HOW DO INCREASING FILM INCENTIVES HELP MAINE'S OVERALL ECONOMIC RECOVERY

Film is an industry sector in Maine that has remained largely undeveloped. The current incentives that are offered are not sufficient enough to promote growth. They are simply not competitive enough to attract studios or investors/financiers.

The attempt to increase film incentives here in Maine has been ongoing for the better part of two decades, with varying degrees of movement among the legislatures. These initiatives have ultimately failed for two reasons: 1. There was too much focus on filmmakers supporting the bill and not nearly enough on how it would actually benefit the rest of the state. 2. Previous bills did not do enough to keep the fiscal note low and ensure that the majority of taxpayer dollars would stay in state.

In order to talk about accurately talk about film incentives, we need to reframe the conversation first. Film incentives should be included in the same conversation as the FAME program, the Maine Venture Fund, and the Maine Seed Capital Tax Credit program – all subsidized loan programs targeting start-up businesses and entrepreneurship through equity investment.

At the same time, if we increase incentives, we need to find a way of keeping as much of that revenue in Maine as possible. The current proposed bill offers even more protectionisms than its predecessor to ensure that this happens.

But why should we grow the local film & television industry in the first place?

GOVERNOR'S ECONOMIC PLAN

The Economic Plan stresses several <u>key recommendations</u> to grow Maine's Economy: Innovation, Entrepreneurship, Talent Development and Talent Attraction.

Film & television is a value-added industry that could immediately recruit and promote all of these:

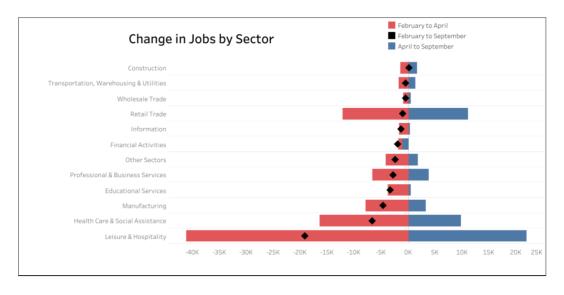
Innovation – currently there is little to no film industry in Maine, growing the film industry means a fresh, alternative, low impact product that puts money directly into Maine's economy and the hands of Mainers. Moreover, subsidization only occurs AFTER filming occurs and production money has been spent.

Entrepreneurship – producers and filmmakers raising investment capital. A film is equivalent to a temporary, independent small business designed to yield profits within the first 2 years.

Talent Development – There are anywhere from 30-100 employees on any given film, and a huge variety of different jobs which include carpenters, composers, electricians, designers, hair stylists, writers, photographers, location managers, animators, etc.

Talent Attraction – a growth in film business will bring even more skilled workers of all different sectors already looking for another reason to move to a desirable place to live where they can work in a well-paying, exciting environment and industry.

EMPLOYMENT IN THE TIME OF THE PANDEMIC



This graph from pg. 33 of the new plan shows the significant impact that Covid-19 has had on jobs, including huge losses in the leisure and hospitality sector, due to would be consumers looking to minimize face-to-face interactions. Leisure and hospitality are the

EXACT two areas where an increased film & TV presence can provide a boost, not to mention other local vendors whose trade is construction, transportation, retail, financial, professional & business services, security, etc.

Despite a slowdown/halt in many businesses, filmmaking is picking back up. Productions have found a way to keep sets Covid friendly at their own cost, giving a boost to workers in the health care industry. Film sets can be controlled and the environment can be stabilized with staggered call times and built-in social distancing. The necessity of effective quarantining will add to the local economy through the use of hotel rooms and take out. Some productions must also pay people for that time (where not every business does) meaning a bigger paycheck for the workers involved.

SPECIFIC (PAGE) EXAMPLES

"SUPERCHARGE HIGH-GROWTH
ENTREPRENEURSHIP while sustaining
Maine's vibrant and resilient small business
sector... Maine needs to radically cultivate
growth-oriented entrepreneurship that drives
good job growth and wages... Fill gaps in
Maine's entrepreneurship ecosystem and
unlock the entrepreneurial spirit in Maine's
small business sector..." (pg. 11)

What better way to fill that gap than take advantage of a long-established but under-represented industry, where the sole start-up requirement is investment capital? Film is a growth-oriented business that is continually reinventing itself, employing new technologies, often a hub of many other converging industry sectors.

"The pandemic's impact on early-stage, highgrowth businesses has highlighted the importance of nourishing an entrepreneurship ecosystem that cultivates nationally competitive, growth-oriented businesses innovating to meet new markets and economic circumstances." (pg. 11) As the film business grows, brick and mortar will follow. Local production companies (not to mention rental houses, transportation companies, etc.) can establish themselves, expanding with the success of each production — a value commodity product and also a temporary small business in its own right.

Moreover, Maine's entrepreneurship ecosystem has not been adequately serving the needs of certain groups of entrepreneurs, such as women, people of color, Native Americans, and rural entrepreneurs." (pg. 11).

The film & television industry already has many of its own in industry diversity incentives designed to encourage & recruit traditionally under-represented populations including women, people of color, LGBTQIA, and those with unique stories to tell in general. Aside from the fact that the enhancement of the film & television industry here in Maine will offer new employment opportunities, film & television is also the perfect medium to promote equality & understanding through empathetic story-telling.

A cultural test criteria (extra percentage) could also be added to the incentive package to encourage even more diverse hiring.

"MAKE MAINE A DIVERSE, EQUITABLE & INCLUSIVE STATE (DEI) where all Mainers can reach their full potential... Maine's most vital resource is its people. Attracting and retaining diverse talent is crucial to our economy, the strength of our workforce, and the vibrancy of our communities. (PG. 22)

The film & television industry is in an incredibly unique and primed position to make DEI a reality. It is one of the most diverse businesses on the planet, eager by its very nature to recruit anyone and everyone with a unique perspective, skillset or talent, and a continually evolving mandate that applies new search criteria. If we increase the presence of film & television in the state, we will increase the number of available DEI-friendly jobs.

UNLEASH THE POTENTIAL OF MAINE'S WORKFORCE by creating educational and training pathways for people of all experience levels to access careers in high-demand fields." (Pg. 12)

There are already a healthy number of Mainers with varied skill sets that can easily translate to well-paying film & television work – they just need to be afforded the right opportunity. New incentives will exponentially increase the number of employers looking to fill those positions.

Maine needs accessible, adaptive, and durable workforce development models to create opportunities for all people to develop their skills and for employers to meet their current and future workforce needs. (Pg. 13)

Maine has one of the highest numbers of selfemployed people in the state, especially when it comes to seasonal work or the so-called "gig economy." This dovetails nicely with the notion of 2-4 month employment stints with year round availability. Productions often need to be mobile, which means workers can operate remotely.

Maine has ... more people who are aging out of the workforce and fewer people to replace them. An ever-growing body of research shows that diverse workforces outperform competitors, drive innovation, and more effectively attract talent. Maine has an opportunity to become a diverse, equitable, and inclusive state that supports its people and welcomes others." (pg. 22)

Film jobs, especially those on Union Signatory films, can offer very competitive wages and health benefits, which will attract a newer, younger, more diverse workforce. Even those coming in with little to no experience at entry level positions can quickly work their way up.

Students and skilled workers are more likely to stay in Maine when they have fulfilling jobs and access to prosperous career pathways."

"Incentivize employers to invest in the education and training of their employees"

(Pg. 13)

Students that are currently in design, visual media, technical, manufacturing, trade & certificate, etc. programs might be lured by the cache of film & TV and therefore encouraged to stay in Maine as opposed to traveling elsewhere for jobs. There is also hope that once new incentives are in place, and the film & TV business has a chance to expand, paid apprenticeship programs can be established in conjunction with some of the local colleges.

"ESTABLISH MAINE AS A PREMIER CAREER, EDUCATION, AND LIFESTYLE DESTINATION to attract diverse and talented professionals to relocate and define the state's image beyond leisure and tourism... The pandemic offers a window of opportunity to capitalize on Maine's assets and convince people that it is a great place to live, study, and work. To attract diverse and talented people to Maine, we must move beyond Maine's image of lobsters and lighthouses and develop a new, coordinated, branding and marketing program that changes the awareness and impressions of the state, both regionally and nationally." (pg. 15)

Maine is long overdue for a cultural rebranding in the conscious collective, and the film & television industry is once again in a unique position to help. Aside from the fact that every visual media production set and shot in Maine can also function as a tourism advertisement with potential to reach a wide audience, films often treat location as character and like to delve into the nuances of its various setting to add richness to the story. As the film & TV business continues to grow in Maine, it will no doubt encourage local talent to develop and create, and showcase a previous unseen niche of this unique, diverse state.

"Talent attraction comes in many forms, and it must be coordinated to meet the EDS goal of 75,000 additional people in the workforce by 2030. Maine is already home to strong, talented, and hardworking people: attracting new Mainers is critical to our economic future." (Pg. 16)

The path to reaching the ambitious goal of 75,000 jobs can be achieved in part by emboldening and modernizing existing industries, but also by generating new ones with a think-outside-the-box approach. A healthy, growing film & television industry will be poised to mobilize and engage the talented, hardworking people that already live here as well as attract new workers and full-time residents to the state. Film & television jobs are inclusive and multifarious, and continually evolving with the current technological landscape.