



Feb. 9, 2011

2010 Calendar Year End Economic Impact Report of the Film Industry in Phoenix

The film industry in Greater Phoenix in 2010 accounted for \$20,634,081 in economic impact on the local economy. Film, in all its forms (including but not limited to: movies, TV shows, still photography, commercials, documentaries, corporate/industrials, reality, student films), employed a workforce of 4,232 skilled technicians and actors spanning a total of 396 projects. Additionally, these various projects also accounted for 1,244 shooting days and 4,799 hotel nights.

Compared with the 2009 report, the numbers have remained fairly consistent in regards to total projects, shoot days and employment statistics. What has declined is the overall economic impact and this is the result of two items. First, the Phoenix Film Office created a new classification for reality television and lowered the economic impact estimates when data is not provided. Second, in 2010, Phoenix only saw one major motion picture production and the budget for the project was less than projects of similar size in the past.

Upon review of the past two economic reports (2009 calendar year and 2009/2010 FY) by the Phoenix Film Office, we are seeing an upward trend in reality shows coming to Phoenix to shoot for a limited number of days. In the past, these had been classified at "TV Specials" and when budget data was not provided to the Phoenix Film Office, estimates were inputted utilizing the Association of Film Commissioners International (AFCI) "Tracking Productions Revenue: Direct Spending for On-Location Production (US Dollars)." However, when producers did provide economic impact data, it was significantly lower than the AFCI estimates. As a result, the Phoenix Film Office has created two separate categories for reality programming with an estimated \$7,500 per camera day budget expenditure. This number is derived from the AFCI estimates for a reality show. Reality Series will describe shows that shoot the majority of their season in the Phoenix area (recent examples are "Downsized" and "Repo Games"). Reality TV Special will now be reserved for reality shows that come to Phoenix for a segment and generally stay no more than a few days (shows like "Dirty Jobs", "Hoarders: Buried Alive", "Supernanny"). Once the revised estimate numbers are plugged into the 2009 calendar year report, we see that in 2010, there was an increase in the number of these reality projects, their economic impact and job creation.

The second factor in the lower 2010 economic report was the lack of major films shot in Phoenix. For the past few years, Phoenix averaged around two major films a year. However, this year the only full length feature shot was the Will Ferrell comedy "Everything Must Go" which did not have the large budget we have been accustomed to seeing. ("On the Road" also shot in Phoenix, but was only filmed for four days). One of the possible reasons for this was the end of the State's Motion Picture Tax Incentive which occurred at the end of 2010. As we moved closer to the end of the year, the Phoenix Film Office saw reduced inquiries into our area from feature films.

Producers that we did speak with were concerned that they would not be ready to lens before the termination of the program and thus sought other states with a stable program such as New Mexico, Michigan and Louisiana.

The next challenge for the Arizona Film Industry and Phoenix is the passage and implementation of a fiscally responsible incentive program. The Multimedia Production Tax Credits (SB1159), authored by Sen. John Nelson, has the support of the city of Phoenix, Tucson Convention and Visitors Bureau, city of Mesa, city of Avondale, Arizona Film and Media Coalition, Mesa Gateway Studios and other interested stakeholders. The bill will create a new incentive program correcting many of the issues that become evident with the prior film incentive legislation. The Multimedia Production Tax Credits proposes to offer a 20% tax refund (lowering the incentive from a 30% transferable tax credit), promoting the hiring of Arizona residents and creating a stable industry by encouraging the construction of sound stages while extending the sunset date of the program.

All data was compiled based upon surveys sent to productions that filmed in Phoenix and local production companies. En lieu of completed surveys, economic impact estimates were based upon the Association of Film Commissioners International "Tracking Production Revenue: Direct Spending for On-Location Production (US Dollars)." No multipliers were used. Job creation and hotel nights are listed as reported, estimates are not utilized.



2010 Year End

Economic Impact of Filming in Greater Phoenix

Prepared by the Phoenix Film Office
a/o 2/8/2011

	Total Projects	Shoot Days	Total Dollar Amount	Total Local Crew	Total Local Talent	Hotel Nights
Commercials	107	204	\$6,670,193	1,256	645	1,130
Documentary	15	90	\$440,960	47	2	2
Educational	10	16	\$116,885	36	4	3
Feature - Studio	2	27	\$4,840,000	116	129	1,781
Feature - Indie	10	107	\$2,027,232	62	83	275
Industrial/Corporate	61	126	\$1,575,439	282	75	107
Music Video	11	11	\$371,200	84	213	101
Other	6	12	\$51,200	24	22	11
PSA	7	7	\$89,083	49	11	30
Reality Series	5	157	\$1,075,000	64	72	661
Reality TV Special	59	181	\$1,892,253	117	21	296
Still Photography	49	165	\$1,059,280	152	112	380
Student Film	18	23	\$18,120	30	16	0
TV Special	2	2	\$13,000	8	2	4
Webcast	34	116	\$394,236	318	180	18
TOTALS	396	1,244	\$20,634,081	2,645	1,587	4,799
				4,232		

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2009 Year End

Economic Impact of Filming in Greater Phoenix

Prepared by the Phoenix Film Office
a/o 1/25/2010 - revised 2/8/11

	Total Projects	Shoot Days	Total Dollar Amount	Total Local Crew	Total Local Talent	Hotel Nights
Commercials	124	291	\$8,115,759	1,068	446	660
Documentary	22	75	\$449,752	73	2	7
Educational	10	17	\$296,708	18	10	1
Feature - Studio	2	34	\$15,001,800	5	4	0
Feature - Indie	9	86	\$1,729,000	118	89	19
Industrial/Corporate	80	200	\$727,892	324	161	674
Music Video	1	4	\$45,000	20	30	0
PSA	4	6	\$332,885	43	15	44
Reality	5	137	\$1,013,500	5	0	0
Still Photography	39	160	\$1,458,306	146	194	204
Student Film	10	13	\$28,900	52	19	32
*TV Special	31	174	\$890,167	86	181	430
Webcast	24	53	\$150,844	47	19	9
TOTALS	361	1,250	\$30,240,513	2,005	1,170	2,080
				3,175		

All data was compiled based upon surveys sent to productions that filmed in Phoenix and local production companies. In lieu of completed surveys, economic impact estimates were based upon the Association of Film Commissioners International "Tracking Production Revenue: Direct Spending for On-Location Production (US Dollars)." No multipliers were used. Job creation and hotel nights are listed as reported, estimates are not utilized.

* Data revised a/o 2/8/11 to accurately reflect adjusted totals for projects that did not provide data.