

Michigan Film Advisory Commission
Special Meeting
DRAFT MINUTES
December 7, 2007

I. Call to Order

A. Meeting was called to order by Chairperson Emery King (10:16 a.m.) at the Detroit Visitors and Convention Bureau in Detroit, Michigan.

B. A quorum was present with the following members: Emery King, John Kelly, Tim Magee, Cory Jacobson, Karen Dumas, Jim Burnstein, Marcia Fishman, Richard McLellan (by telephone). Also present (by telephone) was Janet Lockwood, Director, Michigan Film Office.

Absent: Bill Black, Emily Loeks, Sue Marx, Howard Hertz, Brendan Ringlever, Bob Brown.

II. Introduction of Members.

-Members introduced themselves.

III. Adoption of Agenda

-Motion made and duly supported to adopt the agenda of December 7, 2007.
Passed unanimously.

IV. Approval of Minutes of November 9, 2007

A. Motion made to approve the minutes of November 9, 2007.

B. John Kelly had previously sent an update on the Windsor Detroit International Film Festival and requested that the update be substituted for the WDIFF report in the minutes of November 9, 2007.

C. Motion made to substitute the report for the previous report of WDIFF and approve the minutes of November 9, 2007 as amended. Passed unanimously.

V. Report of Governor Granholm's Trip to California – Jim Burnstein

A. Previous Plans and Discussions

1. For many years, members of MFAC have been discussing the importance of Governor Granholm visiting producers and directors in California.

2. At the MFAC meeting of September 14, 2007, Jim Burnstein presented the idea of having a talent agency represent the state of Michigan, i.e. an agent would sell Michigan to film producers. MFAC members approved of the idea.

B. Acquiring a Meeting in Los Angeles

1. Because Governor Granholm was going to California for other business, there was a short window of opportunity for her to have a meeting re: Michigan's film industry.

2. Janet Lockwood and Jim Burnstein were informed of this possible opportunity shortly before the trip.

3. Janet Lockwood reported that staff in the governor's office wished to make such a meeting known to the public.

C. Meetings in LA

1. Governor Granholm, along with Janet Lockwood, Jim Burnstein and Jeff Mason (from MEDC) met with Peter Benedek of United Talent Agency (UTA) along with six other agents at UTA.

2. The following was discussed:

- a. Budget and effective incentives plays a major role in the decision of a film location. Peter Benedek says that it is all about the money.
- b. More sound stages should be built in Michigan. Unused buildings, such as auto buildings, can be converted into sound states. Such building conversions were done in Brooklyn.
- c. Michigan incentives need to be improved.

3. Meeting with Wonderstruck

- a. Janet Lockwood and Jim Burnstein also joined the governor in a meeting with an animation company called Wonderstruck.
- b. The owners are a husband and wife team from Michigan who would like to open an animation studio in Michigan.

D. Strategy Following the Meeting

1. Effective Meetings

- a. Perhaps MFAC's original idea of planning various meet and greet parties in Hollywood with Governor Granholm and Michigan and non-Michigan producers is not the best strategy after all.
- b. Perhaps the most effective strategy is to meet with line producers and heads of physical production.

2. Use of UTA

- a. UTA recommended that Michigan hire UTA to make connections and the case to film in Michigan. The governor could then personally talk to appropriate people of projects that might consider Michigan.
- b. The use of an agency to sell a state is a unique idea; one that is not used by other states.
- c. Jim Burnstein would like to continue to investigate the possible of use of UTA and perhaps hire the agency on a trial basis. He asked for members of MFAC to endorse this plan.
- d. Chairperson Emery King appointed Jim Burnstein to be the primary MFAC contact to Hollywood.
[Richard McLellan had to leave the meeting at this point.]
- e. Following was a motion made and duly supported to have Jim Burnstein be the lead person to move forward with UTA discussions and report back to MFAC prior to any contract. Passed unanimously.

3. Move Film Office to MEDC

- a. John Kelly suggested that the Michigan Film Office (MFO) move from History, Library and Arts (HAL) to Michigan Economic Development Corporation (MEDC). He feels that MEDC could compensate for the minimal staff for the MFO under HAL. He felt that the MFO needs to be in the orbit of MEDC.
- b. Discussion followed with concerns that there may be issues with restructuring the MFO or that more information on the workings of MEDC might be desirable.
- c. Motion made and duly supported to recommend - to the governor's office - that the MFO be moved to MEDC and that the motion be tabled. Passed unanimously.

IV. Status Report on Proposed Revisions to Incentives

A. Testimony Before House Commerce Committee – November 27, 2007

1. Remarks from Representative Bill Huizenga
 - a. Representative Huizenga summarized the process of writing and passing the present film incentives.
 - b. He continued to remark how the Michigan incentives were very “middle of the road” and that they need to be improved in order to be competitive with several other states.
2. Testimony of Marcia Fishman
 - a. Representative Andy Meisner, Chair of the House Commerce Committee, asked Marcia Fishman to give testimony as the executive director of Screen Actors Guild for Michigan.
 - b. Marcia Fishman pointed out that SAG earnings in commercials are greater than earnings in the motion picture industry. Because of this fact, the economic impact of the commercials industry should not be ignored when looking to improve the film incentives.
 - c. Marcia Fishman agreed that the incentives need improving, but the incentives for commercials are better than most in the country.
3. Testimony of Bob Brown
 - a. Bob Brown remarked that the incentive package needed to be improved greatly if Michigan is to compete with other incentives throughout the state.
 - b. Bob Brown recommended the removal of the cap on the rebate money, and that the rebate be raised up to 40%.
4. Testimony of Mike Binder and Mitch Albom
 - a. Both Mike Binder and Mitch Albom agreed that location decisions are based on budgets and that effective incentive packages will determine the decisions of locations.
 - b. Although they felt that rebates are best, they felt a strong tax credit would also be effective.

B. Follow-up

1. There may be future testimony at a Michigan senate committee.
2. Bob Brown completed the benchmark study that explains the importance of improving the incentives.

3. There is serious talk in the state government re: the improvement of the Michigan film incentives.
4. Jim Burnstein made the recommendation that, whenever possible, members of MFAC should inform chairperson Emery King of meetings relating to MFAC business, and that Emery King will then decide if and how such information should be disseminated.

VII. Public Comments

1. Mark Adler, Michigan Production Alliance, reported that Governor Granholm declared, at the ArtServe event, that she wishes for the best film incentive package in the country. At his local union, there was an approval of a letter re: places to shoot in Michigan. Mark Adler would like to see MFAC create an annual report.
2. Deb Havens, West Michigan Film and Video Alliance, offered support of the idea of using UTA. She questioned whether or not UTA could help the film industry grow within Michigan, e.g. acquiring talent.
3. Scott Paul Dunham, Detroit Windsor International Film Festival, explained phase II of the film festival. They are looking for ideas, volunteers, etc.
4. Ed Gardiner, Detroit Film Society and DWIFF, asked the MFAC members to remember local filmmakers and consider a structure that will help them grow in the industry.
5. Carla Penzabene, Convention and Visitors Bureau, reported that they will be sponsoring 11 filmmakers who are looking to potentially produce six large film projects in Detroit.

VIII. Adjournment (12:04 p.m.)

Respectfully submitted,
Marcia Fishman, Secretary