

Dear Industry Leaders:

Attached please find the new Fact Sheet for Florida's Film, Entertainment and Digital Media Industries.

The groups below represent the majority of Florida's workers and businesses and have worked together to create a unified message to help you protect and build our state's industry.

READ THIS INFORMATION. LEARN IT. Then deliver it to your local legislator (state senator, representative, or candidate.) PERSONALIZE IT with your own story about why this industry is vital to you and your family, as well as our state.

Learn when your county delegation meets and ATTEND –SPEAK OUT ABOUT YOUR NEEDS!

You'll notice there isn't a specific 'ask' yet in this material. We are still working with legislators and the Governor's office to determine the specifics of what legislation needs to be created, including the amount and type of the incentive. When that's decided, we'll issue an updated Fact Sheet with that info. But we can't wait to deliver this message to our legislators:

OUR INDUSTRY IS A PROVEN REVENUE-ATTRACTOR; ONE THAT CAN AND SHOULD BE A PART OF ANY STIMULUS PLAN TO BRING FLORIDA OUT OF ITS ECONOMIC DECLINE.

Let's all start delivering this message now. Today. Before the election as well as after.

Between now and the election, volunteer for phone banks and knock on doors for legislators running for office, being sure to let them know you are a proud worker in Florida's film, entertainment or digital media industries. The attached material will help you prove to them our industry's importance to Florida, so they can see it as part of the SOLUTION to Florida's economic problems.

If there wasn't a huge economic upside to our industry, 39 other states wouldn't be fighting for that business by offering incentives to attract it to their states. Even the federal government has shown its commitment by improving the American Jobs Creation Act this year, which will help stem the tide of films to other countries.

Florida has been the #3 production state for most of the last 100 years, but we are losing valuable opportunities, businesses, workers and well-educated graduates each and every day to other states, sending away one of the most desired, green and economically lucrative industries to eager destinations beyond our state's borders.

The attached information should help you prove Florida's Film, Entertainment and Digital Media industry is able to attract hundreds of millions of dollars in new spending from outside the state quickly, even in a down market, while creating even more dollars by attracting tourists with the films, TV shows and digital media products created here. **Let's all work together to deliver this message: Our industry and our incentive program can be part of the solution for revitalizing Florida's economy!**

Kind regards,

Graham Winick, President, Film Florida



Brad Fuller, President, Florida Alliance of Media and Entertainment (FAME)



Judson French, Executive Director, Digital Media Alliance Florida (DMAF)

Katrinka VanDeventer, President, Women in Film & Television Florida (WIFT-FL)



Art Smith, Jr., Executive Vice-President, Florida Cast & Crew Association (FCCA)



María Chavez, President, Florida Film Production Coalition (FFPC)





www.filmflorida.org

FLORIDA'S FILM, TV & DIGITAL MEDIA INDUSTRY, A SOLUTION TO REVITALIZING FLORIDA'S ECONOMY

The Film & Entertainment Industry in Florida- Statewide Economic and Fiscal Impact

The Film and Entertainment Industry is important to the Florida economy as a major driver of employment and personal income, attracting revenue from other states and countries to be spent locally on wages and film production services. When a major studio shoots a big budget film on location it can inject, according to the Motion Picture Association of America (MPAA), as much as \$225,000 per day into the location's economy.

The Florida Film & Entertainment Industry:

- Forecasted to grow faster than other targeted industry clusters within the state of Florida.
- Estimated economic impact grew from nearly \$27 billion in 2003 to \$29 billion in 2007.
- Currently responsible for over 207,000 jobs in the state, a 3.7% increase from 2003.
- Generates nearly \$500,000,000 in tax revenues annually, up an estimated 5.5% from 2003.

SOURCE: *The Film & Entertainment Industry in FL. Statewide Economic & Fiscal Impact.* Haas Center for Business Research & Economic Dev, 2008

Florida Incentive Chart-Year by Year

The Florida Entertainment Industry Financial Incentive Program is in its fifth year. It has been very successful in attracting hundreds of millions of dollars of new spending to Florida, even though it is the most fiscally conservative major film incentive program offered in the United States.

YEAR	INCENTIVE REBATED	SPENDING CREATED	# OF PRODUCTIONS CREATED	WAGES CREATED	HOTEL ROOM NIGHTS	ROI TO FLORIDIANS
04/05	\$2,405,316	\$16,467,848	4	\$9,123,199	5,382	6.85:1
05/06	\$5,648,898	\$39,419,261	15	\$20,629,218	13,632	7:1
06/07	\$8,055,516	\$58,823,460	22	\$34,466,039	16,800	7.3:1
07/08	\$18,507,797	\$123,520,858	53	\$75,303,983	35,002	6.7:1
08/09	\$5,000,000	TBD	TBD	TBD	TBD	TBD

- Consistently every year, approximately seven dollars were spent in Florida, paid to a Florida worker or business, **BEFORE** one dollar was rebated.
- In 4 years, the Industry Incentive created almost \$250,000,000 in new production spending in Florida.
- About \$130,000,000 went to Florida resident workers as wages.
- Another \$120,000,000 was paid to a wide range of Florida businesses —local florists, hardware stores, office supply stores, caterers, grocery stores, hotels, rental car companies, post production houses and many more.
- Every year the incentive increased in funding, the productions coming to Florida increased dramatically. Productions come to the state quickly when incentive funds are available.

SOURCE: *The Governor's Office of Film and Entertainment*

Economic Impact Of Motion Picture & TV Production Industry On The United States

- Over 1.3 million U.S. jobs created
- \$30 billion paid in U.S. wages
- \$30 billion direct payment to U.S. vendors for goods and services
- \$10 billion in income taxes paid by industry workers & sales taxes on goods and services

FLORIDA CAN TAKE A BIGGER SHARE OF THAT BUSINESS, BRINGING HUNDREDS OF MILLIONS OF NEW DOLLARS TO THE STATE'S ECONOMY QUICKLY, SIMPLY BY PROVIDING A COMPETITIVE INCENTIVE TO ATTRACT FILM, VIDEO, DIGITAL MEDIA PROJECTS HERE.

SOURCE: *MPAA 2006 Report: The Economic Impact of the Motion Picture & Television Production Industry on the United States.*

The Competition

Unfortunately, while Florida's incentive appropriation decreased by 80% for FY 2008-2009 (\$25 Million to \$5 Million), our competitors for the film and entertainment industry enhanced their entertainment incentives to capitalize on them as tools for accelerating economic growth. We are losing productions daily to those other states.

STATE	CASH OR TAX CREDIT	%	TOTAL FUNDING
Florida	Cash Rebate	15 – 22%	\$5 Million
New York	Refundable Tax Credit	30 %	\$75 Million
Michigan	Refundable Tax Credit Non-Resident Crew Core Community & NBSP	40% 30% 2%	\$100 Million
New Mexico	Refundable Tax Credit & No-interest Prod. Loans	25%	UNLIMITED
Connecticut	Transferable Tax Credit	30%	UNLIMITED
Louisiana	Investor Tax Credit; LA Employment Tax Credit; Digital Media Tax Credit; Infrastructure Tax Credit	25% 10% 15% 40%	UNLIMITED

- Other states offering competitive incentives include NC (15%), MS (20-25%), TN (13-17%), SC (20-30%), AZ (30%), PA (25%), HI (20%), IA (25%), MD (25%), MN (15%), IL (20%) and more.
- All other states offer and benefit from **TAX CREDITS** except for two who offer cash rebates: FL & SC.

Helping Our Schools & Graduates

- Florida is the 3rd largest state for number of film & digital media schools and graduates, spread across all regions of the state from the University of Miami to Florida State University, with high rankings nationwide and production award-winning talent in their fields.
- Schools like Full Sail, University of Central Florida in Orlando, and Ringling College of Art and Design in Sarasota are leading the way into the new frontiers of digital media, including filmmaking, video games, military and flight simulation and biotech.
- Florida's Prepaid College Plan subsidizes many of our film and media students. However, if we don't create jobs here for them when they graduate, they become the new workforce for other states that aggressively attract the film and digital media industry with their incentives.

Other Benefits & Considerations

- Offers high-wage jobs. According to the **Quarterly Census of Employment and Wages**, the average salary for the film & entertainment industry in 2007 was \$57,700 in Florida.
- Provides high-tech and high-value jobs, demonstrating strong growth globally.
- Productions often boost tourism by marketing Florida to the world at no cost to the state.
- Unlike other states, Florida already has a deep crew base of workers – BUT we are losing them to states offering aggressive incentives. We can't afford to lose these high-wage, high-value jobs.
- Florida's is a growing production destination for non-domestic producers (European, Latin American, etc.) due in part to the weak dollar and the popularity of American cultural productions.
- Florida's commitment to competitive incentives can result in relocation and construction of brick-and-mortar businesses, including major production facilities.

The Future Is Now

- With a projected employment growth rate of 20%, Florida's film and digital media industry is projected to grow faster than the Biomedical/Biotechnical cluster (19%) and the Defense and Security Cluster (18%).
- The US movie and home entertainment business, according to Standard and Poor's, is experiencing sustained growth due to expanding audiences, pipelines and contents.
- A film production and post production cluster would likely attract more films and lead to a significant, long-term economic impact on the Florida economy.

SOURCE: *The Film & Entertainment Industry in FL. Statewide Economic & Fiscal Impact.* Haas Center for Business Research & Economic Dev, 2008.

LET FLORIDA'S FILM, TV & DIGITAL MEDIA INDUSTRIES BE A PART OF THE SOLUTION IN HELPING TO IMPROVE FLORIDA'S ECONOMY