

FUNWORLD COLLECTIONS

Family Entertainment Centers

VOLUME 1: OPERATIONS



Customers expect more sophisticated decor these days, no matter what they're doing. See page 21 for story.

FECs

VOLUME 1: OPERATIONS

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Business Bloom

FECs shouldn't overlook the importance of landscaping

by Mike Bederka

April showers bring May flowers? Yeah, right. Family entertainment center operators wish maintaining their facilities' "green" appearance was as easy as that cliché.

Staff members at Jungle Rapids in Wilmington, North Carolina, for instance, work year round on landscaping, planting, retooling, weeding, watering, and trimming. They have to, notes owner Bob Rippy. In terms of importance, his FEC's foliage ranks up on his scale of maintenance with painting, replacing carpets, or any other standard upkeep item.

"It's just part of what you need to do to make your place look nice," Rippy says. "It gives that finished touch."

Oftentimes, landscaping will be the customer's first impression of an FEC, says Chris Seaton, general manager of Mulligan Family Fun Center in Murrieta, California.

"It's like a light bulb that's out," he explains. "It's something the guests may not really think about, but they appreciate it when they're here."

To stress the importance of landscaping, Hank Woodburn, president of Adventure Landing, headquartered in Jacksonville Beach, Florida, holds an annual contest with his nine locations, issuing an award to the venue and its staff with the best display. He wishes all FEC owners would put a similar emphasis on the appearance of their grounds.

"They can always do more," says Woodburn. "We need to look like parks."

Starting Out

How then does an FEC initiate and maintain that lush feel, all while avoiding the extra hassle and expense? The process ideally should begin with the facility's construction, Woodburn says. For example, when he built waterfalls at his locations, he left pockets for planting vines.

Practicality also should be considered, if starting from scratch, Seaton says—the less grass the better, especially by the highly trafficked miniature golf areas. "Everybody runs all over it," he says. "They

will trample your grass, and you can't keep up."

Seaton would rather use artificial grass for the mini-golf course. It may cost more cash up front, but he doesn't have to worry about running the lawnmower over it or using the sprinklers. With summertime temperatures in Murrieta reaching a sweat-soaking 115 degrees, the artificial grass helps to save money on utilities.

Fake flowers, on the other hand, are difficult to get away with, he says: "In general, they look plastic."



Proper landscaping is taken seriously at Mulligan Family Fun Center in California, as GM Chris Seaton knows it affects first impressions.

Owners should have their landscaping somewhat protected and never too close to the mini-golf course, Woodburn adds. “Guests like to target the plants with their putters,” he says. “It’s like having a lethal weapon in their hands.”

Shedding trees should be avoided in mini-golf as well, Seaton says. Otherwise, staff will spend the whole day picking up annoying leaves and berries. Also, when planting trees, make sure to buy those that won’t grow large enough to block lighting or the all-important highway exposure,

**“You don’t have to spend a fortune.
You just need to plant enough.”**

—Bob Rippy, Jungle Rapids

Seaton says. Last, stay away from plants that attract bees or those with thorns, Woodburn urges, because “people do run into them.”

Where to Plant

Certain considerations must be made on places and plants to avoid, but FECs do have a slew of options on areas ripe for beautiful landscaping.

Guests should start seeing flora as soon as they cruise up the FEC’s driveway, Seaton says: “It needs to pop. It needs to look inviting.” Plant next to the front doors, too. This way, customers can be impressed right when they walk in the entrance.

Rippy recommends planting all around the go-kart track because “it softens up that hard look.” He also uses potted plants by the waterpark area, allowing his staff the flexibility to change the layout around in case of a big party.

In terms of what to actually plant, Woodburn—a self-professed green thumb—prefers flowers with “massive color” or unique items to draw a crowd’s attention, such as lantanas. “These are not ordinarily seen in a landscape, except for pretty exotic spots,” he says proudly.

Rippy relies on a mix of perennials and annuals, so his facility has a new look every year. He sets up special lighting to highlight the displays.

“You don’t have to spend a fortune,” Rippy says. “You just need to plant enough.”

He estimates 2 percent of his maintenance budget goes toward materials: “It is money well spent. People always compliment us on it.”

Like Woodburn, he prefers to handle all landscaping duties in house. Jungle Rapids employs one full-time person year round for this job. During the winter, Rippy adds on a few other people to help cut down the overgrowth and prepare for the busy season.

As mentioned earlier, Woodburn takes his landscaping seriously. His competition gives his crews a special sense of pride as they try to outdo each other with their displays.

Seaton, while also a landscaping enthusiast, would rather outsource such tasks and would direct his staff elsewhere. “It’s tough,” he admits about the hiring process. “There are some companies that just can’t do it. It’s like trying to find a good air-conditioning person for the building. You’re going to go through a few of them.” He conducts thorough interviews with potential contractors, asking about other properties they handle and how long they

have worked with them.

Woodburn says some FECs have arrangements with a local nursery to plant flowerbeds. As compensation and a nice plug, the nursery can put up a sign that reads something along the lines of, “Maintained and supplied by ‘XYZ Gardens.’”

Regardless of who handles the brunt of the landscaping work, one key thing can’t be forgotten: “You need a plan,” Rippy says. Many times operators will mistakenly just do a planting when they first open up and never follow up, he says. Constant watering, weeding, and fertilizing are needed.

“It’s a full-time deal to keep everything rolling,” Rippy says. 🌱

On the Web

The Internet resources listed below provide some of the basics of landscaping. When in doubt about what would look nice, ask the staff at a local gardening store for advice. Good places to start online include:

- *Better Homes and Gardens, www.bhg.com*
- *Landscaping Ideas, www.landscapingideasonline.com*
- *About: Landscaping, www.landscaping.about.com*
- *Garden Ideas, www.gardenideas.com/landscaping*

Great Expectations

by Mike Bederka



Look for language translations of this story at www.IAAPA.org/funworld

FECs shouldn't accept anything less than outstanding service

When he tells the story, A.J. Deacon can't help but laugh. While checking out the competition, the general manager of Fun Central in Wappingers Falls, New York, spied a shameful exchange with a guest.

The customer had complained that a staff member never said "thank you." Sensing the commotion, a counter manager strolled up, looked at the guy, and pointed at the receipt and declared, "It says 'thank you' right there."

"I was dumbfounded," Deacon says. "That's the message you're sending your employees? It's OK to treat customers like garbage?"

Many people think there's an endless line of guests coming through the front door, he says, but "that's not the case." From the top down, superior customer service is paramount to the success of a family entertainment center, notes Larry Davis, owner of Davis' Farmland and Davis' Mega Maze, both in Sterling, Massachusetts.

"I can't think of a particular attraction that you can put in that would have the same rate of return as great customer service," Davis says. "If you can do that, you don't need the latest and greatest toys out there. You can get by with a good show but great service."

An FEC's video games and prices can change without affecting customer traffic, adds Janet Wilson-Irving, but great customer service always must remain solid. "It can make or break you," says the regional group sales director for Boomers! Southern California in Irvine. "If you have excellent customer service, they're going to keep coming back to you."

Going Above and Beyond

So how does an FEC become the hub of friendliness where every question is answered with a peppy "sure thing" and a smile?

It starts with hiring the right employees. Wilson-Irving wouldn't necessarily rely on a glowing application chock full of extracurricu-

lars. A person without a strong resume but an outgoing personality and a willingness to listen carefully can go a lot farther in bettering an FEC. However, don't be afraid to take on someone a little rough around the edges who shows promise, she says. With the right direction, that person may become the ideal employee.

Inspiring employees to improve stems from managers leading by example, Wilson-Irving says: "You really need to show people you're not afraid to do the same things that they do."

Davis follows the same communal view at his farm-centric facilities, where he doesn't have set trash collectors or bathroom attendants. Rather, everyone must strive to keep the property clean as appearance plays a huge role in a guest's overall experience. It's also everyone's job to do the simpler things such as holding the door open or



Larry Davis of Davis' Farmland and Davis' Mega Maze, says excellent customer service is paramount to an FEC's success.

saying “please” and “thank you,” to the more complex tasks such as keeping a watchful eye on younger guests.

Davis considers it a high compliment to see parents just “sacked out in our Adirondack chairs. It’s the only second they’ve had to take a nap all week. Because of the high level of security and staff interaction, parents know they can relax. They can let their kids roam on their own. That’s a very cool thing.”

“Because of the high level of security and staff interaction, parents know they can relax. They can let their kids roam on their own. That’s a very cool thing.”

—Larry Davis, Davis’ Farmland and Mega Maze

For Wilson-Irving, superior staff interaction means employees always being ready to answer questions. It doesn’t matter if they’re just walking in from the parking lot or heading to the break room for lunch—guests will see the uniform and might stop them for some information. Customers certainly won’t appreciate a terse response of: “I’m not working right now. Ask someone else.”

But even before guests have a concern, employees should be able to anticipate their needs, explains Chris Wilkins, general manager of Fun Factory in the Smokies in Franklin, North Carolina.

When people look confused by a game, ask if they have any questions on how to play it, he instructs his employees; when a family comes up to the front desk, suggest a few suitable options or packages right away. Staff members also should share customers’ excitement if they win a jackpot or get a high score, Wilkins says, because they’ll appreciate the enthusiasm as much as their own accomplishment.

On the flip side, malfunctioning games can be the source of one of the biggest customer service blunders, Deacon adds. Some poor customer service examples include: “They won’t apologize for the problem and explain what’s going on,” he says. “They’ll fumble with the keys and open it up. They fix it while talking to a friend and then walk away. You don’t even know if the game is working correctly.”

Being open and honest when something breaks down makes for a much better approach, Davis says. Describe what happened with the attraction or game and tell them it should be up and running in a certain amount of time. Then suggest something else to do close by.

Tracking Guest Service

Great guest service must be maintained year round, and to make sure employees stay on point, Fun Factory shift leaders and supervisors constantly float around the floor, Wilkins says.

“You never know where the shift leaders are going to be,” he says. “They may pop into your area at any time. You better be doing what you’re supposed to be doing.”

The Fun Factory also utilizes a “secret shopper”-type program to address any other concerns. For example, one person stated that managers blended in with the rest of the staff, making them tough to identify for any serious problems. As a solution, shift

supervisors now wear a referee shirt with “management” written across the back of it. Wilkins says the secret shopper program helps to point out employees who need some work with their guest service skills or those doing a spectacular job. Top performers will receive a \$20 or \$50 debit card they can use for games or food at the FEC.

Boomers, which hires a secret shopper program as well, will issue gift certificates and bestow employee-of-the-month honors as incentives. Wilson-Irving says a simple “thank you” shouldn’t be forgotten either. She also urges some discretion among FEC managers with the secret shopper results: “You can’t use it as the bible. If it’s a negative comment, you have to take into consideration if it was a super-busy day.”

Regardless, feedback—in all its varieties—still should be discussed with the staff. Wilson-Irving doesn’t share the negatives to make people feel bad, but to make them aware. “We must correct the mistakes,” she says.

Positive notes, on the other hand, can serve as a motivational tool. At Fun Central, performance ratings skyrocketed once the employees knew they already had received high marks. 🌐

The Complete Package

by Mike Bederka

How to help FEC guests stay longer, stay happy, and spend more money

It's the eternal—and sometimes hair-graying—quest for family entertainment center operators: “You just try to figure out a way to get people to stay longer and spend more,” says Gene Hinkle, owner of Hinkle Family Fun Center in Albuquerque, New Mexico.

To survive, management must focus on increasing per capita spending at their facilities, adds Bud Murray, owner of Happy Tymes Family Fun Center in Warrington, Pennsylvania. “FECs are more than one business,” he says, meaning they have to make sure guests buy that lunch for their kids at the restaurant, leave with a souvenir T-shirt or magnet, and plunk down the few extra dollars to get the special ride package.

But how?

Food and Drink

When A.J. Deacon first started working as general manager at Fun Central in Wappingers Falls, New York, the venue only had a “chintzy little snack bar.” He fought to change that and add fried foods. “It’s paid off tremendously,” he proudly notes. Fun Central now can offer platters for birthday parties, which gives his FEC an edge over the competition.

Deacon also decided to include a kid’s meal option on the menu. It comes with grilled cheese or a hot dog, small fries, small soda, a toy, and an activity bag. Parents love the new choice, he says, and food revenue had increased 20 percent as a result. “They can feed the kids and stay and eat themselves,” Deacon notes, “which extends the time they’re here to play.”

Murray has added items to his menu as well, including veggie trays and wings. His facility also bakes its own bread for the cheese steaks and hoagies to help save money.

Others prefer a minimalist approach to food service. Additional choices may not be worth the cost or effort, they contend. Hinkle, for example, follows a philosophy of “the less frying,

the better.” Fried food can be harder to prepare, especially when you have a young, inexperienced staff, he says. Hinkle opts for popular items such as pizza and hot dogs.

“You don’t want a full menu,” he says. “This is not their primary place to eat. It’s a supplement, just to keep them content until they finish their fun experience.”

Sharon Diener also tries to keep it simple. “They can have pizza, pizza, or pizza,” says the co-owner of Scooter’s Jungle, with a laugh. Scooter’s, with three California locations, primarily caters to the birthday party crowd, and pizza makes the most sense when feeding a large group. Guests can also order chicken tenders, but because of the small profit margin staff don’t promote it.

On the beverage side, always have bottled water on hand ready to sell, Diener urges: “It’s almost a necessity. People get mad if you don’t have it.” To have profitable vending, she also suggests stocking

“You don’t want a full menu. This is not a primary place to eat. It’s a supplement, just to keep guests content until they finish their fun experience.”

—Gene Hinkle, Hinkle Family Fun Center

it yourself. “Companies come in and you get a little commission check. It’s almost invisible,” she says. “If [FEC owners] want to pay some bills with it, they need to bring inventory in and manage their own refrigerator.” More space may be needed, though, so keep that in mind, Diener warns.

Merchandise

Diener and her co-owner husband, Scott, made another big change in merchandise layout. Rather than having their merchandise look almost decorative (and distant) on the walls, they decided to give the FEC’s store a more retail feel. To help drive sales, products now are more eye-catching as well as accessible to the guests. Items sit in easy-to-reach baskets so kids can investigate up close the plush monkeys and lions. “It could be more frustrating for the parents,” she says, “but it’s definitely more retail friendly.”

They tie in most of their merchandise to the FEC’s jungle theme to provide continuity, she adds: “Customers know they’re going to see something along the same lines in the store.”

Deacon also likes to link the souvenirs with the attractions to drum up sales. His FEC recently put more interactive water play on the bumper boats. Now he sells logo towels, coffee cups, and T-shirts that read, “I got soaked on Fun Central’s bumper boats.” They’re some of the hottest sellers, he says, and help to extend the venue’s brand.

At Hinkle’s store, he prefers to push cheaper items such as mugs, magnets, and pencils for a couple of reasons. First, he worries about the hassles of displaying T-shirts and the problems of theft control. Second, he believes expensive merchandise diverts sales from elsewhere in the FEC. “If they go buy a T-shirt and spend \$10 or \$20, they don’t have that \$10 or \$20 to spend on the other stuff,” Hinkle says.

Rides and Attractions

The bulk of that “other stuff” would be, of course, the FEC’s rides and attractions. And most operators agree package deals and discounts are more profitable ways to generate business. “It helps them, and it helps us,” Hinkle says. Hinkle Family Fun Center offers an assortment of packages. For instance, guests can get a two-attraction pass for \$11 or a five-attraction pass for \$27.

(Attractions normally cost \$6.75 each.)

The FEC also has a five-hour pass for \$37.50 per person, and a Saturday and Sunday special from 10 a.m. to 1 p.m. for \$21 per person. “We cover the waterfront to try to accommodate what people are really interested in,” Hinkle says.

Fun Central will create different packages depending on the type of group visiting. “If we have a municipal group, which has a lower budget, we can create a small package for them, knowing the kids are bringing in \$10 per person,” Deacon says. “If it’s a larger group, like a private camp, they tend to go for the \$14, \$15, \$16 package. We try to be very flexible. We believe the best way to increase income is to make the customers happy to get them to come back.”

One big way to keep the repeat business up is with a membership card, Deacon says. Similar to a season pass, the discount card, which costs \$3 annually, knocks a couple of quarters off the normal prices. With the card, a game of golf drops from \$6.25 to \$5.25, and 40 game tokens go for \$8 instead of \$10. For every \$100 guests spend in a three-month period, they receive a \$5 gift certificate.

As for the profitability of particular rides and attractions, that can vary from FEC to FEC. As a general rule, Murray tries to get his return on investment within a year. He made back his money within six months with the rock wall, “Frog Hopper,” “Slime Buckets,” and “Space Train.” Slower earners include mini-golf and the batting cages.

Happy Tymes also just opened a bowling center to help retain its audience, Murray says: “We were losing them when they hit 10 to 12 years old.”

Fun Central’s virtual reality roller coaster had the kids lining up when it debuted in 1999, but “after a while, people have seen it and wanted something new,” Deacon explains. Hinkle experienced a similar downward slide in interest at his FEC but thinks he may have found a novel idea for owners: paintball. It can be a perfect fit for those with some extra land, he says. His facility has a 5,000-square-foot court and another that’s 7,800 square feet.

Much to his admitted surprise, paintball has a high demand. “We have many faithful customers,” Hinkle says, with passes starting at \$11.75. “If run right, it could be a good profit center.”

Would you like to be interviewed for an article about an important FEC issue in FUNWORLD magazine? Contact us at funworld@iaapa.org.

Good Morning FECs

Detailed checklists help start the day off right

by Mike Bederka

Be prepared. That little phrase has been uttered time and time again. But for family entertainment centers, ignoring this simple message can mean big problems when it comes to getting a facility ready for the day.

Operating without a morning checklist or any sort of plan can cause backlogs and lost profits, and just give an overall bad impression. For example, no guest wants to see shattered light bulbs covering the miniature-golf course, half the video games blinking an error message, or staff scrambling around to prep for a large birthday party.

“We strive to be ready to go the minute the doors open,” says Eddy Tucker, owner of Gator Park in Little Rock, Arkansas.

First Things First

Depending on the day of the week, FEC staffs generally start working one to two hours before the first guests arrive. At Zuma Fun Centers, which has 11 FECs around the country, a quick walkthrough tops the to-do list, explains Lloyd Butterfield, vice president of operations. They’ll look right away for anything unusual that requires immediate attention, like an overnight break-in or a leaking roof.

Glenn Feldman, owner of the Oasis Family Fun Center, had just such an extraordinary event happen to him earlier this year. A rare April nor’easter hit his FEC in Glen Mills, Pennsylvania, knocking his computer server out of commission. Staffers noticed the problem early enough and didn’t lose too much business as a result.

Once staff addresses any urgent concerns, facilities can focus on the more standard daily routines. Money must be counted, and paperwork needs to be verified to make sure the figures match those from the night before, Butterfield notes.

Regarding food preparation, Feldman always bakes fresh cookies so the early-morning guests sniff some yummy treats. Michael Brooks, gener-

al manager of Boondocks Fun Center in Draper, Utah, tries to anticipate the crowd volume for the day and plan accordingly. With large groups or birthday parties, he knows he’ll need extra pizza dough premade and more tomatoes and onions chopped up. A surge in FEC attendance also means having a few additional staff scheduled to work and ready to help out, Tucker says.

But whether it’s a jam-packed summer Saturday or a whisper-quiet winter Tuesday, the morning activities must include cleaning the facility. In an ideal world, everything already would be spotless, but Feldman acknowledges that teenagers at the end of a six-hour shift don’t always do the most thorough job closing down for the night. His morning crew will empty any



At Zuma Fun Centers, employees conduct a quick walkthrough of the facilities first thing in the morning to check for anything out of the ordinary.

garbage cans, wipe down sticky countertops, doors, floors, and chairs, and pick up any loose wrappers on the ground.

Along with cleanliness, having properly working, safe rides and attractions is paramount to the success of an FEC, the veteran operators say. Concerning video games, make sure they start up properly, and reset the ones that need it, Butterfield says. Double-check that the crane games are “dressed.” And do token drops on the redemption games to get a ticket or two.

The “absolute key” to an effective daily morning action plan is having a general manager with strong leadership skills—a person who will organize all the daily tasks, delegate, follow through, and hold people accountable.

—Lloyd Butterfield, Zuma Fun Centers

Staff members at Boondocks inspect all six of the climbing stations on the rock wall. Testing it themselves, they ensure the pulley drops correctly and at the right speed. They also examine all the handholds.

Go-karts require extra-close attention, as a malfunction can cause an injury, Tucker adds. Each morning, a staff member walks the track to look for any bends or cracks in the rail system. He takes the cars for a spin, testing the tires, brakes, and steering. (They’re gassed up at night, as a leak becomes obvious the next morning when there’s a puddle underneath the go-kart.) Bumper boats and batting cages go through the same rigorous routine.

Developing a Routine

At Gator Park, just one person handles all the opening duties, Tucker notes. The experienced assistant manager has the ritual down pat and knows what it takes to get everything ready. Other facilities opt for multiple staff members to set their alarms early.


Either way they decide to operate, FECs need to have an action plan to start the day, Butterfield urges. “It all revolves around labor and being as efficient as you can,” he says. “By using a checklist, it will save you a tremendous amount of time, labor, and energy.” The “absolute key” is having a general manager with strong leadership skills, he says. This person can organize all the daily tasks, delegate, follow through, and hold people accountable. “If you create that culture, your life will become a whole lot easier,” Butterfield adds. “You’d be shocked by how many people don’t have a routine.”

Detailed accounts of inspections can help expedite any insurance claims and perhaps save money in the end for owners. “The better the documentation, the better chance you have something to fall back to,” Tucker says. At Oasis, either the manager or the shift leader will write down the date and time, the problem, and how it was addressed. “It starts with pen and paper, but it will end up in a database,” Feldman says. “If it’s not electronic, it’s going to get lost.”

Management at Boondocks also supports the notion of methodical documentation and detailed checklists, using Microsoft Outlook as the tool of choice. The program will help organize which jobs are daily, weekly, bi-weekly, and monthly. In addition, Outlook’s flexibility allows for new chores to be added with just a few key-strokes and mouse clicks.

“I was skeptical at first,” admits Brooks, a 27-year veteran of the industry. “I didn’t think Outlook would be the best medium to put together these lists, but I’m sold. It’s a very efficient, effective tool.”

Giving staff members a nice, clean list helps take a big load off management’s shoulders. “We don’t have to constantly remind people to do things,” says Brooks, who still does occasional spot checks. The checklist also creates a sense of accountability, he says, as the employee signs off on each task in the morning, as well as throughout the day.

Clear expectations allow for greater productivity, adds Eric Farmer, indoor attractions manager at Boondocks: “We’re setting them up to succeed.” 

It Never Stops

by Mike Bederka

Just because the doors are closed for winter doesn't mean FECs quit working

For many family entertainment centers, changing leaves, dipping temperatures, and dwindling guests mean it's time to start preparing for the winter months. But how FECs get ready for this supposed "off-season" varies greatly. Some will shut down completely; others remain open and just make certain accommodations for the weather.

Owners themselves have differing attitudes toward this time of the year. One segment likes to stay connected with the industry. Another prefers to step away for at least a little while, as a sort of mental rejuvenation.

Whatever the approach, winter strikes soon. Are you ready?

Starting Early

By mid-September, Gary Coleman will begin the winterizing process at his facility, Ride-A-Kart. Located next to Rocky Mountain National Park in Estes Park, Colorado, the FEC starts seeing freezing temps in early to mid-September, the president/owner says. Later in the month, he'll be draining the water from the bumper boats and blowing out the lines and filling them with an environmentally friendly anti-freeze.

His winter comes earlier than in most other places in the United States. "We're never open on Halloween," declares Coleman, who works as a supervisor at a ski school during the break. He never gave much thought to extending the season. The crowds don't like to come out all bundled in their heavy coats, after all. "It makes no sense whatsoever," Coleman says.

Don Cullen, owner of Big Don's Wild River Mini Golf, has a similar view. He believes being open from mid-April to mid-October accounts for 99 percent of the available business in his part of the country, upstate New York.

"Syracuse probably is one of the snowiest places in North America," he says. During his first year, the facility stayed open all the way through the end of October. By then, the temperature hovers only in the 50s during the evenings.

Big mistake.

"It kills your business," Cullen says bluntly. "It was a waste to do that."

Ben Jones' FEC moves into weekend-only operation during mid-September, shutting the doors for good Nov. 1. On the landscaping side, staff members begin winterizing by pruning and cutting

"There's not a piece of equipment that isn't put away in a condition that I could take it out in a heartbeat and have it running. I don't care if it's a chainsaw, a hedge trimmer, or a blower. They are stored ready to run."

—Ben Jones, Congo River Golf and Exploration Co.

back all the trees and shrubs, explains the owner of Congo River Golf and Exploration Co. in Kenosha, Wisconsin. They also tend to the tree roots and put down fertilizer. With miniature golf, employees will buff the putters and clean the balls. Go-karts begin to get pulled from the track and undergo a complete once-over.

“When I say we close ready to open, I mean it,” says Jones, a member of the IAAPA FEC Committee. “There’s not an engine or piece of equipment that isn’t put away in a condition that I could take it out in a heartbeat and pull the cord

“It’s good to stay in touch with the business,” Jones says. “If you turn it off mind, body, and spirit, then it’s sometimes difficult to get back into that operator frame of mind come April.”

and have it running. I don’t care if it’s a chainsaw, a power washer, a hedge trimmer, or a blower. They are stored ready to run.”

While General Manager Laci Erickson does put a similar emphasis on winterizing, she has the luxury of not having to worry about her whole FEC. Hidden Cove Family Fun Park in Bourbonnais, Illinois, remains open year-round. Most of the attractions sit snugly inside; the only things to worry about are the mini-golf course, batting cages, and go-karts. For example, employees drain the mini-golf ponds, clean and store the pumps, and remove all the flags, light bulbs, and lamp shades.

Taking Stock, Making Changes

Hidden Cove, located about an hour’s drive south of Chicago, accounts for the loss in revenue from those three attractions by focusing efforts elsewhere, especially group sales and inflatable rentals. It is also expanding the sportsplex facility this year by adding four basketball courts. The hefty project started in the summer, and they will continue working on the interior of the facility in the early winter so the facility can open Jan. 1.

Many owners and operators use the fall and winter as a time to attend trade shows and take stock of their facilities, Coleman notes. “Do any changes need to be made? What should have made more money? How can a successful attraction draw even more?” he might ask. His typical adjustments might include a tweaked ticketing system or an upgrade in computers.

Jones likes to take care of administrative issues at Congo River Golf in the winter, so he doesn’t have to worry about them in the spring. For instance, he’ll conduct tax preparation and start new ad campaigns and other marketing programs. He’ll also work with the community by keeping active in the local chamber of commerce, volunteer clubs, and the visitors and convention bureau.

“If you turn it off mind, body, and spirit, then it’s sometimes difficult to get back into that operator frame of mind come April,” Jones says. “It’s good to stay in touch with the business.”

Others, like Cullen, believe after six or seven months of grinding it out, a well-deserved break is needed. Big Don’s Wild River Mini Golf closes up shop around Columbus Day in mid-October, and he takes a few weeks away to “catch my breath.” From about Nov. 1 to 10, the staff blows out the lines, trims the plants, and turns off the power.


And after that?

“We don’t think about the place until February,” says Cullen, who likes to hunt and fish in his free time. This nice break lets him renew his energy so he can tackle another busy season. By the late winter, Cullen has some fresh ideas brewing and can focus on group marketing summer recreation, school programs, and Girl Scout troops.

Staying Organized

To keep track of all aspects of the winterizing process and avoid costly mistakes, Cullen recommends FEC operators maintain a thorough checklist. If they don’t, an owner may only remember in late December that something needs to be blown out.

“It’s usually too late by then,” he says.

Jones also strongly supports methodical organization. He uses a whole series of pre-closing, closing, and post-closing checklists. “We follow them religiously,” Jones says, with maintenance procedures outlined in an easy-to-follow, step-by-step format. Inventories are posted in every building and storage area, and diagrams show what goes where. “These are indispensable tools for any operator,” he says. 

The Brains of the Operation

by Mike Bederka

Manufacturers and family entertainment center operators discuss what to look for in a good POS system

From scheduling to ticketing to marketing capabilities, the point of sale (POS) system can be the nerve center of a family entertainment center. More than a glorified cash register, it's the ultimate number cruncher, time saver, inventory controller, event booker, and money manager.

But with a rough price tag of \$10,000 to \$500,000 depending on the system's size and scope, some owners may have sweaty palms over the thought of making such a budget-busting purchase.

That's why FUNWORLD interviewed a host of industry vets and POS manufacturers for their expert opinions. Let this be your guide on any future buying decisions or when traveling to IAAPA Attractions Expo 2007, Nov. 12 to 16, in Orlando. (For more trade show and conference info, visit www.IAAPA.org.)



A strong point-of-sale system not only helps FECs track transactions, but marketing efforts as well, with its ability to monitor coupon use.

Operators Demand Reliability, Detailed Info

Tim Sorge will be pacing the vendor hall aisles next month at the Orange County Convention Center in Orlando.

The owner of Swings-N-Things Family Fun Park in Olmsted Township, Ohio, needs a new POS system. At around 13 years old, his current one has outlived its usefulness, Sorge explains: “We think we’ve pushed the limits.” He knows he’ll be searching for a sophisticated system. “Information is golden,” says the chair of IAAPA’s FEC Committee. “We’re looking for more ways to collect data.”

Sorge values a system that offers in-depth historical breakdowns. For example, the POS can detail the number of miniature golf sales from 11 a.m. to 1 p.m. This helps determine proper staffing for the time period and if he needs to run a special. But beyond anything else, his new POS must be able to tie together attraction tickets, wristbands, and tokens, and have cash controls for everything. “You need to have checks and balances,” Sorge notes.

In the old days, a dishonest staff member could just snag a few wristbands from the middle of the pile, pass them off to his friends, and no one would know.

Not anymore.

Now, FECs can feed blank wristband stock into a machine, and with a few keystrokes it will thermally print the time and date of the transaction. In turn, employee theft can be reduced. “If you have blank stock,” Sorge says, “it’s worthless to them.”

“(The POS system) makes sure you’re getting the proper reporting,” adds Matt Loeb, vice president of operations for Adventure Landing, headquartered in Jacksonville Beach, Florida, and Ghost Town in the Sky in Maggie Valley, North

An employee uses the POS system at Ghost Town in the Sky.



Caption

POS Vendor Tour at Attractions Expo

Back by popular demand at IAAPA Attractions Expo 2007 in Orlando is the Point of Sale Vendor Tour. On Wednesday, Nov. 14, guides will “fast track” visitors to exhibitors who will demonstrate the benefits and features of their point of sale systems, as well as discuss their services and finance plans. Participants will also receive a draft RFP for help in choosing the most appropriate vendor. Tickets are \$15 for members and \$70 for nonmembers.

Carolina. “There’s no ticket printing up until there’s actually a cash transaction.”

At the end of the day, management will receive a shift report for every drawer. This will show how much money should be in there based on the sales during that time. Also, they can get live updates to detail how much cash is in the system at any point.

A strong POS will help on the marketing side of things as well, Loeb says. FECs can track coupons, so they know where to advertise; when parties and groups visit, you can collect names for a database to do future mailings.

System Support

With report generating and trend analysis, the behind-the-scenes POS operations can be a little complex. Frontline employees generally escape such intricacies, but that doesn’t mean the machine won’t be daunting at first. Loeb says longtime staffers at Ghost Town in the Sky, familiar with only a Casio cash register, were “scared to death” when they recently purchased a new POS system. “Once they were shown how to use it, they didn’t have any problems,” he says. “Find the item, touch the screen. If it’s not on the screen, you have a gun to scan it.”

Of course, when a computer problem knocks the whole system out of commission, all levels of staff feel the detrimental effects. “That’s the call you don’t want to get at home,” says Sorge, speaking from experience. “When your POS system goes down on a Saturday night, it’s like your worst nightmare. ... It never happens on a Tuesday morning.”

Periodic crashes and trouble getting parts forced FEC owner Court Huish to purchase a new system earlier this year. In fact, he opted for a POS with fewer bells and whistles because he felt it had the edge in reliability.

But despite the added assurances, the FEC Com-



KnA Games Puts a New Spin on Mini-Golf

WITH THEIR LINES OF “RIPT” and “Mischief” products, Kevin and April Cox of KnA Games in Archdale, North Carolina, have spiced up the games of disc and miniature golf. In an innovative move, they’ve introduced a card deck into the games that instructs participants to alter their play during turns. Now one of their most popular items, “Mischief Spinners,” is being played in eight different states across the United States, and pleased course owners continue to invest in the sports accessories at multiple locations.

“We were playing a round of disc golf and had a thought: ‘Wouldn’t it be interesting if you could force your opponents to try things they wouldn’t normally try, like throwing left-handed or putting with their eyes closed?’” Kevin remembers.

From that initial concept in 2004, and after the couple tested their idea on friends, KnA Games was born. With the help of investor Innova Discs, KnA quickly progressed to manufacturing 5,000 decks of “Ript Disc Golf Card Game,” which sold out in about a year. The popularity of the “Ript” series spawned “Ript Revenge,” and the Coxes soon expanded their game accessories to miniature golf with their “Mischief” line.

Taking the game beyond cards, the Cox-created “Mischief Spinners,” a freestanding wheel that can be installed at one or more holes on miniature golf courses. Players spin the wheel before each shot, and depending on where the wheel lands, they may find themselves shooting the ball behind their backs or with the wrong end of the club. The couple created 22 configurations of the spinners, each with unique text and customizable to fit themed courses. Similar in content and purpose, the “Mischief Mini Golf Card Game” is a



“Unlike most couples, instead of being opposites, we are a lot alike, and that seems to really help us work well together.” —April Cox

more portable version of the spinners and meant for customers to travel with and use on any course.

When the Coxes come up with a new idea, they draw inspiration from the reaction of family and friends, using

TIPS for Small-Business Owners

Kevin and April say it took a lot of courage for them to get started. “As small-business owners, we know how difficult it is to take that first step and put action behind your dreams,” April says. Here’s some advice to those thinking of doing the same:

- Pay attention to every detail.
- Research your market.
- Produce something as professionally as you possibly can.
- Never stop tweaking, testing, and adding to your ideas.
- Most important, be patient.

them as the ultimate guinea pigs in the experiment of crafting a new game. From simple and smart ideas to their courage in business, the couple’s decisions have definitely paid off. First tested on players at Molten Mountain Indoor Golf in Myrtle Beach, South Carolina, “Mischief Spinners” has been a resounding success. Stephen Lancaster, general manager of Molten Mountain, says the product has added much excitement to the golf course: “Within a very small amount of time, I have seen a huge, positive reaction from our guests. They are truly having a blast playing a game that puts such a unique twist on an old family pastime.”

“It seems so far that the course owners are happy and the fans and players are happy, so we feel we have done our job,” Kevin adds. “After all, that’s why we did this to begin with; we thought people would enjoy it, and they do.”

For more information on “Mischief Spinners,” card games, or the “Ript” line, visit www.knagames.com. ■



FEC: VENDING

Eating It Up

Food and drink are important components at family entertainment centers

by Mike Bederka

LIKE A CHERRY ON A SUNDAE, food completes the guests' experience at a family entertainment center.

They can play and eat at the same place, making the trip all the more convenient. And if they don't leave your doors for a quick bite, that means more money in your pocket.

However, the extent of food offerings can vary dramatically among facilities.

"I have seen huge FECs with the smallest of snack bars and small FECs with operations that would rival a small restaurant," says Alan Ramsay, president and chief executive officer of CLM Entertainment in Providence, Rhode Island.

While Ramsay says there's no right or wrong answer to the perfect menu, he suggests a couple cardinal rules when it comes to dining options. "Something is better than nothing," he says. Even a cooler full of cold bottled water on the miniature golf course or by the cash register quenches thirst and equals more profits.

Also, sell what your guests want, not necessarily what you want.

What to Offer

Ramsay recently consulted for one facility where management wanted to have 30 or 40 kinds of gourmet coffee available. "That sounds good, but let's talk reality," he says.

For a more accurate measure of the guests' palates, chat with your frontline staff members. "They talk to people every day," Ramsay says. "They may have five parents a day that ask for juice for small children."

Then, feel free to interact with the customers yourself. Ask them how they rate their meal and if they would like to see anything else on the menu.

Of course, some things will be more profitable than others. Popcorn, cotton candy, fountain soft drinks, pizza, and ice cream top the list, he says.

Less successful choices include perishable items like fixings for sandwiches and salads. FECs often throw away more of these products than they sell, Ramsay explains.

Pre-packaged goods, like candy bars and bags of chips, also may



hurt the bottom line because of a high theft rate. “You can carry them, but just be forewarned: You’re going to have a lower percentage of profit, and you really have to monitor your inventory,” Ramsay says.

Two Views

Baja Amusements in Ocean City, Maryland, follows a simple, straightforward approach with its food selection. The snack bar offers pizza, hot dogs, ice cream bars, candy bars, fountain soda, and smoothies, says Patti Moore, general manager.

“It’s just something to keep people here a little longer, to give them something to nibble on,” she says. “We never wanted to do anything larger. The snack bar is there to complement the rest of the park.”

In fact, the FEC has abandoned a few menu items to simplify its food operations. Popcorn got the axe because it became a huge mess to clean off the floor, and soft-serve ice cream required too many extra hours for maintenance and staff training on how to break down the machine. “Anybody can run the snack bar as it is now,” Moore says.

On the opposite end of the FEC food spectrum, comes iT’Z, with three locations in the U.S. Its vast buffet menu features pizza with pineapple or bell peppers, hot potatoes with sour cream and chives, Mexican tortilla soup, Genovese bowtie pasta, and salads with toppings like garbanzo beans and sliced beets. “We offer items that every member of the family will enjoy,” says Brian Cohen, vice president of operations.

The FEC requires buffet purchase for entry, he says, with the price below most quick casual restaurants. For example, at the Houston, Texas, spot on Friday evenings and the weekend, the food costs \$8.99 for adults, \$4.99 for children ages 10-12, and \$3.99 for those kids ages 3-9; under 3 eat for free.

“For some, food is secondary,” Cohen says. “For us, it shares equal weight with our amusements. If you’re coming to us, you’re coming in for both. The food must be quality.”

Food Safety

Regardless of the exact approach FECs take with their munchies, the facility needs to take into account food safety.

Slips in the kitchen are a major issue, Ramsay says. These can be minimized with proper sanitation, mats, and even the right shoes.

Also, facilities must be knowledgeable about the Food and Drug Administration’s Hazard Analysis and Critical Control Point (HACCP). For more information, visit <http://vm.cfsan.fda.gov/~lrd/haccp.html>.

“The most important thing is to always check with your local health department for their regulations,” Ramsay says. “And ask yourself the question, ‘Would I eat the food that came out of this kitchen?’” ■

Mike Bederka is a contributing writer for FUNWORLD. He can be reached at mbederka@iaapa.org.

Vending Trends

FEC owners may not be getting rich off their vending, but the snack and drink machines do provide a service for guests’ impulse buys. They also serve as a supplement and/or alternative to the typical FEC food fare of pizza and ice cream.

Patti Moore, of Baja Amusements, only keeps her snack bar open from May through September. For the shoulder months, she relies strictly on soda and candy vending. “There’s not enough volume to justify buying hot dogs,” Moore explains.

For FECs looking to collect all the loose change they can, FUNWORLD asked several vending companies about the latest trends.



Glass-front merchandisers. While not exactly new, this trend is “going to stay here for a while,” promises Gary Gouse, sales manager of Birmingham Vending Company in Birmingham, Alabama.

Guests love to see the robotic arm grab the exact drink they selected, he says. “If the front just says ‘Coke,’ it loses its charm.”

Energy drinks. More and more people look for their caffeine/sugar fix from products like Red Bull, Amp Energy, and Rock Star, says Vince Gumma, president of American Vending Sales Inc., in Elk Grove Village, Illinois. Starbucks also has a machine for cold coffee drinks in the works.

Frozen. Refrigerated vending items like sandwiches and fruit only have a shelf life of a few days, but frozen products last so much longer.

In addition to ice cream, some brand-name manufacturers, including Swanson and Tyson, have now packaged their goods to fit in vending machines, Gumma says. They vend out in a frozen state to be microwaved later by the customer.

Bulk vending. Interest has grown in higher-quality gum and candy, says Bart Zieleman, owner and managing director of Idea Vending B.V., in Amersfoort, the Netherlands. Plus, guests don’t mind paying more, just as long as the product is worth the money.

—Mike Bederka



Making Displays Shine

How a redemption center can really stand out

by Mike Bederka

WHEN DISPLAYING REDEMPTION MERCHANDISE, SOME FLASH MAKES THAT CASH.

Therefore, near-empty display cases, boring arrangements, or a scattershot layout won't bring in the business. "The success of a redemption center is completely and solely limited by the creativity of the owner," says Harold Skripsky, president of the Scottsdale, Arizona-based consulting firm Entertainment Management Services Inc.

Here are some ways to make your family entertainment center merchandise counter sparkle.

Use Logic

If possible, place the redemption center where everyone can see it, says Skripsky, an FEC industry veteran, because you want guests to walk right in and be blown away by the merchandise selection. Instant cries of "wow" and "awesome" mean more tokens played and cards swiped.

However, allow enough room so traffic can freely flow to and from the area, he cautions, as bottlenecks by the counter

never make customers happy. The same goes for long lines; frustrated parents may opt to head to the new facility down the street if it takes 10-plus minutes for their child to move up to the front and pick out a few new toys. For that reason, Jeremy Kale pushes for a two-minute turnaround time at Magic Mountain East in Columbus, Ohio, where he's the general manager. "The biggest thing for me is to make sure price points are fairly close together," he says. You don't want employees to have to scurry all over the place to show kids what they can get for their 50 tickets, he adds.

Skripsky recommends separate areas for items worth one to 100 tickets, 101 to 300, and 301 to 500. Plus, "you should effectively use every square inch of your back space to display higher-end products."

In addition to arranging by price, FECs can display their goods in numerous other ways as long as it's done logically, says Michael Getlan, director of enthusiasm and opportunity for Amusement Consultants Ltd. in New Rochelle, New York.

Some examples include: type of item (think plush families), gender, color, and size, says Getlan, author of "How Much Is That Doggie in the Showcase? An Amusement Redemption Operations Primer for Training Staff in the Family Entertainment Industry."

Don't stick with the routine, either. You can create a diorama-like setting to spice things up. For example, feature a doll with some of its accessories or have a stuffed monkey riding a toy motorcycle. To get inspired, look at the window displays of nicer department stores in your town. They could give you a wealth of ideas.

Also, take full advantage of satellite displays. "A lot of oper-

ators stop at the redemption center,” Skripsky says. “They don’t go any further.” Have your plush creatures climbing up the game cords (out of reach, of course). Hang other items from the ceiling or above the machines.

Always Rotate

Wherever you decide to put your selection, a few cardinal rules apply, Skripsky says.

All containers—cases, baskets, jars, and plastic tubs—must be absolutely spotless and always well stocked. Fill the display case so it looks as if it will burst open, he says. In addition, ticket price tags should be professionally made.

Constantly rotate your inventory, too. If guests see the same stuff over and over again they’re less likely to belt out the aforementioned and always-coveted “wow” or “awesome.” How often to shuffle items depends on the kind of crowd, Getlan explains. With a high regular and local clientele, shoot for every week or two; lower-trafficked places can get away with four to six times a year.

Kale swaps out two or three pieces of his 200-item selection a week. He and his staff pay close attention to inventory to determine what gets cut—a slice of advice he suggests for all FECs. “It’s an arduous process, but it must be done,” Skripsky agrees. For the under-

Redemption: What’s Hot?

FECs generally have hundreds of items in their redemption centers—anything from one-ticket scraps to electronics, scooters, and expensive jewelry. Whatever the value, it has to be something your guests have interest in. Otherwise, the merchandise just takes up that limited space. FUNWORLD surveyed several FEC insiders to find out what’s hot right now.

- Coach bags, iPods, and video games “Rock Band” and “Guitar Hero” fly off the shelves at Getlan’s facilities.
- Any items related to “Hanna Montana” and “High School Musical” remain strong for Kale. “If a redemption center does not have at least five pieces from those, they are missing the boat,” adds Karyn Gitler, director of merchandise at Irving, Texas-based CEC Entertainment Inc.
- Products connected to “Transformers,” “Cars,” and “Pirates of the Caribbean” continue to be popular among boys, says Gitler, also a member of IAAPA’s FEC committee. “In the mid-range, light-up is a great category,” she concludes, “and in the very low end, tattoos are stronger than ever.”

What items do you constantly have to reorder at your FEC? E-mail us at funworld@IAAPA.org for inclusion in a future issue of FUNWORLD.

—Mike Bederka

performing items, have a closeout section or donate them to kids’ fairs. “It’s great PR,” he says of the latter.

When fresh products come in, always promote them—just as you would the latest video game, Skripsky says. Create special fliers or signs to announce the merchandise’s arrival and perpetually try to think up novel ways to elevate your new and existing

stock. “That creativity turns into higher returns and higher sales,” Getlan says. “How much you put in is how much you get out.” ■

Mike Bederka is a contributing editor for FUNWORLD. He can be reached at mbederka@IAAPA.org.



FEC: ENERGY

FECs Go Green

Facilities look for long-term solutions to save money and the environment

by Mike Bederka

PERHAPS NOT COINCIDENTALLY, GREEN IS BOTH THE COLOR OF MONEY and a representation of environmental issues.

Forward-thinking family entertainment center owners understand they can be both fiscally smart and socially conscious if they embrace energy-saving and eco-friendly measures at their facilities. “We want to save money, but it’s also our community,” says Greg Scales, vice president of Hurricane Games of Florida Inc. in Fruit Cove, near Jacksonville, Florida. “You’ve got to do your part.”

Bite the Bullet

Scales and his mother, Mary Frazho, president of the brand new FEC, had energy-efficient ideas in mind with the construction of their building. They learned several lessons from their previous venue in Tulsa, Oklahoma, built circa 1970. “If you could make a list of things not to do today, [the older building] would meet all the criteria,” laughs Scales.



Hurricane Games in Florida provides recycle bins in the facility.

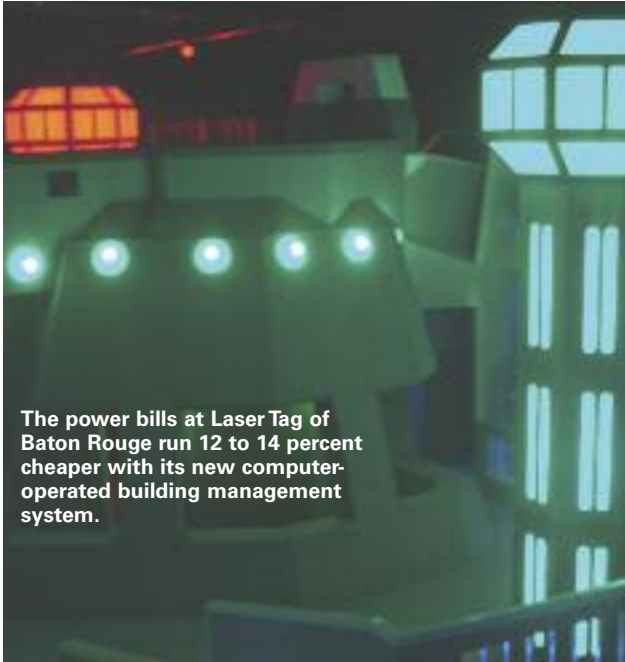
For example, the old place had about 300 linear feet of windows, and the wind would blow right through; Hurricane Games has fewer windows. They also incorporated several other environmentally conscious elements into the facility, including:

- Vacuum-assisted flush toilets that utilize 1.6 gallons of water versus a typical five-gallon flush
- High-efficiency light bulbs for overhead illumination; they use 20 percent less energy
- Extra insulation in the walls and ceiling for greater cooling efficiency
- Three-phase electricity installation to reduce energy consumption and increase the life of the equipment
- Recycling bins to collect plastic water bottles and soda cans.

Scales and Frazho had glanced at several existing buildings for their FEC, but they preferred to start from scratch to get everything done right—a fact they admit cost more cash up front. “You have to bite the bullet,” Scales says. “If you think you’re going to be successful, you’re going to make the money back.”

Having Control

FEC owners and operators need to examine the big picture, agrees Davor Franicevich, owner of Laser Tag of Baton Rouge in Louisiana. “Everyone is so short-term focused—let’s make the lease



The power bills at Laser Tag of Baton Rouge run 12 to 14 percent cheaper with its new computer-operated building management system.

payment *this month*, let's make payroll *this month*," he says. "You have to pull back and look at the business from 30,000 feet. You have to start planning from day one to reduce expenses and increase revenue."

To achieve this goal, he believes in having central control over lighting, air-conditioning, and heat. With his computer-operated building management system, Franicevich doesn't worry about units "fighting" each other or scrambling to flip 20 switches at the end of the night. Plus, guests and frontline employees no longer have access to thermostats. He says you might be surprised by how many people would jack up or lower the temperature based on their preferences.

Franicevich, too, had these cost-saving thoughts stirring around prior to opening Laser Tag of Baton Rouge. "We had the 'privilege' of working for almost 10 years in an inefficient building," he says of his old 11,000-square-foot Photon facility "washed away" by Hurricane Katrina in 2005. Franicevich's current venue stands at 17,000 square feet, yet his power bill runs 12 percent to 14 percent cheaper. "That's proof in the pudding," he says. "There are myriad controls out there. Just go to a local contractor. The price of that technology 10 to 15 years ago was through the roof. But right now, it's very affordable and worthwhile. Invest in control technology: That's the big message."

iT'Z, with three U.S. locations, did. The FEC chain implemented building management systems, explains Andrea Baxter, director of development, as well as several other measures to save energy and money, such as switching to compact fluorescent lights; using dimmable light fixtures when possible; and having photocells on exterior lighting and signage. ■

Ten More Tips to Cut Waste

1. Avoid paying peak electrical demand charges by slowly starting up the arcade. Wait 60 to 90 seconds between turning on breakers to prevent a spike in usage.
2. Stop excessive motor idling in go-karts and bumper boats by starting them only when needed.
3. Have hand dryers instead of paper towels in the bathrooms (the new high-powered units work best).
4. Bring in a recycling dumpster for cardboard and paper to reduce the amount of waste going into the main container.
5. Use cold beverage cups (small, medium, and large) that only require one lid size. Put up a sign notifying guests they will receive lids only upon request.
6. Consider a bulk condiment service area instead of portion-control packets in the snack bar.
7. Cut the grass using a mulching mower to reduce waste from landscaping. Larger properties should opt for a small chipper to grind up twigs and leaves and use for mulch in planting beds.
8. Install large fans to reduce the strain on the air conditioner.
9. Send out the grease from the fryer for processing into biodiesel fuel.
10. Buy a high-SEER HVAC unit.

Suggestions provided by Alan Ramsay, president and chief executive officer of CLM Entertainment in Providence, Rhode Island; Larry Davis, owner of Davis' Farmland and Davis' Mega Maze, both in Sterling, Massachusetts; Andrea Baxter, director of development at iT'Z; and Davor Franicevich, owner of Laser Tag of Baton Rouge.

How do you reduce waste and save energy at your FEC? Let us know about it by sending an e-mail to funworld@IAAPA.org with subject line "FECs Go Green."

—Mike Bederka



Customers expect more sophisticated decor these days, no matter what they're doing.

FEC: REDESIGN

Keeping Up Appearances

Refreshing an FEC is crucial to remaining competitive

by Mike Bederka

EVOLVE OR DIE.

It sounds harsh, but if your family entertainment center hasn't even changed its paint color since the early '90s, you could be in trouble. "A lot of times I find that operators wait a bit too long to upgrade their facilities," says Jerry Merola, chief financial officer of the East Brunswick, New Jersey-based Amusement Entertainment Management LLC. "It starts to become stale in the eyes of the patron. Staying at the status quo can be very dangerous."

Regular guests may quickly tire of the same old thing, agrees Manas Ganguly, management trainee at Funcity Oasis LLC, in Dubai, United Arab Emirates. "So redesigning often helps to retain customers as well as gain new ones," says Ganguly, whose facility recently created a teen area. "Even small changes like reallocating places for machines do enhance revenue."

From added attractions, to different

motifs, to full-blown expansion, FECs have numerous ways to stay with the times and keep their customers happy and spending money.

The Road Map

Any successful redesign begins with a master plan, experts believe.

"You need a road map or you're going to have a hodgepodge of stuff," says Doug Wilkerson, a principal owner with Dynamic Designs and Architecture Inc., headquartered in Birmingham, Michigan. A professional firm can help to make sure all the FEC's elements blend together, and with the owners and operators they can determine the facility's future look.

Some projects will take place immediately; other changes can follow their completion, he says. "Over the five-year period, you've kept things fresh," says Wilkerson, who has worked with FECs for two decades. "Also, you can spread out the spending over time. There's a certain minimum that you really need to do to make a change, but you don't have to crank out millions."

Going VIP

FEC owners should consider a warm, upscale feel when they plan to redesign, Wilkerson says. Customers see the wood floors at grocery stores and the leather chairs at movie theaters, so they expect VIP in most venues these days. "The bar has been raised in every industry," he says. Plus, a classier appearance can attract older kids and adults, Wilkerson says. "You'll draw in whole new demographics

Five Budget-Conscious Makeovers

1. Repaint
2. Add signage
3. Install better lighting
4. Change the food menu
5. Buy new games or move around pre-existing ones

that never would have walked in your doors before.”

He doesn't oppose FEC theming (pirates, space, etc.), but he believes it should only be done selectively—say just in the redemption or kiddie areas. Merola also suggests avoiding theme overload. Instead, go with a more timeless look, like “a four-color palate coming together with a variety of textures.”

“It creates an environment,” he says. “This way, the attractions are the things that stand out.”

Money-Minded

To further distinguish your FEC from the competition, you should constantly rotate the entertainment choices, Merola notes. Attractions last three or four years before becoming yesterday's news. For example, switch out the laser tag for glow-in-the-dark mini-golf. “The idea here is to use the same space but to completely modify it—change its appearance and change its use,” he says.

An inflatable can be another big-impact move that doesn't involve knocking down walls, says Rich Sanfilippo, owner of Sam's Fun City in Pensacola, Florida. The attraction draws in younger children and helps with the birthday business. Most inflatables go for less than \$20,000, he says, which is a bargain considering two or three popular video games run about the same amount. (For more budget-minded ideas, see sidebar on page 54.) “Think of low-cost things that add a whole new element to what people see when they come to your facility,” advises Sanfilippo, who also just built a buffet restaurant and plans to expand his arcade.

Plan Ahead When Buying Property, Too

Before you sign on the dotted line to purchase any new property, be sure the location can handle your needs years from now, says Rich Sanfilippo of Sam's Fun City. “Know what your ultimate goals are. Don't think too small to start with. You want to be capable of moving out and expanding.”

Becoming landlocked is a common problem FECs encounter, he says. So, like with any redesign projects, owners always should have a master plan when buying a spot—either new construction or a pre-existing venue.

Explain the Dust

FECs, regardless of the scope of their projects, probably will have to stay open during the renovations. In a tight economy, closing down for months, weeks, or even a few days, can kill profits and scare away customers for good. But don't think of the construction as an inconvenience. Use it as an opportunity to build excitement about a new attraction or addition.

Wilkerson provides his clients with renderings of any planned project to approve. Take those pictures, prominently put them on display, and with signage, announce something like, “Coming soon: state-of-the-art laser tag.” “You let your guests be part of the experience,” Merola says. “It helps to keep them tied to the business.”

Some FEC owners believe that just because they spent a lot of money on new projects, they're guaranteed to bring in a lot of revenue. Not so, Sanfilippo warns. “It doesn't have to be a major investment,” he says, “but it has to be promoted and advertised.” ■



FEC: FINANCE

Starting from Scratch

Operators share important advice for those interested in entering the FEC business

by Mike Bederka

THESE TOUGH FINANCIAL TIMES probably make even the most optimistic person wince at the thought of starting a new business.

That apprehension, though, may not be warranted. “An ugly economy doesn’t last forever,” reminds Jerry Merola, an ex-commercial banker and now chief financial officer of Amusement Entertainment Management LLC, in East Brunswick, New Jersey.

Developing a family entertainment center from scratch can be a long process. From initial preparation to the first guests riding go-karts could run from 18 months to two years, says John Gerner, managing director of the Richmond, Virginia-based Leisure Business Advisors LLC. “Anything planned now is hopefully opening during the next up cycle,” he notes.

In fact, some analysts believe the economy appears poised to rebound.

Experts in the real estate market expect 2009 to be a bounce-back year, Gerner says. That surge could spill over

into the entertainment industry. “There’s always risk in starting a new business, but often risk goes in relation to reward,” he says. “Attractions, like FECs, when they’re done well and they’re popular, can be quite profitable.”

Feasibility Study

The key to obtaining the funds to build your dream facility starts with the feasibility report or study. Aimed at investors and lenders, this document prepared by an independent expert offers an objective look at a project’s potential. “The analysis will incorporate a clear understanding of really where the market opportunity exists, if an opportunity is there,” Merola says.

A feasibility report also provides background on the FEC business as some banks and third-party lenders (equity firms, and finance and insurance companies) may not be familiar with the industry, Gerner says. Other features of the study include: site selection, comparison to similar operations, forecasted attendance, and potential revenue, expenses, and profits. FEC owners can expect to pay between \$8,000 and \$20,000 for the study but should consider it money well spent, Gerner says. “There’s nothing to be lost and everything to be gained.”

Under- or unprepared FECs doing it alone often get shot down, Merola says: “In today’s world, lenders are willing to fund and support new business projects. Where they struggle is that in many cases they feel the developer has not done enough homework to understand truly where the opportunity is.”

Jon Sisler, co-owner of Blue Fusion Entertainment, worked with Merola on the feasibility report for his FEC in Marion, Ohio. He attributes the facility’s crisp August opening to the collaboration. “They can hone in on you quickly,” Sisler says. “[Without professional help], you can wallow around very easily.”

A Financial Plan

Sisler contacted several banks before going with one in his community. He says FECs should be patient and stay focused during this time. Merola seconds this take-it-slow strategy. Many developers make the mistake of waiting until the 11th hour to deal with financing. Then, they panic. He recommends planning six to nine months before the actual need for financing arises. “Not all lenders are created equal,” Merola says. “Identify all the possible sources in a local or regional marketplace and begin to understand the different elements that apply to each.”

For example, a commercial bank is more apt to understand the particulars of an operating business, he says. A savings and loan has a tendency to concentrate on mortgage-based financing.

To Partner or Not

Some developers won't need a lender. They have the capital necessary or plan to work with partners. “Partnerships are a nice idea, but make sure you understand who you're partnering with,” Merola warns. Partnerships formed by dissimilar individuals will likely fail, he says. Over time, the two parties will see the future as well as success differently. In some cases, one person wants to draw more funds from the business on an annual basis, while the other would rather reinvest in the facility. “This is a struggle,” he says.

Gerner also advises against partnering with family members because of the general risk involved and the potential for bad blood. Both Merola and Gerner agree the smarter business decision is to work with a lender. “The less dollars you personally contribute to a project, the greater your investment return is,” Merola explains.

He gave this example: Option No. 1 would be to take out

Situations to Avoid

Sometimes, developers find themselves struggling with their financing terms.

“Not to say the finance industry is predatory, but there are situations you should generally avoid,” says John Gerner, of Leisure Business Advisors LLC. They include: high interest rate, short-term loan period, or a balloon payment at the end that has to be refinanced, he says.

In addition, owners should be careful about guaranteeing business loans with personal assets. “If a financing institution is that uneasy about the business being able to pay back its loan, so should the owner be,” he says.

\$5 million from your own savings and pay for the project completely yourself. All your capital is at risk, and all your capital must generate a rate of return. Option No. 2 has you withdrawing just \$1 million from your savings and leveraging that with \$4 million of debt from a lender. If your business generates \$100,000 in clear profits, your investment return rate is 10 percent; with the first option, it's only 2 percent.

Don't Stress

People can feel overwhelmed when dealing with all these dollars signs. One way to help beat the stress: Join a trade association like IAAPA, says Gerner.

“You hear objective, independent information from somebody who's not going to get anything from telling you differently,” he says. “And you have the opportunity to meet like-minded people.” ■



The typical BounceU inflatable center (here and below) hosts about 2,000 parties annually.

FEC: TREND

Air Play

Inflatable play centers bounce into the industry

by Jim Futrell

THERE'S A NEW FEC IN TOWN.

Birthday parties have long been a key revenue source for smaller attractions. For years new formats have come and gone that have tried to capitalize on this market. Some facilities, such as Chuck E. Cheese, with its arcade and soft play elements, have had a long successful run.

Others, such as soft play-focused centers like Discovery Zone and indoor kiddie parks like Jeepers!, have had limited success and have largely fallen by the wayside. Discovery Zone shut down in 1999 after a decade of operation and two bankruptcies, while Jeepers! shrunk for several years before liquidating in 2007. In recent years, a new format, the inflatable play center, has emerged as the latest entrant.

Andy Bagumyan, president of Magic Jump Inflatables, a manufacturer and distributor of inflatable attractions that counts more than 70 centers among its clients, estimates there are nearly 1,000 inflatable play centers in operation nationwide. He says these range from 3,000-square-foot operations featuring one or two inflatables to large 15,000-square-foot facilities with up to 10 inflatables occupying two separate "arenas," as the jumping areas are called.

Bagumyan says the sector evolved when traditional family entertainment centers noticed the popularity of inflatables among their younger customers, as well as among parents who saw a need in their local markets to provide another option for parties and creative play.

Like many emerging sectors, single-unit operators still

account for the bulk of the units, but chains are beginning to dominate, and franchising has become central to their growth strategies. Currently, there are four major chains operating nearly 300 centers around the country.

Affordable, Easy to Maintain

A key factor in the rapid growth of this sector is the low barrier to entry. Bagumyan says the cost of opening a center can be as little as \$50,000, while the typical BounceU franchise, one of the major chains, costs \$185,000 to \$535,000 to develop. He adds that inflatables are a very cost-effective entertainment option, especially when compared to soft-play complexes, arcade games, or rides, because "they are portable and easy to take down and replace." The portability and ease of use allow Magic Jump's inflatable play center clients to change equipment every couple of years, keeping the attractions lineup fresh and lowering maintenance costs.

In addition, according to BounceU's president, Brent Schmick, inflatable play centers have been able to avoid problems that have plagued operations like Discovery Zone and Jeepers! by embracing a different locational model. Inflatable play centers have focused their strategies on light-industrial buildings and older retail locations with their lower rents, fewer operational restrictions, and high ceilings to accommodate the pieces.

However, some are starting to divert from this model. Monkey Joe's, another major chain operating under the guidance of restaurant franchiser Raving Brands, is now seeking sites in high-visibility retail centers, believing the higher rents will be offset by higher volume.

Parties Only

A focus on parties is another way inflatable play centers seek to differentiate themselves from previous unsuccessful formats. According to Schmick, the typical BounceU hosts approximately 2,000 parties annually. For much of the week, BounceU and other centers operate exclusively as party centers and are closed to the general public. At most facilities, open play hours are limited to a few two- to five-hour windows weekly, and



reservations are encouraged. “That way payroll runs with revenue,” says Schmick, who adds the centers avoid unnecessary expenses during down periods.

The growth of the inflatable play sector segment has been hard for manufacturers to ignore. For instance, Magic Jump has been targeting the sector for the past five years and introduced a new Inflatable Play Center standard in its product line that incorporates double-layered vinyl in areas of increased wear and tear, potentially doubling the life of the pieces. In addition, Magic Jump offers consulting services to would-be operators, assisting them with site location, product selection, and layout. ■

Jim Futrell is an industry historian and writer. He can be reached at thefutrells@comcast.net.

Inflatable Play Centers at a Glance

Here’s a snapshot of just a few of the companies enjoying success in the inflatables facility market:

The largest and oldest of these facilities is **Pump It Up**. Founded in 2000, the chain now has more than 170 units operating in 33 states. Brenda Dronkers, Pump It Up founder, started her business after seeing her three kids play for hours on moon bounces at outdoor parties. In 2006, veteran retail executive Gordon Keil was named CEO as the company transitioned from an entrepreneurial company to an established sector leader.

BounceU, based in Mesa, Arizona, was founded in 2003 by Brent Schmick and his wife, Carron, both accountants and parents who were looking for something unique and different to do. “The idea was for us to create a place for kids to be athletic in an indoor environment, and provide a great party in a private setting,” which Schmick saw as a void in the marketplace. BounceU started franchising in 2004 and has succeeded in opening 40 locations in 18 states, with an additional 100 units sold to franchisees.

Atlanta-based **Monkey Joe’s** was originally started in 2004 by Joe Wilen and Mel Silverman. In 2005, they sold a 50 percent interest to Raving Brands, best known as a franchisor of restaurant concepts such as Moe’s Southwest Grill, Mama Fu’s, and Planet Smoothie, to facilitate a national franchising program. Today, Monkey Joe’s has opened 30 locations in 10 states, with another 21 opening soon.

Jump!Zone was founded around 2003 by banker Ronna Davis, a mother of two boys. Based in Suwanee, Georgia, the company launched its franchising program in 2005 with Chris Davis, a former market strategist at Sun Microsystems Inc. Jump!Zone has 27 locations in 16 states with another dozen units in development.



FEC: MARKETING

Today's Special

Poor economy forces family entertainment centers to change prices

by Mike Bederka

EVEN IF THE ECONOMY HAS LEFT YOUR BUSINESS UNSCATHED, your guests almost certainly have felt the pinch.

"Discretionary income is getting smaller and smaller," says Chris N. Camp, president of Fun Fore All in Pennsylvania. "We are trying to help our customers make their dollars go further."

Like many family entertainment center managers, Camp has modified his facility's pricing as a reflection of these tough financial times. Marketing efforts also will continue to go strong to highlight the specials.

Let's Make a Deal

Camp sweetened a couple pre-existing specials following the recent Christmas break. Previously, video games cost just a nickel from 4 to 8 p.m. on Mondays, and redemption games went for half price during that same time span on Tuesdays. He extended both offers to all day long. In addition, Camp put two new deals into effect: Kids combo meals cost only \$3.99 on Wednesdays (usually \$4.99), and on Fridays, a

large pizza runs \$8.99 instead of \$11.99.

FECs should remain mindful of concession prices in particular, he stresses: "I think the days of 75 percent gross on food are gone. We know we can only go so high. When the McDonald's down the road has a kids meal for \$4.99, it is going to be a stretch for us to sell something for \$6.99. The margins have to be a little closer. You are still making 45 to 50 percent; that is not too bad."

Local competition also forced Zonkers Family Entertainment Center in Olathe, Kansas, to change its approach to prices, says Khush Agrawal, the facility's vice president. She noticed birthdays of more than 10 or 12 kids stopped coming in; instead, parents went to a cheaper venue nearby if they had a larger group. To combat this unwanted migration, Zonkers introduced the "megapack" option where people pay a flat rate of \$195.95 for anywhere from six to 20 kids. The

Staying Afloat: Two Keys

A poor economy can easily sink an ill-run facility. Here are two ways to help keep your FEC afloat.

First, management should always evaluate the profitability of attractions. For example, Rob Beil, of Paradise Breeze Family Entertainment Center, grew wary of his go-karts and looked a little closer at the numbers. "They were a popular attraction," he says, "but when you took the go-karts, based on labor, maintenance, and upkeep, we were losing money at the end of the year." As a result, Beil plans to sell off the underperforming attraction on eBay.

Second, be sure to run a clean, well-kept, customer service-oriented facility, says Craig Buster, general manager of Wild Island Family Adventure Park in Sparks, Nevada. "You would be amazed what word of mouth between parents can do," he says.

deal could save customers more than \$80 over the standard “excellent expedition” package of \$13.95 per child.

Paradise Breeze Family Entertainment Center has beefed up its birthday packages as well, says Rob Beil, managing partner of the facility in Maysville, Kentucky. Value-added features include discounts on waterpark admission, \$5 redemption game vouchers, and \$2-off coupons for the next visit. In addition, the venue took the bold step of nixing a planned \$2 increase for adult admission and \$1 jump for children, he says.

Marketing Matters

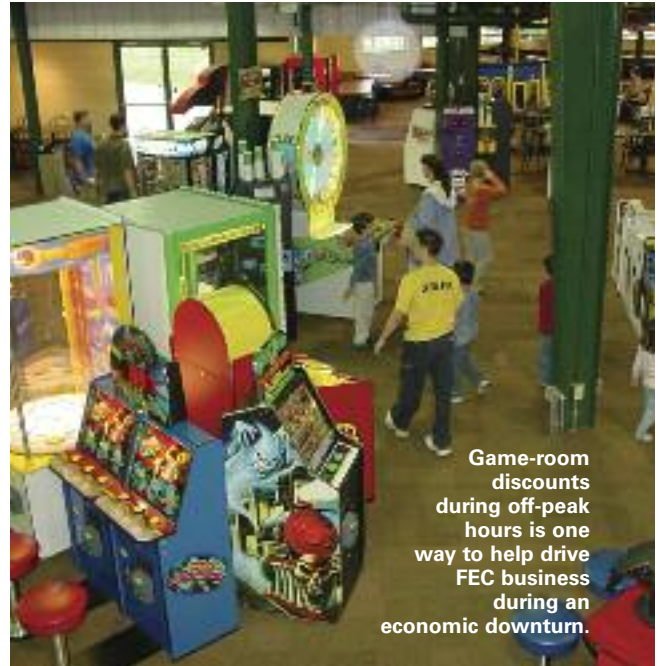
While Beil will not boast about the price fix to guests, he will promote the new value-added perks through in-house signage and “buzz marketing.” Paradise Breeze will sponsor local events and send staff to hand out information and coupons at fairs and festivals.

Sponsorships with “compatible brands” can be an important asset to FECs, added Liliana Hoyos, manager of marketing and sales, Diver S.A.-Promotora de Diversión in Bogota, Columbia.

“In these tough economic times, you have to do more marketing and not scale it back,” he says. To accomplish this task, “you have to reallocate the spending budget and maybe cut some non-critical areas.”

However, marketing does not have to be a killer expense. Agrawal created new flyers and brochures to describe the flat rate birthday package, but on the cheaper side, she posted the details on Zonkers’ web site and instructs employees to mention the option when guests call to book a party. Agrawal is also collecting e-mail addresses for a quarterly newsletter.

Camp sends out monthly e-blasts and does some grassroots



Game-room discounts during off-peak hours is one way to help drive FEC business during an economic downturn.

promotion in the neighborhood, but he’s most excited about a loyalty program that should debut soon. Fun Fore All recently purchased kiosks that will make it easier for guests to register their debit cards. The loyalty program will hopefully create repeat customers, he notes. In return, when people hit a certain dollar amount on the card, they will receive discounts or a free spin on the go-karts.

“As we build our database, we will be able to offer more incentives,” Camp says. **FW**



FEC: PROFILE

The Great Xscape

Amanda C. Royalty works to create the next big FEC chain

by Mike Bederka

SOME PEOPLE MAY FEEL A BIT SQUEAMISH about launching a family entertainment center in the midst of a recession. Not the folks at Xscape.

In December 2008, the operators confidently opened their first venue in Indianapolis, Indiana, inside the Lafayette Square Mall. The business plan positions Xscape to open 25 more locations over the next three years. The goal: to become the next big FEC chain.

As real estate director for Xscape, Amanda C. Royalty, 25, plays a large part in the ambitious campaign. Xscape's success will partially lie in its superior food and attractions, she says. The facility features a buffet-style restaurant, themed dining rooms, go-karts, amusement-style rides, mini-bowling, mini-golf, bumper cars, laser tag, a 4-D virtual theater, and a host of video and redemption games.

Xscape by the Numbers:

- **4-hour** guest stay on average
- **8 private party rooms**
- **20 percent** increase in sales from week to week
- **25 types** of pizza
- **100 birthday parties** a week
- **3,000-person** capacity
- **75,000** square feet
- **1,000,000** estimated annual attendance for 2009

Royalty, who earned degrees in economics and Spanish from nearby DePauw University, spends a few minutes with FUNWORLD to discuss Xscape's great expansion.

FUNWORLD: Why did you pick Indianapolis as your first location?

Amanda C. Royalty: We looked for a dense area. We wanted at least 500,000 people within 10 miles, and we obviously wanted a heavy concentration of families. Plus, this spot has great accessibility and visibility. We're right by a major intersection in the city and right off Interstate 65. Anyone who drives on the highway can see us.

Also, being part of a mall really helps for two reasons. It's a second-generation space, so you can get a decent deal from the landlord, and you have automatic foot traffic because people are already there shopping.

FW: Where are you looking to expand?

ACR: We want lots of people and a large-sized building—75,000 to 100,000 square feet—with a 10-year lease and options. We're looking at big markets, not rural areas. We would love to fill up a vacant mall anchor. No one wants to see that, anyway.

FW: With the economy taking a hit right now, does that make your job harder?

ACR: Every business takes a hit when the economy is in a downturn. That's

just normal. But even in tough times, people still spend money on things that make them happy. It has been a good time for us. We have done well. A lot of people are interested in showing us space. I am getting a ton of phone calls and e-mails from landlords and even city governments excited about bringing Xscape to their community.

FW: Are you nervous at all about such an explosion of openings in a short period of time?

ACR: Nothing is signed yet. We are slowly visiting sites. We are going to be very cautious considering the economic environment. But if you know it, there's nothing to be nervous about.

FW: What is remarkable about your FEC?

ACR: We definitely have the best designer in the industry: Peter Alexander, of Themed Future Concepts in Tampa, Florida. He has worked for Walt Disney World, Six Flags, and the Mall of the Emirates in Dubai.

FW: Besides location, what is the key to a successful FEC?

ACR: Unsurpassed theming, excellent food, being on top of the latest attractions and games in the industry, customer service, and marketing. It all amounts to how well you do the concept, and it all relates back to how well you learn and get to know the industry.

FW: Did you ever see yourself involved in the entertainment world?

ACR: Not necessarily. But you really can learn anything. You just have to be very diligent. We visited many family entertainment centers. We figured out what works at different ones and put it all together at Xscape.

FW: What do you love most about your job?

ACR: I know it sounds cliché, but making people happy. It's nice to watch people come in and hear them say, "This place is awesome." ■