

Michigan Film Office Advisory Council Minutes
October 8, 2010

I. Call to order

- a. Meeting was called to order by Chairman Emery King (9:07am) in the Snyder-Phillips Hall Theater on the Michigan State University campus.
- b. A quorum was present with the following members: Bob Brown, Jim Burnstein, Xenia Castillo-Hunter, Hopwood DePree, Marcia Fishman, Emery King, Tim Magee, Sue Marx, Marc Prey, and William O'Reilly. Also present was Carrie Jones, Director of the Michigan Film Office.
- c. Unable to attend were: Bill Black, Cory Jacobson, Danialle Karmanos and Michael Moore.
- d. Dean of the College of Communication Arts and Sciences Pamela Whitten welcomed all to MSU.

II. Introduction of Members and Guest

- a. Chairman Emery King thanked everyone for attending the meeting and also thanked Michigan State University, Dean Whitten and Professor Charles Steinfeld, Chair of Telecommunication Information Studies & Media at MSU, for hosting the Council meeting. Chairman King asked members of the Council to introduce themselves and they did so.

Chairman King then introduced Governor Jennifer Granholm who addressed the Council and audience. The Governor recounted the growth of the film industry in Michigan since the incentives program was instituted in 2008, including the economic benefits ancillary to the money spent in the State by film production companies themselves. She praised the work of Janet Lockwood, the 19-year former Director of the Michigan Film Office. The Governor also recognized the Creative Film Alliance (CFA), an inter-university group comprised of film students from Wayne State University, University of Michigan and Michigan State University, mentioning the group's short film, "Appleville" which will premiere in January 2011. Governor Granholm closed her remarks by urging the Council and audience members to be diligent in supporting and promoting the Michigan film industry.

Three audience members who have benefited from the film industry briefly addressed the Council and Governor. They were:

Kurt Peters, Chow Catering

John James, Teamster member in Transportation

Dan Culpepper, a Ferris graduate in television and digital media

- b. Council member Burnstein introduced CFA representatives, namely Chris Sundberg, MSU, Kimberly Rice, Wayne State, Bhanu Chundra, Uof M, and Kayla Provaznick, the Wayne program coordinator. The students presented to Governor Granholm a monogrammed director's chair and presented t-shirts to Chairman King, Director Carrie Jones and the Governor. At this time, the Governor left the meeting

III. Adoption of Agenda

- a. Motion made and duly supported to adopt the agenda of October 8, 2010. Passed unanimously.

- IV. Approval of Minutes
 - a. Motion made and duly supported to approve the minutes of the July 30, 2010 meeting. Motion passed unanimously.
- V. Director's Report – Carrie Jones

Applications:

Since January 1, 2010 we have received 100 applications. Of those, 50 have been approved, 20 have been sent back due to an incomplete application, change in location or other reason. Seventeen projects have been denied, and the other applications are in various stages of review. We have stated on our website that it takes approximately four weeks to process an application once we have all the materials but in recent months we have been able to complete applications in 2 to 3 weeks.

Since our last Advisory Board meeting, we have approved the following projects: DETROIT HUSTLES HARDER, THIS MUST BE THE PLACE, THE LITTLEST ANGEL, PRUDENCE AGAIN, RIGHT ANGLE, ARIEL & ZOEY, SEASON 2, SMOOCH and CLOSE QUARTERS.

MBT Film Credit Refund:

2008 projects: We have received 30 MBT film credit refund returns. Of the 30 returns received, we have processed 29 returns for a total of \$41,888,703. One return is still being processed.

2009 projects: We have received 29 MBT film credit refund returns (representing 30 projects). Of the 29 returns received, we have processed 20 returns for a total of \$36,173,841. Eight of the remaining returns should be processed within the next 2-3 weeks.

PRODUCTION

Currently filming, we have DETROIT HUSTLES HARDER, KATY BROWN WORKSHOP, ARIEL & ZOEY SEASON 2, DETROIT 187, and ANCIENT EVENINGS.

Projects in pre-production are CABLES, RIGHT ANGLE, and SCAR 23.

Wrapped are DETROIT UNLEADED, 007 MICHIGAN, 008 MICHIGAN, ALL YOU CAN DREAM, SUCKER, HUNG, VAMPS, HOMERUN SHOWDOWN, REAL STEEL, LOVE ME-LOVE ME NOT, THE FRONTIER BOYS, SWAT: FIREFIGHT, RESTITUTION, THINGS FALL APART, NOODLE & DOODLE, SALVATION BOULEVARD, IT AIN'T OVER TIL IT'S OVER, THE BUNNY LADY, JINN, 30 MINUTES OR LESS, THE WANNABES, WAR FLOWERS, AUTEUR THEORY, THE DOUBLE, MACHINE GUN PREACHER, STREET KINGS 2: MOTOR CITY, HAROLD & KUMAR 3, LOL, ARIEL AND ZOEY (SEASON 1), RETURN TO THE HIDING PLACE, TOUCHBACK, SCREAM 4, TRANSFORMERS III, HOSTELI, PRUDENCE, PLAYBACK, THE REASONABLE BUNCH, and THIS MUST BE THE PLACE.

MICHIGAN FILM OFFICE UPDATES

LOCATIONS /PRODUCTION DIRECTORY

Our Locations team reports that since our last meeting, we have taken in 36 new projects, sent 38 location packages and led 10 scouts.

We now have 4,789 total locations in our database and 66,972 in total photos. This is an increase of 389 locations since our last meeting. We now have 1357 Crew listings and 1223 listings for Support Services (vendors).

MEDIA

We have had quite a bit of press coverage since our last meeting. There was a full page article in the Wall Street Journal about the film incentives and the revitalization of Michigan. This spawned segments on the Today Show and The NBC Nightly News which sparked both national and international interest. We have had media inquiries from the BBC, Poland, Japan, Italy, Brazil, France and Canada.

The Michigan edition of Variety came out last week with some great pieces about Michigan locations and vendors.

We also received a good deal of positive press coverage from the our press releases regarding the five made-in-Michigan films premiering at the Toronto International Film Festival and the premiere of the radio show, Michigan on Film.

There have been positive opinion pieces by columnists around Michigan including Mitch Albom, Rochelle Riley, Jack Lessenberry, Ron Dzwonkowski, and Laura Berman.

We have also responded to numerous press inquiries regarding the Senate Fiscal Agency report that was issued on September 18.

DIRECTOR'S ACTIVITIES

The 2 months since our last meeting have been busy and productive. The Film Office has had numerous meetings with producers and gaming companies looking to bring projects to Michigan as well as companies thinking about starting infrastructure projects.

We held a meeting in our office with the regional film offices and have started monthly calls to make sure we are all working together to serve the productions coming to Michigan.

Several legislators have requested meetings to talk about different aspects of the program and I've met with Representatives Clemente, Kennedy and Moss as well as Senator Switalski's office.

I testified before the State Senate Finance Committee regarding the Senate Fiscal Agency report which was issued on September 18th. I brought Michael Whittaker from RSIG Security with me to also testify. His security firm saw a loss of millions of dollars when hardship hit the auto industry. When the legislation passed, his company transitioned into providing security for productions. He saw that he was able to not only fill the gap but was able to hire 200 additional people to meet the needs of providing security for 80% of the projects in Michigan.

We felt the Senate Fiscal Agency attempts to measure the success of film initiatives on tax revenue alone were short-sighted and misleading. The benefit of the ancillary businesses was not taken into account. This initiative is working. Thousands of people have been put to work, our young people are staying here and we are reshaping our image. We are showing people that Michigan is not the Rust Belt and showcasing that we are the creative innovation belt---which is who we have always been.

Chairman King asked whether the Film Office response has been adequate to the SFA report. Director Jones replied that the Office as well as Council members must continue to spread the message of the positive momentum of the film industry and the ancillary economic benefits in order to respond to negative information.

Marcia Fishman asked that Michelle Begnoche, Communications Advisor to the Film Office, develop a bullet point card for all Council members to carry to assist them in sharing positive information.

Jim Burnstein commented that there is currently positive momentum, namely that many people are seeing money spent in their communities by the film industry. He encouraged people to write to legislators expressing the benefits of the industry.

VI. Workforce Development Report - Richard Jewell

- a. Richard Jewell first thanked all who had sent get well cards to him during his recent recovery.
- b. Mr. Jewell presented a draft compilation of Digital Media Job Competencies, namely competencies which anyone in an occupation in the digital media field would need in order to be proficient and accepted by the industry. Council members were urged to review and analyze the information and present recommendations within 30 days. The compilation of competencies will thereafter be presented for public comment. The Council will ultimately be asked to adopt the finalized competencies in the same manner as its previous adoption of 'Film Job Competencies'.
- c. Mr. Jewell spoke to the development of a Film and Digital Media Core Curriculum to set a standard throughout the state in institutions offering film programs. He indicated that the competencies are industry driven, would include mentorship and instruction by people in the industry, would offer internships and on the job training, and would ultimately allow entry to the industry without retraining. The core program would contain 610 credit hours.

Mr. Jewell also thanked the CFA for bringing students together transcending school boundaries.

Marc Prey asked if schools are currently meeting competencies. Mr. Jewell indicated that if complaints surface, they are referred to the Department of Energy, Labor and Economic Growth.

Sue Marx inquired if there is a list of schools which have adopted competencies. Mr. Jewell replied that the Council is unauthorized to check competencies as it is not regulatory, only advisory.

VII. Chairman King informed the Council about an upcoming informative promotion for the film industry, namely his half hour radio show entitled "Michigan in Film" to air at 11:00am on the first Friday of every month on WDET Public Radio. The program will provide an opportunity to inform and educate the public about the emerging film industry in Michigan through knowledgeable guests hosted by Mr. King.

Mr. King also asked Michelle Begnoche to comment on the use of Facebook as publicity. Ms Begnoche stated that through the use of Facebook and podcast, the Film Office will help publicize the program.

VIII. Creative Film Alliance Report – Jim Burnstein

- a. Jim Burnstein commented on the value to CFA of the photo opportunity with Governor Granholm and also credited Lisa Dancsok of the Michigan Economic Development Corporation(MEDC) for supporting the development of the alliance. He recognized Juanita Anderson and Matt Segar of WSU, and Chip Steinfeld, Bob Albers, Troy Hale, Gary Reed and Volita Wensloff of MSU as critical to the project. Mr. Burnstein described the group's August film set as extremely professional under the competent direction of Kayla Provasnick. The film is currently in editing and will premiere in January at the Detroit Institute of Arts.
- b. Plans are currently underway for the Alliance's 2011 projects. Goals include expanding the concept of the Alliance and breaking down walls among the institutions allowing students to take classes fluidly at any of the participating schools. A full length film is planned for next year and the 2010 short will be shown at festivals.
- c. It was recognized by the Council that financing the Alliance is key to its success. Bob Brown asked for an explanation of current funding. Mr. Burnstein explained that the MEDC gave startup funds that provided equipment, that donations of free or cheap supplies were made, and that help was provided from various corporate entities and the universities. About \$100,000 was realized through various institutions and corporate sources.
- d. Marcia Fishman recommended that the CFA become a model for other state regional alliances, recognizing that schools would be required to partner with others with compatible interests.

IX. Old Business

At this time, Chairman King recognized former MFO Director Janet Lockwood who had entered the audience.

There was no old business.

X. New Business

- a. Sue Marx recognized the need for computation of a 'residual multiplier effect' in order to establish the real worth to the State of the film industry. Director Jones indicated that the SFA report had looked only at dollars transferred into State coffers. However, she further stated that it was still too early to get good figures about ancillary benefits and that an infrastructure in place would be required before value could be assessed. Other states such as Louisiana waited 5 years before assessing the real value of their own film industries.
- b. Hopwood DePree recommended that one film be chosen as a prototype to capture the ripple effect. Jim Burnstein stated that an independent study is necessary to provide impartial data as it is recognized that reports can be skewed to demonstrate particular points. For instance, 'full time jobs' must be considered in a framework different from the '40 hour week' as the latter is not the paradigm in the film industry. Also, it is unclear how to measure the positive effects of newspaper articles, the publicity for the locations used in films, or the value of the investment in youth.
- c. Marcia Fishman requested formalized training from the Film Office for the Council members in order that they become "First Responders" to present the positive film industry information to new legislators after the November election.
- d. Bob Brown commented that marketing is key, that he had read 15 studies from other states, that reports could reflect positive information such as the 'multiplier effect' and that every industry had been subsidized at its inception. He recommended that talking points be created.
- e. Jim Burnstein quoted information presented by Ken Droz indicating that the amount of money expended by the State on the film industry in 2008 represented 10/13000 of the state budget. It was added that this amount represents the approximate expenditure required to repair 40 miles of expressway.
- f. Marcia Fishman volunteered to work on the 'First Responders' project.

XI. Public Comment

- a. Douglas Bruce of Summer Films, Grand Rapids, spoke to the excitement spawned in the general public by the film industry and urged that everyone contact legislators to assure that they understand public sentiment.
- b. Jennifer "Jazzy T" Williams, Okemos, spoke to the employment opportunities in the film industry.
- c. Dick Rolfe, Dove Foundation and the West Michigan Film Initiative, spoke to the need to inform candidates using positive film industry information and indicated that he is creating a PDF which he wished to share. Sue Marx requested a copy for each of the Council members.
- d. Mike Mosallam, Wayne County Film Office, requested the same PDF and spoke about entities who wished to perform a study of the industry immediately. A general discussion ensued as to the merits of using early and possibly inadequate information. Chairman King stated that as the industry touches lives, the public will rally behind the program. Xenia Castillo-Hunter requested that the Film Office add a page to the Website for information to the community, such as the increased number of room nights in hotels due to film production. Jim Burnstein commented that trailers on success stories would be shown in theaters around the state.
- e. Bob Cantrell of the Eyde Company asked that a representative from Louisiana be asked for information regarding the study of that state's film industry
- f. Jim Dingeman, Oakland County Film Office, spoke to the infrastructure credit.

- g. Jan (last name unknown) spoke to the need to inform legislators as to how movies are made as most people do not understand all the mechanics behind making a film.
- h. Ken Droz spoke to the worth of the film incentives program, indicating that a profit/loss statement after 2 ½ years is insufficient to establish the value of the program. He offered to work with the Council to study the program and mentioned that the Detroit Free Press would like to again poll public sentiment. A previous poll reflected a 70% approval rating. He spoke to fallacies in the SFA report which failed to recognize such factors as ‘high profile’ tourists who come to Michigan due to the industry who then spread the word about Michigan’s assets to their friends in other states. Droz warned that the benefits of investment will take time to unfold.
- i. Katey Kingsbury, MFO intern, asked questions about the experience of studies in other states. Janet Lockwood responded that no other states performed studies at a 2 ½ year point.
- j. Keri Lowe, Compass Film Academy and West Michigan Film Task Force, stated that she had watched film companies move from other states to come to Michigan and that Michigan must now support the temporary goal of letting incentives stay in place in order to achieve the long term goal, namely creation of jobs and the attraction of more companies to the state. The current number of jobs and the upward trend can be shared with people now to support the film program.
- k. Rick Hert, West Michigan Film Office, reported that Grand Rapids has been tracking room nights in hotels. Of the 20,000 nights counted for 2010, 9000 are attributed to the film industry for one movie.

XII. Richard Jewell publicized the Elmore Leonard Film Festival.
Xenia Castillo-Hunter introduced Hilary Bristoll, a new member of Film Detroit.

XIII. Adjournment
a. Chairman King thanked everyone for coming and stated that the time and location of the next meeting would be published as soon as determined. He also urged all members to speak out on behalf of the film industry forcefully and collectively.

Respectfully submitted,

Emery King, Chairman

Prepared by:

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