

Cineplex buys Imperial, plans to stage plays

TORONTO – The bitter dispute between Cineplex Odeon and Famous Players over a downtown movie theatre has been resolved – to the benefit of the city's theatre-goers.

Cineplex, which until recently owned half of the Imperial theatre, has bought the building outright and will turn it into a showcase for big-budget stage productions.

It was a condition of the deal that Cineplex not use the building as a film theatre, but for chairman Garth Drabinsky, the stage is becoming as much of an attraction as the screen. He recently brought a production of *Macbeth* to Toronto, and seems intent on establishing himself as a theatre producer in the city.

"The resolution of the Imperial situation is consistent with Famous Players' desire to provide a quality entertainment experience for people's leisure time," said chairman Walter Senior in a Cineplex-issued statement. Senior was unavailable for further comment.

Although both Cineplex and Famous Players refuse to say how much Cineplex paid for the Imperial, Drabinsky put the total cost of the property and the restorations needed at "under \$20 million" when he met with the press on March 29.

Restorations on the Pantages theatre, which was built on the Cineplex-opened property and opened only this January, cost Cineplex around \$2 million. The new plans for the building will incorporate work already done, Drabinsky said. "We have certainly not wasted our money."

Demolition on the Famous Players side of the building will begin sometime in April and will continue until the end of the summer. The Pantages will close as a cinema in September 1988, with the new refurbished theatre opening in the fall or winter of 1989.

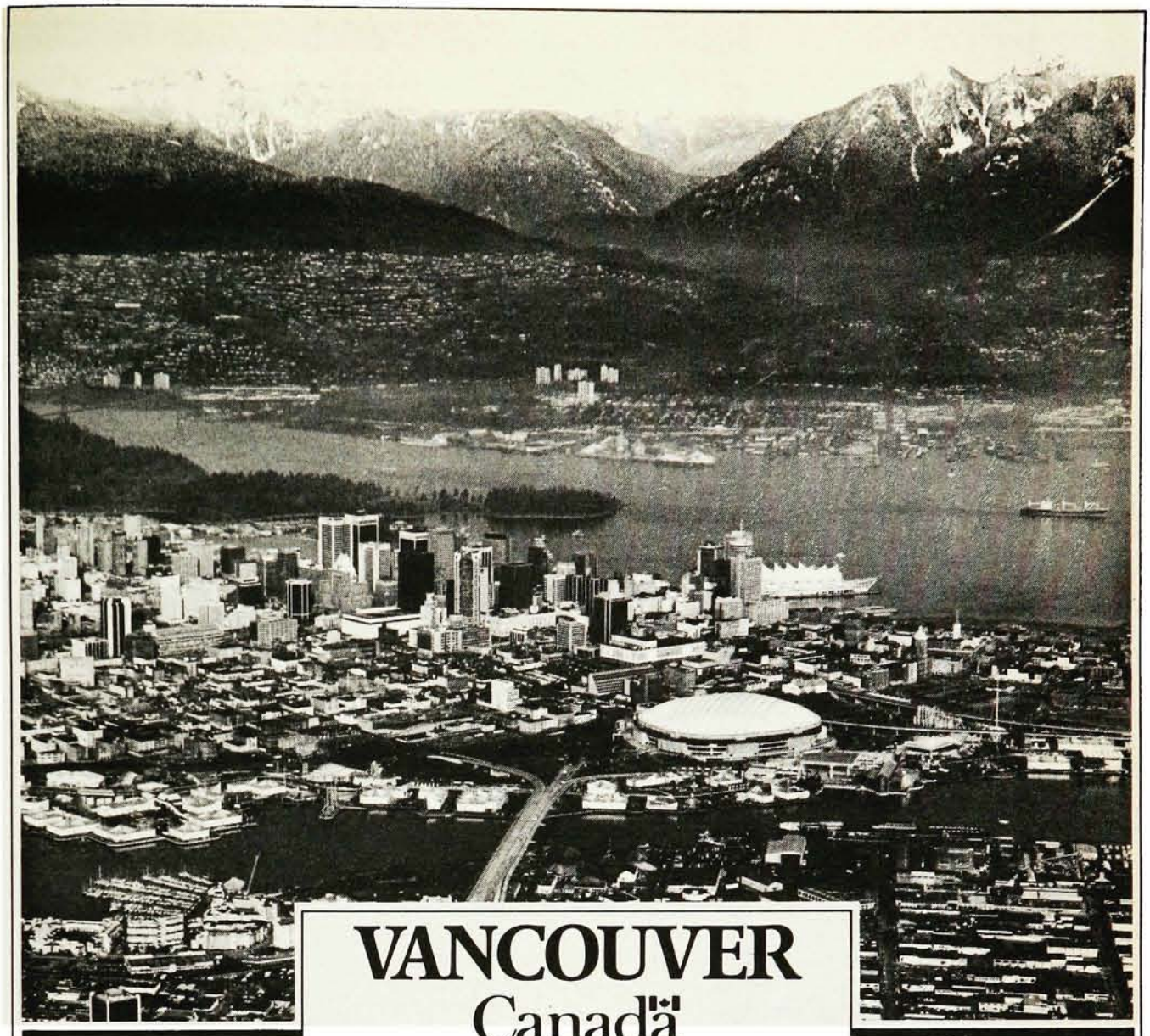
Drabinsky hinted at developing a "synergy" between the film and stage interests of Cineplex, suggesting that upcoming plays at the Imperial might be advertised on Cineplex screens.

Cineplex's purchase of the building appears to be a victory for the company, coming as it does after a series of legal tussles with Famous Players.

Famous had tried to use building standard and fire safety regulations to halt the opening of the Pantages.

Famous Players publicist Gillian Howard admitted that the company was in an untenable situation after Cineplex took over the half of the building that Famous had always leased. The way the building was divided between the two companies meant that Famous could not operate a theatre in its half.

"They had a complete theatre and we had two small complete theatres with no entrance," said



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Gillian Howard. "We appeared to have no other option (but to sell).

"We're very happy with the money we've obtained from the deal and we can use that for other things," Howard added.

Calling Famous Players a "spirited but fair competitor which has always conducted itself responsibly and with sensitivity to the public," Cineplex chairman Garth Drabinsky took pains to smooth over any hostility between the two companies.

"We regret any statements and actions which might have reflected on Famous Players and on its parent company, Gulf & Western Inc."

Drabinsky cast the sometimes bitter struggles for theatre space, especially in the lucrative downtown Toronto area, as "lively and respectful competition."

It has been suggested that the conciliatory tone of Drabinsky's statement was part of the deal. Howard will only say that "we certainly had approval on the announcement. I'm not

really at liberty to discuss the details of the deal."

Cineplex struck a similar deal last summer, when it bought the cavernous University theatre in Toronto from Famous Players on the agreement that it would not use the building as a cinema. Instead, Cineplex will turn the University and an adjacent building into a shopping and entertainment complex, using the adjacent building to house the cinemas that will serve as a base for the annual Festival of Festivals.