

The background of the slide features a scenic view of a sunset or sunrise over a body of water. The sky is a mix of soft yellow, green, and blue, with a large, dark rock formation or island visible in the distance. The water in the foreground is a deep blue, reflecting the colors of the sky.

2012 SEA Leadership Conference

CEO Jim Atchison
May 1, 2012

Name That Park



Went into year with concerns about the park's relative place in the market vs other attractions

Has a key nearby market that is critical to the success of the park

Introduced some key new attractions to drive demand and build awareness

“World of mouth” at 42% is the highest source of awareness noted by guests

Increased the marketing budget by 22% and found new advertising and PR agencies to help make noise

Drove a 95% combined “good and excellent” guest satisfaction rating last year

Struggled to meet operational demands of summer crowds: inadequate signage, poor parking, not enough bathrooms, long food lines, constant show closures

Culinary costs sales: 28.1%, Merchandise cost sales: 49.1%

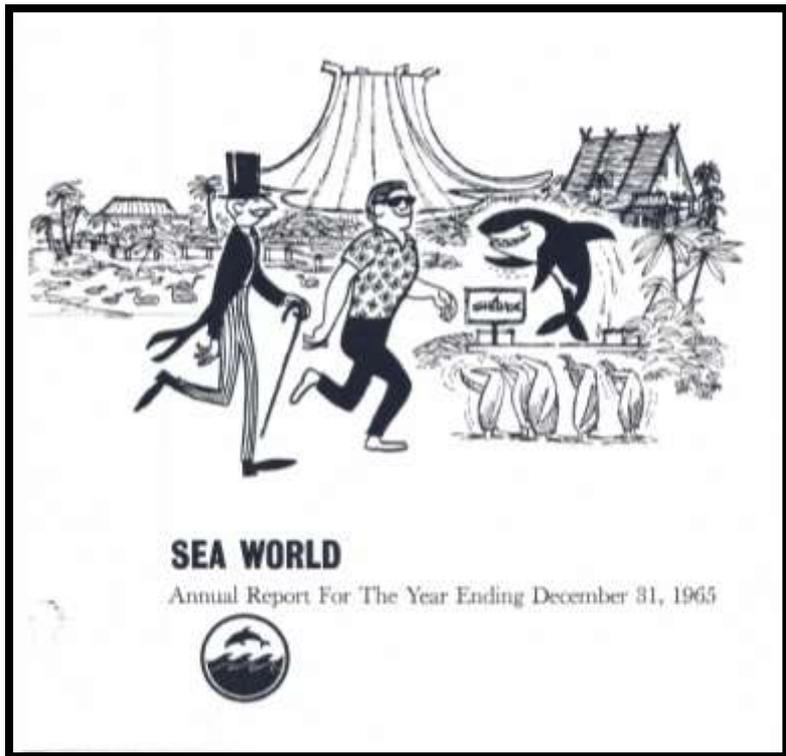
Introduced major attraction but difficulties getting it to perform as planned

Is in the midst of the largest 2-year attraction investment cycle ever

Produced a 34% EBITDA margin



SeaWorld San Diego



Dear Stockholder:

1965 was a memorable year for Sea World. We entered 1965 with some serious doubts; doubts about our relative position in the outdoor entertainment field in Southern California, and doubts of our own abilities to operate a park successfully and profitably.

During the first four months of the year, however, the staff of Sea World labored diligently to overcome these problems. Improvements were made in management techniques, and in the entertainment quality of our shows,

Perhaps the most significant event of 1965 was the leasing, and transportation to Sea World, of Shamu...the killer whale. This animal, the only one of its species on display in the world, has brought much publicity to our institution, and I am sure, when properly trained will add greatly to our image as the finest Oceanarium in the world.

Marketing = Attendance?

The marketing program was strengthened by moving to a new advertising agency, the J. Walter Thompson Company, and by hiring a public relations firm. Changes were made in our over-all marketing program, and the total budget was increased by \$50,000.

Despite a heavy Marketing budget, 42 per cent of our patrons listed "word of mouth" as their reason for visiting Sea World.

60 per cent of our yearly attendance occurred between June 15 and September 15; a trend that we believe will continue for a number of years and one that created a problem in the peak months of overcrowding in the park.

Attendance depends heavily on weather and the amount of out-of-county tourists in the area.

For example, complaints which we received about our operation were heaviest on days when attendance rose above 5,000.

Final Thoughts From Yesteryear



Progress and change was the order of the day throughout the summer and winter of 1965.

Sea World management firmly believes that many major institutions of this country, keenly aware of the potential in the Oceanographic Sciences, and anxious to associate their Corporate name therewith, will someday defer much of the capital improvement costs here at Sea World.

The Sea World Board of Directors and its active management believe that the time has come to begin establishing corporate goals and develop long-term financial plans.

In the final analysis, how profitably, how quickly, and in what direction we grow, is entirely dependent on attendance, and the generation of such is your Board and Management's constant endeavor.

