



Economic Impact of the Phoenix Film Industry – FY 2011-12

The Greater Phoenix film industry ended fiscal year 2011-12 in June with \$8 million in direct economic impact on the local economy. Film, in all its forms (including, but not limited to: movies, television shows, still photography, commercials, documentaries, corporate/industrials, reality, student films), employed a workforce of 1,884 skilled technicians and actors spanning a total of 329 projects. Additionally, these various projects also accounted for 737 shooting days and 1,600 hotel nights.

Phoenix became the backdrop to several large projects this past year. Volkswagen selected the downtown area for driving shots for their 2012 Passat campaign titled "Safety in Numbers". An independent film, "Dead in 5 Heartbeats," is based on a fictional story by Sonny Barger and was filmed at several locations within South Mountain as well as homes and businesses in Phoenix. Other high profile projects included commercials for Chevy, Toyota and Reebok as well as reality series such as "Baseball Wives" and "Betting the House."

Commercials are the leading form of film in Phoenix and resulted in the creation of 108 projects, 999 skilled technician and talent hires, 120 shooting days and \$3.9 million in spending. While these numbers are substantial, fiscal year-to-year numbers are down for all forms of film.

A comparison was done on the spending patterns of the film industry dating to fiscal year 2000-01 (see chart attached). Beginning in 2000, Louisiana and New Mexico became the first states to offer an incentive to the film industry. From 2000 through 2005, the Phoenix area saw a decline in production dollars as many projects began seeking incentivized states as their filming location. In 2006, Arizona commenced its own film incentive and experienced an immediate spike in production including major projects such as "The Kingdom" (feature film) and "Hidden Palms" (scripted TV series). Over the next five years, there was an increase in film production throughout the entire state. However, after the legislation sunset in December 2010, a noticeable decrease in film production has occurred.

During the past three legislative sessions (2010-2012), the city of Phoenix, along with other cities and organizations throughout Arizona, has supported legislation to recreate the film incentive. Each year, the legislation has been voted on by the Arizona State Legislature and is yet to pass.

The lack of an incentive appears to have a direct correlation to the decrease in film production in Phoenix. This has led to lower job creation totals while decreasing the impact on local support industries that benefit from film production such as hospitality, retail, construction and food service providers.

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 on Phoenix Film Office averages and data from the Association of Film Commissioners International. No multipliers were used.



July 2011 to June 2012

Economic Impact of Filming in Greater Phoenix

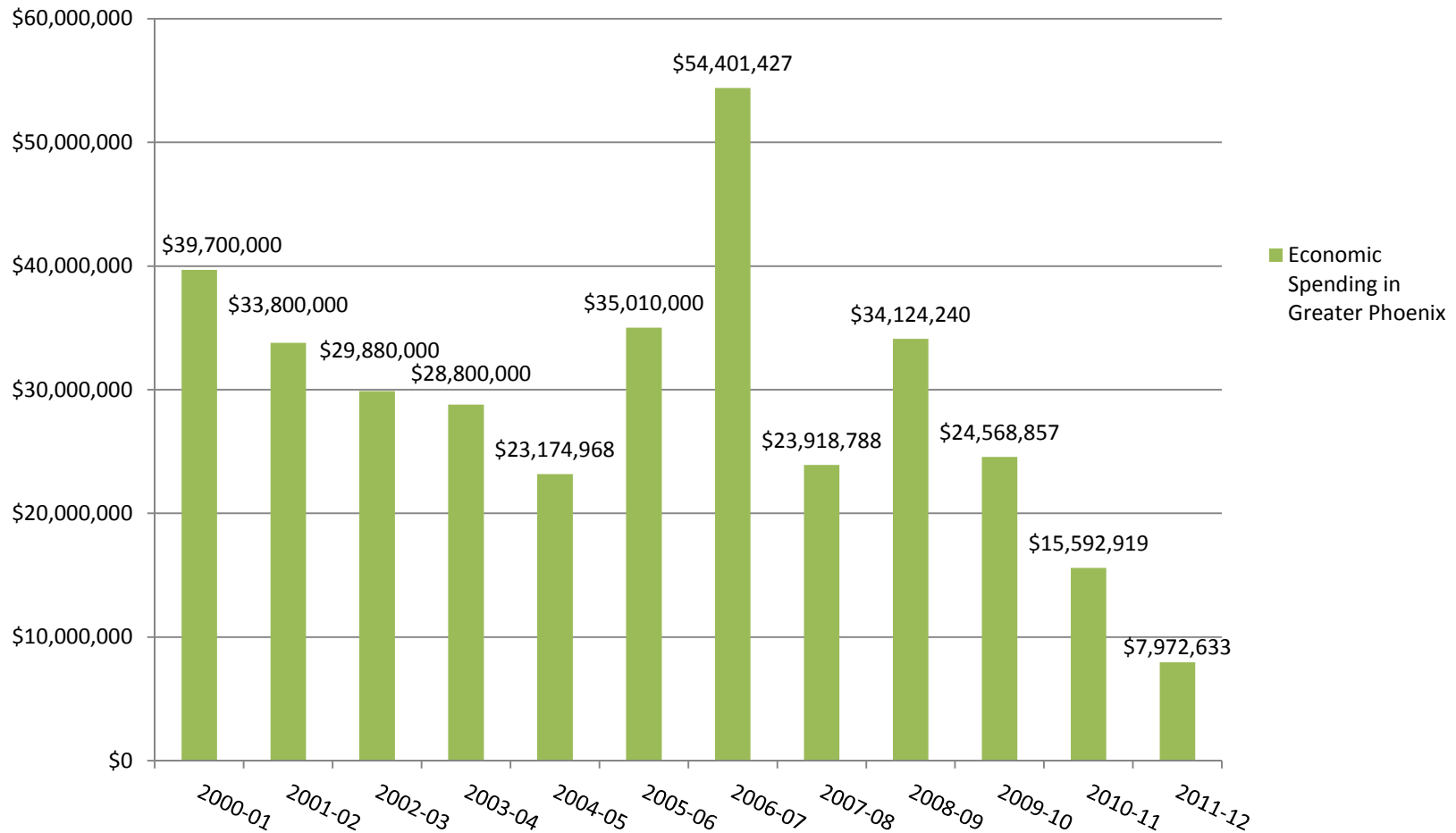
Prepared by the Phoenix Film Office

Published August 7, 2012

	Total Projects	Total Shoot Days	Total Spending	Total Local Crew	Total Local Talent	Total Hotel Nights
Commercials	108	120	\$3,899,278	606	393	430
Documentary	8	36	\$446,333	11	3	169
Educational	2	3	\$15,879	26	10	0
Indie Feature	6	53	\$412,050	55	65	0
Industrial/Corporate	48	87	\$427,825	148	105	0
Music Video	5	6	\$135,000	20	6	13
Other	62	37	\$211,232	42	3	0
Reality Series	5	137	\$1,108,966	7	8	57
Reality TV Special	28	121	\$436,462	48	38	327
Still Photography	36	88	\$765,846	123	102	553
Student Film	11	23	\$19,267	18	15	3
Travel	2	13	\$20,000	3	0	37
Webcast	8	13	\$74,496	25	4	11
TOTALS	329	737	\$7,972,633	1,132	752	1,600
				1,884		

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 on Phoenix Film Office averages, where available, and the AFCI "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.

Economic Spending in Greater Phoenix



* The Phoenix Film Office Tracks data on a Fiscal Year beginning in July and running through June*

Key Dates	
2000	Approximate date of Louisiana and New Mexico incentives beginning.
2005-06	Arizona incentive program begins January 1, 2006. Immdiate impact on local economy through large feature projects.
2007-08	Procedural issues with the administration of the program are identified.
2008-09	Procedural issues are rectified allowing more access to the program.
2010-11	Arizona incentive sunsets on December 30, 2010. Large feature projects were reluctant in too begin production due to the uncertain furture existance of the program.