- Other Costs
  - On-Going Maintenance
  - Staffing
  - Architect
  - Theming
  - Permits
- ROI



## Proposed Capital Improvement Project Details - 2011

Project Name:  Project Type:   
 Priority:   
 Project Cost: \$  Project Coordinator:

Suggested Vendor/Suppliers/Contractors

\_\_\_\_\_

Detailed Description

\_\_\_\_\_

Project Justification/Comments

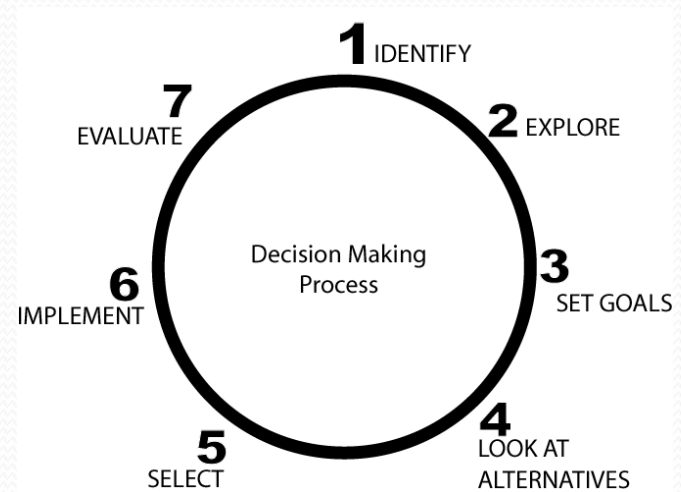
\_\_\_\_\_

### Pay Back Calculation

Incremental Attendance and Revenue	Year 1	Year 2	Year 3	Year 3	Year 4
Incremental Attendance Increase	5,200	5,000	4,800	0	0
Total Additional Admission Revenue	\$0	\$0	\$0	\$0	\$0
Total Additional In Park Revenue	\$26,000	\$25,000	\$24,000	\$0	\$0
Combined Total Incremental Revenue	\$26,000	\$25,000	\$24,000	\$0	\$0
Per Cap					
Admissions	\$0.30	\$0.00	\$0.00	\$0.00	\$0.00
In Park Spending	\$5.00	\$5.00	\$5.00	\$0.00	\$0.00
Additional Expenses					
Incremental Cost of Sales	\$ 1,560	\$ 1,500	\$ 1,440	\$ -	\$ -
Incremental Operating Expenses					
Incremental Labor					
<b>Incremental EBITDA</b>	<b>\$24,440</b>	<b>\$23,500</b>	<b>\$22,560</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Project Cost</b>	<b>\$11,000</b>				
<b>Years to PayBack Project</b>	<b>0.45</b>				

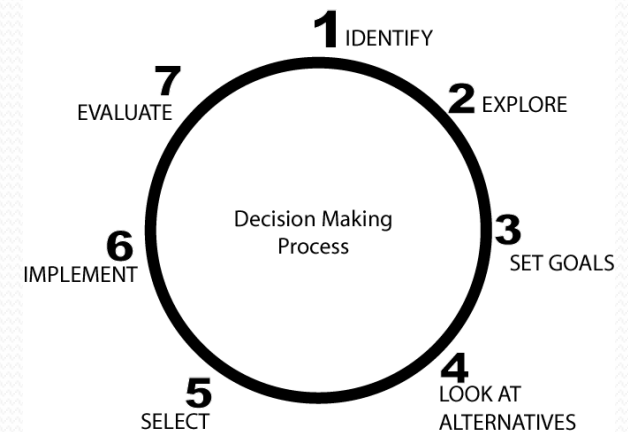
# Look at Alternatives

- Now that you have options, what do you do?
  - Refurbish/Upgrade
  - Purchase a new attraction
  - Do Nothing



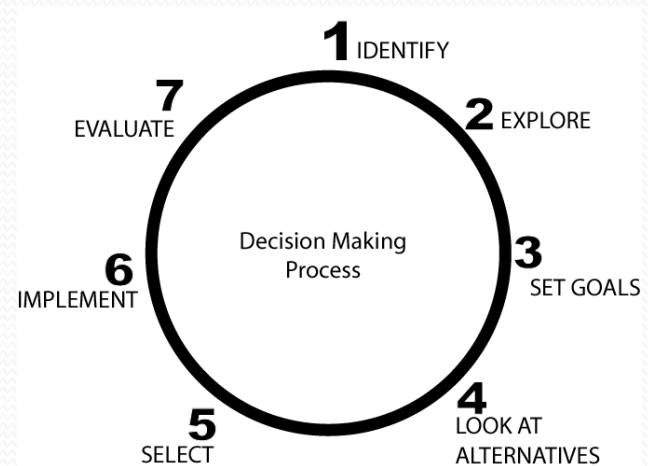
# Implement

- Project Plan / Timing
- Purchase Attraction
  - Negotiate pricing
- Operational Procedures
- Installation
- Marketing
  - Get the message out
  - Pricing
  - Birthday/Group packages



# Evaluate

- Evaluate success of new attraction
- Buzz
- Guest reaction
- Revenue





Thoughts, questions