4-21-1983

The Outlook for Theme Park Development in the Netherlands-
Memorandum Report

Harrison Price Company

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Memorandum Report

THE OUTLOOK FOR THEME PARK DEVELOPMENT IN THE NETHERLANDS

Prepared for:

Almegeen Burgerlijk Pensioenfonds
Herleen, The Netherlands

April 21, 1983

Prepared by:

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Memorandum Report

THE OUTLOOK FOR THEME PARK DEVELOPMENT IN THE NETHERLANDS

INTRODUCTION

Drs. A. J. M. Masson of Algemeen Burgerlijk Pensioenfonds (ABP) in Heerlen, The Netherlands, requested that Harrison Price Company evaluate the outlook for the development of one or major theme parks in Holland as of April, 1983. Specifically, HPC's charge from ABP was to evaluate:

"The feasibility of the development of one or more theme parks in The Netherlands, more in detail the question whether the market, including all the possibilities in Western Germany, Belgium and France is strong enough to bear more than one theme park of a comparable size; you will take into account the specific circumstances in the Netherlands, such as climate; i.e., an average of minimum 100 sunny days per year and income per capita."

HPC has evaluated recreation potentials in the Netherlands before and observations herein are based on that prior work and ten days of interviews, field visits and review of related economic work carried out in The Netherlands in April, 1983. Directly related prior work conducted by HPC staff members includes: first, a 1972 study of Water Wonderland then proposed for a site near Zoetermeer; second, in 1981, a critique and update of a study prepared by Economics Research Associates in 1979 on the same project for sites in Flevoland and Willemstad; and, finally, a consulting review of the TDC market and feasibility analysis of the same project completed in early 1983.

Preliminary findings of this study were presented orally in Heerlen on April 13th. This memorandum report summarizes and enlarges upon that oral presentation.

This analysis necessarily concentrates on a comparison of two projects currently receiving planning attention in the Netherlands. They are Water Wonderful proposed at a site west of the city of Almere on the far west corner of Flevoland near Amsterdam and a Six Flags managed and Randall Duell designed park proposed for the Ter Worm Castle grounds near Heerlen in the province of Limburg in the south
of Holland. Also considered is the potential impact of capital and facility improvement and expansion at existing parks in Belgium, Germany and Holland.

This work was carried out by Mr. Harrison A. Price, President of HPC and Mr. William E. Ketchum whose resumes are contained in Appendix A of this report. The report is organized in four major sections: (1) Introduction; (2) The Market for Theme Parks; (3) The Nature of Potential Competition; and (4) Summary and Conclusions.

THE MARKET FOR THEMED COMMERCIAL ATTRACTIONS IN THE NETHERLANDS

The potential market for theme parks is generally divided into two major segments—residents and tourists. These two markets for the Ter Worm and Almere site locations are compared in the following paragraphs.

The Resident Market

For purposes of this evaluation the resident market in Western Europe is defined as a circle around a site with a radius of 150 kilometers. 1/ This distance is an approximate European limit for a comfortable one day excursion to a major theme park where average visiting time is in the range of 5 to 7 hours. The resident market in Holland, depending on where it is centered, includes differing portions of resident populations in West-Germany, Belgium and Luxemburg. In the United States, where distances are greater and urbanization less intense, a resident market extending 200 to 240 kilometers from a major attraction would be appropriate, and in fact is common, but not in highly urbanized Western Europe.

The resident ring around the Almere site on Flevoland extends as far south as Antwerp in Belgium, not quite including Brussels. It misses the heavy concentration of big cities in the Ruhr, most of which fall within a 200 kilometer ring passing through Cologne.

1/ Computer runs at Phantasialand show 75% of their visitors coming from within 150 kilometers; the remainder is classified as tourism. Approximately 40 percent of all visitors live within 50 kilometers. Total admissions in 1982 about 1.8 million.
The resident market for the Ter Worm site includes Antwerp and Brussels, all of the Ruhr as far up the Rhine as Koblenz. Within Holland, the 150 kilometer Ter Worm ring passes through Utrecht but misses Amsterdam and Rotterdam. A 200 kilometer ring is required to encompass the bulk of the Dutch resident population.

Thus the Almere site has an orientation to the Dutch market and a relatively modest proportion of residents of Ruhr and Belgium. The Ter Worm site resident market area is predominantly the Ruhr, Luxemburg and Belgian resident populations; it misses a major segment of the Dutch market.

The approximate 1983 resident population and national composition within these two rings is shown below:

<table>
<thead>
<tr>
<th>Population Segment</th>
<th>Resident Market (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ter Worm</td>
</tr>
<tr>
<td>Holland</td>
<td>7.0</td>
</tr>
<tr>
<td>Belgium</td>
<td>7.1</td>
</tr>
<tr>
<td>Luxemburg</td>
<td>0.3</td>
</tr>
<tr>
<td>West Germany</td>
<td>13.4</td>
</tr>
<tr>
<td>Total</td>
<td>27.8</td>
</tr>
</tbody>
</table>

The Ter Worm site has the numerical advantage but there are qualitative differences that should be noted. First, about 38% of the Almere resident population support is close, within a 50 kilometer primary market range of the site while only about 10% of the Ter Worm market's resident population is within 50 kilometers. Secondly, of importance to a park location in Holland, two thirds of the Almere resident market is Dutch. Only about 25% of the Ter Worm resident market support is Dutch; the majority is German and Belgian.

**The Tourist Market**

Tourism is difficult to measure in Holland because of mixed data and lack of accurate information regarding day visitors passing through the country. Available data concerns foreign visitors staying in hotels, camping facilities, pensions and youth hostels; this market includes about 3 million persons but excludes substantial unrecorded day visits by persons from beyond the 150 kilometer range and it in-
cludes foreigners who form part of the resident market. HPC wrote the following statement in its 1981 report:

"In our opinion, hotel and facility registrants are but a fraction of Netherlands tourism. In our estimation subject to eventual refinement, at least 5 to 6 million tourists float through The Netherlands excluding Belgium and Ruhr residents already counted in the 150 kilometer resident ring. Many stay with friends or they are day-visitors or are simply unrecorded."

A tabulation calculating this floating tourism is shown below:

<table>
<thead>
<tr>
<th>Type of Visitor</th>
<th>Number of Visitors (thousands)</th>
<th>Percentage Residing Within 150 Kilometers</th>
<th>Deduct Residents (thousands)</th>
<th>Net Tourism (thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overnight Recreation</td>
<td>2,800</td>
<td>40.0%</td>
<td>1,120</td>
<td>1,680</td>
</tr>
<tr>
<td>Business Visitors</td>
<td>1,600</td>
<td>40.0</td>
<td>640</td>
<td>960</td>
</tr>
<tr>
<td>Day Visitor</td>
<td>10,000</td>
<td>75.0</td>
<td>7,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Total</td>
<td>14,400</td>
<td>64.3%</td>
<td>9,260</td>
<td>5,140</td>
</tr>
</tbody>
</table>

As shown above, tourism is estimated as the sum of out of country visitation less visitations generated in Belgium and West Germany from with the 150 kilometer resident market.

At Ter Worm, tourism within a reasonable distance of the site is also large. Movements into France from Germany and from the Ruhr to beaches in Holland both pass nearby in large numbers within reasonable distance of the site. There is, however, a relative disadvantage. This is pass-through traffic. Almere is closer to a large destination tourism at Veluwe and Amsterdam and the beaches in Holland. Thus the quality of tourist exposure in Almere is implicitly superior to that of Ter Worm.
Attendance Potential

The two parks discussed here both represent investment levels on the order of $100 million U.S. High quality of execution is presumed with both. They are equivalent and comparable.

In its 1983 report on Water Wonderland, TDC estimated that tourist market support, accounting for some 19% or 5 million persons out of a total available market of 26 million would generate about 20% of total attendance at Almere. We concur with that estimate of relative position which is equivalent to a 9% aggregate market penetration. The market penetration percentage is essentially equal in resident and tourist markets. On this basis, first year attendance would be 2.3 million at Almere.

At Ter Worm, we would adjust these penetrations downward to seven percent of the 150 kilometer resident market ring to reflect the low population density within a 50 kilometer radius of the site. We would lower the tourist penetration rate to 5 percent, reflecting its essentially pass-through character. Applying these penetration rates to estimated resident and tourist markets of 27.8 million and 5 million, respectively, yields a first year attendance of 2.2 million at Ter Worm.

By comparison, market penetration rates at two Dutch attractions, De Efteling and Beekse Bergen are estimated below:

De Efteling

<table>
<thead>
<tr>
<th>Market Category</th>
<th>Market Size (millions)</th>
<th>Attendance Estimated (millions)</th>
<th>Market Penetration (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident</td>
<td>24.0</td>
<td>1.435</td>
<td>6.0%</td>
</tr>
<tr>
<td>Tourist</td>
<td>5.0</td>
<td>0.254 1/</td>
<td>5.0</td>
</tr>
<tr>
<td>Total</td>
<td>29.0</td>
<td>1.689</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

1/ Tourism attendance is estimated at 15% of total attendance from a parking lot survey made by H. A. Price, September, 1982 (tourist attendance= 245,000).
Beekse Bergen

<table>
<thead>
<tr>
<th>Market Category</th>
<th>Market Size (millions)</th>
<th>Attendance Estimated (millions)</th>
<th>Market Penetration (percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident</td>
<td>24.0</td>
<td>1.192</td>
<td>5.0%</td>
</tr>
<tr>
<td>Tourist</td>
<td>5.0</td>
<td>0.136</td>
<td>2.7</td>
</tr>
<tr>
<td>Total</td>
<td>29.0</td>
<td>1.328</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

Other Considerations

There are several other factors which differentiate both of the projects under consideration from their competition and justify substantially higher attendance. Some of these factors are discussed in the following paragraphs.

The Role of Quality

Both of the proposed parks represent the potential for the development of a better attraction than currently exists in Europe. They are a higher investment alternative which, if properly executed, will generate higher levels of attendance, a longer average length of stay and, consequently, higher per capita visitor expenditures and higher total revenue. The following comparison is extreme but illustrative of the point.

<table>
<thead>
<tr>
<th>Item</th>
<th>Sea World San Diego</th>
<th>The Dolfinarium Harderwijk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Size (millions)</td>
<td>16.0</td>
<td>26.1</td>
</tr>
<tr>
<td>Investment ($ millions)</td>
<td>50.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Attendance (millions)</td>
<td>2.6 (growing from a 0.6 start)</td>
<td>0.4 (declining from a 1.0 peak)</td>
</tr>
</tbody>
</table>

1/ Tourist attendance is estimated at 10.3% of total attendance from a survey made by Harold Zandvliet in September, 1980 (tourist attendance = 136,000).
The parks under consideration must be the best in this market area to justify their existence and their economic feasibility. Otherwise leave it to the lower cost, low per capita, junk parks who, in some cases, will gradually upgrade to modern standards.

Cost of Parks

One indication of the quality of the proposed projects is their cost. Both projects represent total development costs in the neighborhood of US $100 million before WIR, a considerable investment by any measure and one that is substantially larger than any existing park in Europe.

Controlling Investment Size by Optimizing Park Size

We talked about park size and why small is beautiful. One of the most common errors in theme park development is making a park too big. You want to create comfortable crowds and a sense of action not an open forest. Disneyland contains 27 hectares inside the berm, Disney World 44 hectares. Tivoli is less than 12 hectares and on an average stay of under 3 hours handles some 5 million visitors annually in about 110 days. Also, keeping the size down allows for more intensive development of the project and hence a more exciting experience.

Required Continuing Reinvestment versus "Milking" the Start-up Investment

The financial plan of a new theme park should allow for reinvestment of at least 15% of the original investment in the first years of operation, say about 5% each for the start of the second, third and fourth year seasons, enough to add something important and keep interest high as the park gets established. This program must continue, although perhaps on a modified basis, indefinitely to maintain attendance and revenue levels. Parks that fail to reinvest adequately invariably suffer in the long term. Fortunately, both of the parks under consideration have recognized this need.
**Per Capita Expenditures**

In its 1982 consulting report to TDC, we recommended a per capita expenditure level of 36 guilders. The logic and support behind that recommendation are outlined as follows:

In our field visits in Belgium and Germany and Holland in major parks we found per capita expenditures in the range 20 to 25 guilders. The parks planned in Almere and Ter Worm represent a much larger investment, generate a longer average length of stay and hence greater per capita expenditures (the magnitude of per capita expenditures is almost invariably directly related to and influenced by average length of stay in our experience.)

Either of the parks discussed in this report will offer an excellent entertainment package and high quality food and merchandise. In the process they will generate higher than average per capita.

**Investment Versus Per Capita Expenditures**

The graph below illustrates a fundamental truth about how theme parks work. To simplify - the theme park costs more and it generates longer visiting time and greater expenditures than conventional amusement parks. When this is combined with the fact that, all things being equal, a larger park will draw more visitors, the effects on long-term profitability can be substantial.

![Graph showing the relationship between investment in millions of guilden and per capita revenue and attendance]
The conventional wisdom among many of the people interviewed is that per capita revenue of 22 guilders, the same as De Efteling, is appropriate for the two proposed parks. This is basically and totally an unfeasible model. Why would anyone invest millions in a park over and above De Efteling model if the per capita revenue is essentially the same and attendance only 25% higher?

The comparison of the present per capita numbers and a reasonable range of expectation given the level of investment, average length of stay and quality is as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>Existing Estimate</th>
<th>Low 2/</th>
<th>Probable</th>
<th>High 3/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gate and Entertainment</td>
<td>f 12</td>
<td>f 18</td>
<td>f 20</td>
<td>f 22</td>
</tr>
<tr>
<td>Food and Drinks</td>
<td>6</td>
<td>8</td>
<td>9</td>
<td>12</td>
</tr>
<tr>
<td>Merchandise</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>f 22</td>
<td>f 33</td>
<td>f 36</td>
<td>f 44</td>
</tr>
</tbody>
</table>

Thirty six guilders (US $13.58) is about 75% to 86% of the prevailing normal range in American theme parks of (42 to 48 guilders; US $16 to US $18). Average family income values within Holland are within 90% of US norms.

Floriade's management reports an average in-park per capita expenditure level in excess of 30 Dutch guilders in 1982 with a visitor distribution of about 75% Dutch residents, 25% tourists and residents from other countries. Exposition per capitas fall somewhat below major theme parks in our experience in these several world affairs and expositions:

<table>
<thead>
<tr>
<th>City</th>
<th>Year</th>
<th>City</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seattle</td>
<td>1962</td>
<td>San Antonio</td>
<td>1968</td>
</tr>
<tr>
<td>New York</td>
<td>1963/4</td>
<td>Spokane</td>
<td>1974</td>
</tr>
<tr>
<td>Montreal</td>
<td>1967</td>
<td>Knoxville</td>
<td>1982</td>
</tr>
</tbody>
</table>

Six Flags, a competent theme park operator, projects 41 guilders in its assessment of this market place.

---

1) Comparable to De Efteling.
2) Comparable to Phantasiailand.
3) Similar to Six Flags 1985 estimate.
Climate Factors

Harrison Price Company does not consider weather factors a major constraint on theme park operation in Holland except that it may modestly affect length of season for outdoor activities operating only in the spring, summer and fall. The several commercial attractions we have visited in Holland generate in total some 20 million visits indicating that people necessarily adjust to their specific environment. Weatherizing is an implicit design requirement - much as in Florida where 35 inches of rain fall in the 4 summer months. With good cover and shelter over walkways and with hot and cold air screens in exposed areas, the visitor can be made comfortable in inclement times, hot, cold or wet. The weather in Holland is a constraint, but not a determinant of economic feasibility.

THE COMPETITION

In terms of overall competition in the market area two types of present or potential impacts are observed. First, existing parks may have the potential to grow into long stay, higher investment, higher per capita generating themed parks. Second, two theme parks proposed in the market area at Ter Worm and Almere have different concepts and approaches which must be evaluated to determine relative market position.

Existing Parks

Within Holland, major parks operating as "the club of eleven" account for substantial attendance. They are:

<table>
<thead>
<tr>
<th>Attraction</th>
<th>Location</th>
<th>Estimated 1982 Attendance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. De Efteling</td>
<td>Kaatsheuvel</td>
<td>1.7</td>
</tr>
<tr>
<td>2. Beekse Bergen</td>
<td>Hilvarenbeek</td>
<td>1.3</td>
</tr>
<tr>
<td>3. Madurodam</td>
<td>'sGravenhage</td>
<td>1.1</td>
</tr>
<tr>
<td>4. Pony Park</td>
<td>Slagharen</td>
<td>1.0</td>
</tr>
<tr>
<td>5. Noorder Zoo</td>
<td>Emmeren</td>
<td>0.7</td>
</tr>
<tr>
<td>6. Duinrell</td>
<td>Wassenaar</td>
<td>0.7</td>
</tr>
<tr>
<td>7. Adventure Park</td>
<td>Hellendoorn</td>
<td>0.7</td>
</tr>
<tr>
<td>8. Flevohof</td>
<td>Beddinghuizen</td>
<td>0.6</td>
</tr>
<tr>
<td>9. Burgers Zoo</td>
<td>Arnhem</td>
<td>0.6</td>
</tr>
<tr>
<td>10. Evoluon</td>
<td>Eindhoven</td>
<td>0.4</td>
</tr>
<tr>
<td>11. Euromast</td>
<td>Rotterdam</td>
<td>0.4</td>
</tr>
<tr>
<td>12. Dolfinarium</td>
<td>Harderwijk</td>
<td>0.4</td>
</tr>
<tr>
<td>13. Autotron</td>
<td>Drunen</td>
<td>0.2</td>
</tr>
</tbody>
</table>
Of the above 13 attractions listed, 8 are special purpose (two zoos, a tower, auto museum, science museum, farm and botanical exhibit, dolphinarium and model city) and offer no direct competition to a theme park. Of the remaining five (1, 2, 4, 6, 7 above) only one evidences a serious thrust of a competitive nature.

De Efteling has in the last two years spent some 20 million guilders for major ride expansion and driven attendance up almost 50% in the period 1980 - 1982. Beekse Bergen installed a 7 million guilder IMAX theater but attendance went down. The site at Beekse Bergen is outstanding and the location optimum. A major investment - say $40 million US - could make that park a serious competitive factor. However it is municipal and unlikely to be given this role. Pony Park at Slagharen draws over a million to an old fashioned midway iron ride type park. No unusual investment activity has been or is likely to be made at Slagharen or the other parks in the above list.

German and Belgian parks of major scale are located in the market and include:

<table>
<thead>
<tr>
<th>Existing Foreign Parks</th>
<th>Location</th>
<th>Estimated 1982 Attendance (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Phantasialand</td>
<td>Bruhl, W. Germany</td>
<td>1.8</td>
</tr>
<tr>
<td>2. Walibi</td>
<td>Wavre, Belgium</td>
<td>1.1</td>
</tr>
<tr>
<td>3. Meli Park</td>
<td>Adenherke, Belgium</td>
<td>0.7</td>
</tr>
<tr>
<td>4. Bobbijaanland</td>
<td>Lichthart, Belgium</td>
<td>0.7</td>
</tr>
<tr>
<td>5. Holiday Park</td>
<td>Hatlock, Pfalz W. Germany</td>
<td>0.7</td>
</tr>
<tr>
<td>6. Boudewun Park</td>
<td>Brugge, Belgium</td>
<td>0.5</td>
</tr>
<tr>
<td>7. Traumland</td>
<td>Essen, W. Germany</td>
<td>0.5</td>
</tr>
</tbody>
</table>

These parks are all commercial ventures and in the aggregate they generate some seven million visits. However, for the most part, they are not in the same league of quality as Six Flags or other major North American operations.

The most serious competitor, Phantasialand, could readily mount a combative and competitive investment and development posture and its location relative to its market position in the heart of the Ruhr is superior to that of Ter Worm. It is our judgment that Phantasialand offers an excellent entertainment package and can successfully compete and hold its market share because of location and cost advantages. Its food service is outstanding and its merchandise operations are above average. In a dominantly German market place, Phantasialand has a better location
relative to its market and the best running start within the western European market place in building up the quality of its investment and the capacity of its operations.

Only one park, De Efteling, is a serious, potential competitor in the dominantly Dutch marketplace in a high investment, high per capita, long stay operating configuration and it has a long way to go in building up its operation and capacity.

Any new capital intensive operation will have to reckon with the expansibility of existing depreciated capital bases at these two parks. Field observations on these parks and others are enclosed as Appendix B.

**SUMMARY AND CONCLUSIONS**

A major theme park at Almere is well positioned in the Dutch marketplace. An initial attendance target of 2.3 million for a major project of high entertainment value and quality and excellent execution is reasonable.

De Efteling is presently the only park in Holland which has mustered the beginning of a competitive position to the concept of a high investment, long stay, high per capita generating park. Water Wonderland has a different thematic orientation and there is room for both.

In the South, 175 air kilometers away at Ter Worm, Six Flags deals with a larger but predominantly German market which is served quite competitively by existing operations. An initial attendance target of 2.2 million for the Ter Worm park is considered realistic. There is little question about high quality of execution and design with Six Flags management and we believe that this park would successfully establish itself in the marketplace.

Phantasiailand in particular can give Six Flags strong competition from its excellent location in the heart of the Ruhr and has the momentum quality and a depreciated cost base from which to do so.

For reasons outlined in this report climate is not considered a feasibility constraint in Holland at either Ter Worm or Almere assuming attention is given to weatheriz-
ing access and exposure areas. We concur with the Six Flags estimate of 130 to 140 day operating season.

For reasons outlined in this report we believe our prior 1982 projection of 36 Dutch guilders per capita expenditure for the Almere park to be a reasonable and realistic forecast. We believe it to be obtainable in the Dutch, German and Belgian marketplaces in either the Ter Worm or Almere projects.

The project planned in Almere is essentially a Dutch project. Its audience expectation is 80% resident and 20% tourist of which in total 63% is Dutch and 37% is foreign.

The project planned in Ter Worm depends primarily on German and Belgian attendance. (75% of the total estimated by Harrison Price Company; 76% of the total estimated by ERA in its feasibility analysis). The Almere project better serves the Dutch marketplace.

The theme articulated by sponsors of the Water Wonderland (the Dutch Fight against the sea and elements) directly deals with Dutch history and tradition. The Ter Worm project is silent on its theme - which is left to future planning. Therefore no comparison can be made. At Ter Worm a Dutch theme could be at cross purposes with a goal of audience generation in a park supported 3/4 by other populations. We believe the theme development of the project will likely be very much like the historical presentations in Six Flags over Mid America or Georgia.

Of the two park locations, the proposed project in Ter Worm would be more susceptible to the competitive influences of a comparable project located in Germany. This is because nearly 50% of the resident market in Ter Worm is German and all things being equal would have a higher propensity to attend a park located in Germany. A new major project in France — Paris, for example, would have only a nominal effect on Ter Worm and less on Almere unless it were a Paris Disneyland in which case it would affect any major park. Such a development is unlikely in the foreseeable future.
Appendix A

Resumes of

Harrison A. Price
and
William E. Ketchum
Harrison A. Price
President

Education:
BS, California Institute of Technology, 1942
Graduate work, civil engineering, University of Michigan, 1944
MBA, Stanford University, 1951; first in class of 200+
Registered Professional Engineer

Related Work Experience:
1951-1953 Stanford Research Institute, Los Angeles, California
Research Economist
1953-1956 Stanford Research Institute, Los Angeles, California
Manager, Southern California Division
1956-1958 Harvey Aluminum, Milan, Tennessee
General Manager, Defense Plants Division
Founder/President
1973-1976 Planning Research Corporation, Los Angeles, California
Senior Vice President
Senior Vice President, Marketing
Chairman
1978- Harrison Price Company, Los Angeles, California
President

CORPORATE DIRECTORSHIPS:
1967-1971 Scope Industries, Los Angeles, California
1968-1972 American Nucleonics, Glendale, California
1973-1978 Planning Research Corporation, Los Angeles, California
1976-1979 McCulloch Oil Corporation, Los Angeles, California
1979- The Bekins Company, Glendale, California
1980- Electronic Scales International, San Gabriel, California
1980- Greatwest Hospitals, Inc., Orange, California
1981- Great Lakes Properties, Inc., Torrance, California

CIVIC AND CULTURAL TRUSTEESHIPS:
1972-1975 Los Angeles Performing Arts Council
1964-1978 Southern California Choral Music Association
1960-1963 Chouinard Art School
1961-1963 Los Angeles Conservatory of Music
1961- California Institute of the Arts
1980- Mayor Bradley's Committee on African Economic
      Trade Development
1980- Los Angeles County Economic Development Council
William E. Ketchum

Education: BA, economics and political science.

Related Work Experience:

<table>
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<tr>
<th>Date</th>
<th>Position and Company</th>
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<tr>
<td>1/67 - 5/70</td>
<td>U.S. Army Officer</td>
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<tr>
<td>1/72 - 12/76</td>
<td>Economics Research Associates, Los Angeles, Senior Associate</td>
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<td>4/76 - 5/79</td>
<td>Ringling Bros.-Barnum &amp; Bailey Circus World, Inc., Orlando, Florida (Mattel, Inc), President and General Manager</td>
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<td>6/79 - 8/79</td>
<td>Pet/All, Inc. (Mattel, Inc), Los Angeles, Vice President-Operations</td>
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<td>9/79 - 7/80</td>
<td>Harrison Price Company</td>
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<td>7/80 - 8/81</td>
<td>Cerveceria Cuauhtemoc, Monterrey, Mexico, Director Recreation Attractions</td>
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<td>3/82 - Present</td>
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Background:

Mr. Ketchum’s background bridges management and consulting skills in the field of commercial and recreation entertainment. In the consulting area, it encompasses leisure time and real estate economics with emphasis on operational planning in recreational projects. He has carried out studies throughout the world for both public and private sector clients. Typical assignments have included: evaluation of Six Flags, Inc., management and assets as part of a refinancing program; conceptualization and economic feasibility of a major entertainment complex in Kuwait; economic master planning of recreation complexes in Spain and Mexico; development of a strategic business plan for a restaurant chain; evaluation of various acquisitions, mergers and joint ventures; and numerous studies of project economics for retail centers, resort areas, office buildings, and residential developments.

He is actively involved in design and operations consulting for existing and developing theme parks. This involvement includes assistance in the development of entertainment concepts and site plans; preparation and analysis of preopening, development, and operating budgets; and the preparation of preopening operating programs, including staffing requirements and recruitment strategies. For Mattel, Inc., Mr. Ketchum served as the President of an existing theme attraction where he successfully reduced operating expenses, enhanced the facility’s entertainment content and marketing effectiveness, and improved the financial performance.

In the field of real estate economics, Mr. Ketchum has evaluated tourism and resort development potentials in Spain, Tunisia, and Italy, as well as in California, Arizona, New Mexico, Florida, Washington and New Hampshire. He has also analyzed the financial feasibility and detailed financial plans of many large development projects, both in the United States and abroad.
NOTES ON VISIT TO PHANTASIALAND
AND MEETING WITH
MR. GOTTLIEB LOFFELMART, OWNER
APRIL 12, 1983

Phantasialand (1966)

- 28 hectare theme park opened in 1966. Entertainment capacity is estimated at 18,000-20,000 units. Theming is much more developed and thought out than any park in Europe with the possible exceptions of Tivoli del Sol and Europapark. Compares quite favorably with US parks.
- 1982 Attendance: 1,800,000.
- 75 percent of visitors live within 150 kilometers of the park and the same percentage are German.
- Average length of stay: about five hours (appeared slightly shorter).
- Estimated Per Capita Revenue:
  
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<tr>
<td>Admissions</td>
<td>12 DM</td>
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<tr>
<td>Food and Beverage</td>
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<td>Merchandise</td>
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<td>Hourly Expenditure</td>
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- Good Variety of standard theme park rides and attractions. All are well maintained. Quality of rides, attractions and shops has improved over the years.
- Dark rides and audio animatronic shows are well done but less technically sophisticated and realistic than the more recent additions at Six Flags parks (Texas Longhorn Review, for example) or anything done at Disney.
- The food operation is all concessionaire operated. The variety is exceptional and all is high quality. Phantasialand is a world class operation in the area. Bulk of visitors tend toward lower priced fast food, but full service restaurants do a good business.
- Merchandise operation is well run with good displays and merchandising techniques.
- In summary, Phantasialand is very well managed and is quite capable of competing effectively and maintaining its market share against anyone.
NOTES ON VISIT TO
SLAGHAREN PONY PARK AND MEETING WITH
MR. BEN BOOM, OWNER
APRIL 9, 1983

- Iron ride amusement park with midway arrangement connecting old and new portions. Includes 400 bungalows which were the original basis in 1963.
- +/- 28 rides, 3 shows, pool. Most rides are used carnival rides.
- Averages about 1.0 million visitors annually.
- Admission:
  
<table>
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<tr>
<th>Adult</th>
<th>f 9.00</th>
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<tbody>
<tr>
<td>Child</td>
<td>7.50</td>
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- Per Capita estimated at f 16-18.
- Fairly high percentage of German visitors (15-20%). Visitors tend to be lower working class.
- Unattractive looking food, games and merchandise operations for a large permanent park. Product, quality and presentation is more consistent with travelling carnival/fair.
- Dirty.
- Many people bring their own food. Park rents lockers and tables.
- Because of its location, quality and market orientation, this project is irrelevant to either the Ter Worm or Almere projects.
The park has an optimum market centered location at Kaatskeuvel.

It is a gorgeous big site with beautiful gardens and landscaping in abundance and profusion and four lakes.

The park is underdeveloped. The site is readily expandable. With two new rides (the Swing and the Python) costing 8.5 million guilders, attendance jumped from 1.287 million to 1.700 million (incremental revenue equal or greater than the investment). This tells much about this park (and the market place).

The park is outstandingly clean. Its feeding operations are above average; merchandising effort is nominal.

It is too much involved in static presentations with fairytale themes lacking in audioanimatronic development. In contrast, the ghosthaus shows talent in this field. It is the best ride of its kind in the market.

There is thematic confusion in the present expansion—the park has a great tradition which should be built on.

The park with its four lakes has great potential for water ride and attraction development. The present swimming pool area is an underdevelopment. The only thematic exploitation on this area is a bucolic water ride which benefits from the beauty of the grounds.

The park is taking a strong position in the youth market with its two big, high-quality rides. The Python rollercoaster is the best ride of its kind in the marketplace. The Great Swing is well done and a big draw. Ready for this season is a 12-million-guilder white water rapids ride. It is the best of its kind in this market.

The transportation system is weak—the train ride does not fulfill a transportation function.

Nighttime party operation could be offered for company and institutional gatherings. Needed—a profusion of lighting, sound, music, and entertainment.

This historic enterprise was riding on its momentum, but now it has a new energy. It could become a great theme park, yet needs to continue to make major reinvestment commitments. It has great potential for higher attendance and higher per capita generation if aggressively developed.
BEEKSE BERGEN RECREATION PARK

- The park is well located and centered in the market at Hilvaranbeek. It generates 750,000 attendance in the recreation park and 750,000 in the safari zoo.

- The site is huge and beautiful, containing a several-hundred-acre inland recreation lake with white sand beaches. It is expandable to a great degree.

- It is a clean park. Maintenance, paint, finish and detail are excellent.

- The theme is water sports. It has a limited number of attractions.

- It evidences good food and merchandising.

- It has a fine transportation system with an elephant train and gondola systems moving visitors over large distances.

- It needs music and entertainment.

- It could utilize a $5 million Wet N' Wild slide and wave addition.

- It has a camping area. It has room for a sporthaus center concept like Het Vennenbos at Hapert which would combine well with the lake sports area.

- The operator has attempted to plant his flag by building the best "ride" within the resident market area—a 6.8 million guilder IMAX theater—a must to see. However, the rest of the operation is conceptually weak and this fine improvement was met with an attendance drop. The park needs major investment, like US $30 to $40 million, to get anywhere. And this is unlikely under its municipal ownership.
BOBBEJAANLAND

- This park is located remotely at Lichtaart south of Turnhout. It gets 700,000 attendance with not the best access.
- It is located in a big, handsome, water-oriented site, expandable—well run, clean, well painted, well maintained, good detailing.
- It is themed extensively western (with lots of western facade in Knott's Berry Farm style). Country music is everywhere.
- It has three theaters—one big extravaganza revue type show which is well done and well received.
- It has 30 attractions including a space flight simulator and all are working—good stores and good restaurants. The park features the mechanical bull for rough riding.
- It has an excellent monorail transportation system circling the park.
- It has potential for craft development in the merchandise area—wood, leather, metal, ceramics, etc. It would fit in with its western street in the manner of Silver Dollar City and Spillikin's Corner at Magic Mountain in Los Angeles.
- It is a better than average execution in this market place but difficult to expand its present level perhaps because it already is what it is.
- It ought to have nighttime action, but its remote access works against this.
This park generates 1.1 million attendance at Wavre southeast of Brussels.

It is a dirty park in a large, ugly, poorly landscaped site. It contains two large lake areas devoid of landscaping.

It has no transportation system.

Many rides were not working—it seems to be a collection of old used rides for the most part—poorly maintained.

The park is poorly detailed and finished; for example, a shoddy entry to a fine computer show typical of the slipshod presentation.

It offers cheap merchandise and poor quality food, the worst encountered.

It offers 27 listed rides—tornado, parachute jump—the best is a 300-foot great ferris wheel. It has a weak wild river ride. Several coasters—the best is a back and forth loop called Sirroco.

It offers a tent cinemax and a poor dolphin set up and the worst dark ride around—an expensive water conveyed dark ride version of Disney's Pirates of the Caribbean, which is noisy, poortly done, pointless.

It has a good laser show sponsored by Coca Cola.

The site is expandable but management is obviously a limitation and the park is going nowhere but down unless they shake it up. Under new ownership and with capital infusion it could keep a piece of the market.

Promotion is fine (it is frequently written up in park literature), but the product is poor.
THE PIER AT SCHLEVENINGEN

- Attendance averages slightly over 500,000.
- A miserable, run down tourist trap which nevertheless generates a large amount of attendance (it is the ocean which draws).
- The only lesson from this operation is that any good nearby recreation enterprise should drive it out of business. Some parks in this market place are able and ready to improve product, expand format and theme development. In fact one is in the process of doing so. The market place will respond to that transition. Those who can aggressively improve should dominate more than ever. The weaker parks like this one should and will weaken more.