

Building a Movie Entertainment Empire

Cinergy Expands Brand Outside of Texas & Looks for Further Growth

by Matt Harding

They just opened their fifth location — and first outside of Texas in Tulsa, Okla., and the Dallas-based Cinergy Entertainment has no intent on stopping there, planning to put down roots in the Kansas City area and other markets around the country sooner than later.

For husband and wife duo Jeff and Jamie Benson, life in the entertainment biz launched with a loan approval in June 1998 while they were on their honeymoon. Jeff started working with Deloitte six years earlier, completed an audit on new client Silver Cinemas and fell in love with the movie business.

Despite that love, when the Bensons began their married life together by opening a six-screen movie house in Granbury (outside of Ft. Worth) – Driftwood Theater – people quizzically asked, “You’re doing what?” After all, it’s not every day that people leave the security of a comfy Big Four accounting job for the unknowns of being small-town movie theater operators.

But that’s where the Bensons identified a market need, raised capital from friends and family, and started screening.

The growth happened fairly quickly, as Benson said he opened another Driftwood and founded Movie Tavern, a dine-in chain, within the first two years. Jeff was operating six theaters by 2004, when he was introduced to Lee



Jeff Benson



Grand indeed! Pictured at the Tulsa location’s opening celebration are Jeff and Jamie Benson along with sons Troy (15) and Braden (13), Jeff’s mom Jeri, his brother Brad (mostly hidden behind Jeri) and Brad’s partner Jordan Heckley.

Roy Mitchell of Cinemark. The next year, they’d partner together on building more Movie Taverns.

When he sold the chain in 2008, it was a \$50 million business with around 100 screens and a dozen locations in six states.

“I think it was the best thing that happened because it allowed us

to start over completely fresh,” Benson said. The dine-in concept was fairly new and innovative when the Bensons started Movie Tavern, and as luck would have it, they’d happen upon an even more modern idea with Cinergy in 2008: the movie entertainment center.

“I kind of stumbled into it because my building was too big,” Benson said



Cinergy Tulsa opened in April. Another location is planned in Kansas City for next year.



Movies make up about 15 percent of revenue at Cinergy, Benson told *RePlay*. (The staff of the magazine first heard Benson's interesting story during his presentation at an F2FEC program.)

of the first Cinergy location in Copperas Cove, a pre-existing space with eight theater screens. "I've got to do something with this extra room," he thought "Why don't we see what we can do entertainment-wise to fill this up?"

He enlisted the help of Neil Hupfauer, who previously co-founded Main Event Entertainment, as his consultant (Neil would later act as Cinergy's president and COO), and also hired on some former Dave & Buster's employees.

"I was a movie theater guy who knew about the restaurant business but didn't so much know the family entertainment business," Benson noted.

"Now unbeknownst to me, I was in the entertainment center business."

With the great help of his new team, that first location got a sizable game room and laser tag, and was the basis for the concept as it grew to locations in Midland, Odessa, Amarillo and now Tulsa.

Each location is different from the others, but the same at its core – varied fun center attractions, state-of-the-art movie screening rooms and top-notch food.

On the attractions side of things, a typical Cinergy arcade has 100-110 games – 70 percent of which are redemption units. Most of the remaining ones are video games, and the rest is



Bowling and movies are the anchor attractions at the locations, but Benson said his game rooms could compete with the best of them.

made up of merchandisers, pinball machines and photo booths. A 1,000-sq.-ft. prize store with merchandise from BMI is also a part of their game rooms.

The Giant Taj Mahal crane from Smart Industries is a top game, as is Elaut's *Wizard of Oz* and other pushers. Hologate VR, *Halo*, *Stinky Feet* and oversized *Galaga* and *Pac-Man* games are among other favorites.

"The grander pieces are what everyone wants to play," Benson said.

"Something you can't do at home."

Something else you can't do at home is bowling, now a fixture at Cinergy with between 14-18 lanes at locations.

They worked with QubicaAMF on installing *HyperBowling* at the new Tulsa location and added some lanes in Amarillo, too. It's a new set of bowling games designed around a bumper system that's meant to be used as part of the game. And it's something that'll be in locations moving forward. "I'm typically seeing lanes where we have that installed being used the most," he said.

Other attractions at certain locations: a ropes course over the top of the game room in Odessa and Amarillo; billiards; air hockey; escape rooms in Midland, Amarillo and Tulsa; laser tag; Triotech's *XD Theater* in multiple locations; and axe throwing.

With all they're offering, Benson said 90,000-sq.-ft. locations will be as small as they go moving forward. "We feel like that's about as small as we make it." Laser tag isn't a part of their plan for the future, but axe throwing is. Benson cited the desire for more "analogue" attractions to compliment the digital. More virtual reality offerings are planned as well.

"Our two anchor attractions are obviously the movies and bowling," Benson noted. "Although when you've got a game room the size of a Dave & Buster's, it becomes a draw in itself.

"It's kind of the synergy of everything together," he said, borrowing a familiar name.

While revenue varies by location, it's food and beverage heavy at around 45 percent. Movies make up about 15



Hologate VR is a popular attraction at Cinergy facilities.



Air hockey and a slew of other attractions are available at Cinergy, which Benson described as “all things to everybody.”

percent while the rest comes from the other attractions.

“Because of my Movie Tavern background, we seized on the opportunity to start selling food,” Benson explained. Cinergy hired their COO Darek Heath in 2018, who has a wealth of dine-in theater experience, having previously worked with Studio Movie Grill. They also have a corporate chef on staff to keep up the high-quality food and beverage standards.

With such an array of entertainment and food options, Cinergy doesn’t have much in the way of competition, Benson said.

“We really don’t have much competition in terms of FECs, which is why we’ve located where we have,” he explained. “There are big movie chains, but they’re just typical movie theaters.



Benson said *Halo* and *Stinky Feet* are among the most popular games.

“We’re really in a different kind of market. We’re sort of all things to everybody.”

And when you’re all things to everybody, there’s a desire to continue expanding – bringing the concept to families from Philadelphia to Arizona and “everywhere in between.”

Benson said the company is looking at deals in the Midwest, Florida and

elsewhere, but has only confirmed its Kansas City (technically Mission, Kan.) location, set to open in summer 2020. Aside from Copperas Cove and Tulsa, they’ve all been new builds, something that’ll be continued into the future.

“We’re looking nationwide at adding about three locations a year,” he said.

While Benson said there could be a point where the

market would get oversaturated by FECs and businesses similar to his concept, he’s optimistic that the strong will survive in what he thinks is the true golden era for arcades.

“I think we’re in the glory days in the arcade business now,” he said. “The games are stunning.”

Visit www.cinergy.com to learn more about the company. R



Virtual Rabbids is another VR attraction popular at Cinergy.



With pinball and *Pac-Man* and *Space Invaders* on the big screen, Cinergy offers a lot of old-school fun with the latest technology.