

Making a Splash!



Splash Lagoon water park and hotel looks to its AEM-designed arcade operation for big profits

It may have been well below freezing outside, but you would have never known it by attending the grand opening of the Splash Lagoon water park and hotel complex on Feb. 28, 2003 in Erie, Pa. In fact, the event saw state senators, the town mayor, other dignitaries, and thousands of guests being introduced to a massive indoor tropical environment in the middle of Pennsylvania's blizzard country.

Indoor walkways connect the 77,000sq.-ft. Splash Lagoon facility with three hotels (273 suites) plus additional attractions such as a 3,500-sq.-ft. laser tag arena, Surf Shop, private Polynesian party rooms, Island Oasis Bar, tanning salons, and much more. Nobody cares if it's snowing outside, because the entire complex is 100% indoors with a six-and-a-half-story open structure whose temperature is maintained at a balmy 86 degrees year-round. The park itself comprises 2.5 million cubic feet of indoor space with 400,000 gallons of water flowing through everything from giant Cyclone slides for the kids to the Paradise Cove mega Jacuzzi for adults, to name just two of Splash Lagoon's many aquatic attractions.

If you think that's staggering, consider this. Four months before the ribbon cutting of this gigantic project, the site's developers presented a unique challenge to amusement industry veteran Frank Seninsky. His task would be to revamp the resort's planned million-dollar arcade component, bringing it up to the level of the rest of this dazzling facility - even though the basic location and most game components of the arcade were already set and construction was well under way.

It was quite a challenge. Yet within this shortened time frame - and some budget constraints - Seninsky and his Amusement Entertainment Management team made a significant contribution. Bringing decades of industry experience to bear, Seninsky and the AEM team helped ensure that the Treasure Island Family Game Arcade will become a success worthy of the vision that Splash Lagoon's developer had for their project.

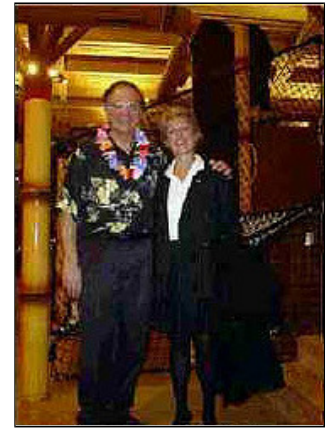


Frank Seninsky, AEM president, with the Scott Enterprise Splash Lagoon Management Team: Nick Scott, Sr., president; Chris Scott, vice president; Bob Banks, project manager; Alison Scott, marketing director; Nick Scott, Jr., vice president; and Rick Coleman, operations manager.

The developer of this "oasis in Erie" is family-owned Scott Enterprises, run by president Nick Scott Senior, vice president Nick Scott Junior, and vice president Chris Scott. The Scott family has a long-established track record of excellence. Their award-winning commercial properties include 20 hotels and restaurants in the region, including Marriott Residence Inn, Courtyard Marriott, Holiday Inn Express, Applebee's, Valentino's, Damon's, Comfort Inn, Days Inn, Ambassador Banquet & Conference Center, Quaker Steak & Lube (with dozens of different choices of chicken wings), and several others.

Plans called for Splash Lagoon to be linked to three Scott Enterprises hotels at the intersection of two of Pennsylvania's major highways. In total, the \$18.5 million park plus associated hotels would be the company's most ambitious project yet at a combined capital budget of \$45 million.

The Scotts were first introduced to Seninsky at an industry seminar, where he was the featured speaker. As president of Amusement Entertainment Management, Seninsky and his team have overseen the design, development, and execution of leading game rooms and entertainment centers in conjunction with the world's largest casinos, theme parks, and destination resorts.



Scott Enterprises president Nick Scott, Sr., with Pennsylvania Sen. Jane Earl.



A key component of Splash Lagoon was planned to be the Treasure Island Family Game Arcade - a \$1.25 million, 6,500-sq.-ft. facility on the main mezzanine of the water park complex, offering 110 games ranging from video and redemption to sports and novelty pieces, motion simulators, interactive dance novelties, and more. As the opening deadline approached, the Scotts realized that Seninsky and AEM offered the expertise they needed. Yet by the time AEM was brought in for consulting, the arcade's walls were already constructed and the games had been selected (with solid input from amusement industry professionals Jim Wittler and Lou Larson at Betson Distributing in nearby Pittsburgh).

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"We were a unique project for an arcade consultant because by the time we brought in AEM, we had so many elements in place already," said Scott Enterprises' Rick Coleman, whose leading role in supervising the execution of Splash Lagoon far exceeds the responsibilities implied by his titles (general manager of the company's Courtyard Marriott and operations manager of Scott Enterprises). Coleman continued, "Despite the late date, Frank didn't sit there wishing for things that weren't possible. He aggressively jumped in and found creative ways to maximize the assets we had. He made some great decisions that we were not thinking of, and he has exceeded all expectations."

Added Scott Enterprises president Nick Scott, Sr., "By the time AEM came aboard, we had already planned our arcade site. But Frank tweaked it in many creative ways. He changed the entire layout, revamped much of the feeling and appearance, set up the crucial redemption component, and helped us create an atmosphere with games, lighting, and theming that we think makes our arcade a great amenity that really adds to the entire resort."

Seninsky vividly remembers his baptism by fire at Splash Lagoon. "When I arrived the arcade was well under construction," he said. "I usually like to get involved earlier, but the Scotts and Rick Coleman are total professionals who have just one standard: total excellence. So they were very accommodating and enthusiastic when I made suggestions."

Working in tandem with Coleman, AEM began with an extensive physical remake of the arcade's physical plant: moving doors, changing colors, revamping the interior and exterior decor, and even reconfiguring the electrical grid layout.

"I got rid of many thousands of dollars' worth of ceiling fixtures and opened up the previously 8-ft., 3-in.-high room to one with a 13-ft. ceiling, making it easy for the arcade to operate basketballs, Skee-Balls, and other sports games,"

explained Frank. "Scott Enterprises was able to use the remaining decorative material elsewhere in their other facilities, so not a penny was wasted! AEM also suggested changing a few games and adding about 10% more games from the list that had been initially chosen. Lou Larson and Jim Wittler of Betson Pittsburgh Distributing had done an excellent job, and AEM simply took things to the next logical step in that department. There is both an art and a science to game grouping and physical layout that can only be done efficiently on site, and even then it's a constantly-evolving process as revenue data is collected over the first sixty days of operation."



Under the direction of AEM partner Joe Camarota (also COO of Alpha-Omega Amusements), the company's merchandise department, parts department and service department went into high gear to help design and supply everything from logo tokens and tickets to display materials, instruction signs, game settings, technical tips, organizing techniques and more. "We worked closely with Frank, Joe and several people on the AEM team," said Rick Coleman. "They were, and remain, 100% responsive. If I ask a question, I get an answer back by phone in an hour or reply to an email within a day."

Splash Lagoon creates a tropical paradise environment from the oversized electric palm trees at the entry to the indoor decor, including leaf print carpet, bamboo fencing on walls, South Pacific native masks and flutes and beads, rattan furniture, etc. Treasure Island Family Game Arcade supports this theming with a pirate mural and a prop treasure chest overflowing with loot. Suspended from the arcade's ceiling is a hammock with plush and prizes. The arcade has an open grid ceiling; black light and indirect floodlights provide illumination. Acoustical carpet lines the walls from the floor to a height of six feet; the upper wall is painted aquamarine. Outside the arcade are four high electric palm trees standing up to 17 feet high with animated lighting.

Next, Seninsky and AEM designed the arcade's redemption center including such crucial choices as size, prize counter concept and positioning, and the redemption zone's location and theming within the general arcade floor plan and visual scheme. Seninsky is known for expertise in redemption percentaging, entertainment value balancing, merchandise selection and point pricing, plus ticket valuation principles - as well as their complex mathematical interrelationships. Accordingly, he applied his advanced formulas to Treasure Island's needs, then integrated the results with the deployment of a debit card system from Ideal Software and helped tie it in to the overall accounting and marketing departments.



The Tiki Bucket atop the Tiki Tree House dumps 1,000 gallons of water (lukewarm, of course) on the eagerly awaiting children.

"The engineers from Ideal Software Systems spent lots of time with Seninsky and AEM personnel to synchronize unit credits, discount packages and debit card usage strategy for the entire Treasure Island Arcade. "Redemption can be fantastically profitable if it's done correctly, but its success stands or falls on hundreds of tiny incremental decisions and policies," said Seninsky. "One of AEM's key services is to get all those decisions and policies right so that a fun center realizes the full potential of this `entertainment shopping' retail business."

From there, AEM got involved even more deeply with finalizing Treasure Island's overall strategic plan. "We consulted with every manager of every element of the entire Splash Lagoon complex," he elaborated. "That ranges from hotel and restaurant managers to financial, security, and marketing professionals. Our goal was to help create a comprehensive marketing package for Treasure Island Family Game Arcade that would truly promote the fun center and maximize its revenues. We advised Splash Lagoon and its associated hotels on different value packages to offer, how to tie the arcade in with the laser tag arena and the different restaurants inside and outside the complex. That runs all the way from helping conceptualize techniques to maximize arcade revenues on a revenue-per-occupied-room basis with the associated hotels and on a per-capita basis from day passes and walk-in traffic, to designing custom redemption merchandise featuring the local fish that figures so prominently in Splash Lagoon's logos!"

Seninsky and the AEM team say they are immensely proud of their role in the final results of the Treasure Island Family Game Arcade. "The entire Scott team understood this and eagerly embraced the goal of making the arcade an integral part of the entire Splash Lagoon concept ... not an add-on or an afterthought," concluded Frank. "And I must say that Rick Coleman was with us every step of the way. Thanks to great teamwork, we accomplished it in record time. I believe the Treasure Island Arcade is realizing the vision the Scotts, Rick, and AEM had for it."

The Splash Lagoon water park is exceeding the Scotts Enterprises' goals for attendance as an outstanding tourist destination attraction. It is unique to this part of Pennsylvania and is also a compelling draw to visitors from hundreds of miles around. In addition, water park industry professionals are already studying Splash Lagoon's success to see how they can adapt its principles to their own future projects. As for the Treasure Island Family Game Arcade, it's performing quite well by all accounts, with profitability and attendance starting strongly and growing steadily. A confident Seninsky believes the arcade will eventually prove to be the entire complex's greatest performer per square foot.

Rick Coleman, meanwhile, confirms that Scott Enterprises is thrilled with its partnership with AEM. "Frank Seninsky truly cares about the success of each project. He's been on site multiple times and consistently seeks ways to generate higher revenue, bring in more customers, and improve the overall performance and quality of the site and the experience it offers. Now that we're up and running, Frank remains closely involved: he reviews the performance and earnings of individual pieces weekly, and I'm in touch with him and his team once or twice per week. He's a true professional and a pleasure to work with."

For further information about this unique project, check out the AEM website www.AEMLLC.com or go directly to www.splashlagoon.com.