

TESTIMONY OF DEAN DEVLIN IN SUPPORT OF HB 2167

BEFORE THE JOINT COMMITTEE ON TAX CREDITS

APRIL 21, 2011

Good morning, Mr. Co-Chair. I'd like to thank you, Co-Chairs Burdick and Berger and the members of the committee for allowing me to speak today on behalf of the entertainment industry. My name is Dean Devlin. For the last twenty years I have been a film and television producer, writer, director and financier. I'm known for having made the films STARGATE, INDEPENDENCE DAY and THE PATRIOT among others. I'm currently Producing, Directing and financing the television series LEVERAGE for cable network TNT right here in Oregon.

The pilot episode of the show was shot in Chicago. We chose to shoot there because of Illinois' aggressive 30% incentive program. Our pilot was going to be expensive and we could not afford to make it otherwise. When our show was picked up by the network, we shot the rest of the first season in Los Angeles. It quickly became apparent to us that our show could no longer financially sustain itself shooting in California. With dwindling revenue from foreign sales, DVD and other ancillary markets, we knew we would be forced to move the show to another state that offered incentives.

After an exhaustive study, we came to the decision that Vancouver, Canada would be the most advantageous to our production. It was at that time that then Governor Ted Kulongoski called me and explained why Oregon would be a better place for our production. While on paper Vancouver appeared to have a nearly 2 million dollar advantage (between incentives and exchange rate), there were numerous advantages to Oregon that I had not considered. Things

such as an enormously large talent pool both in front of and behind the camera, convenient travel to and from Los Angeles, time zone, city and state support from everything from location expenses to Police and Fire Department cooperation were all attractive to me.

By the end of that conversation, he had convinced me. Everything he told me not only turned out to be true, but it turns out he under sold the state. My experience here has been nothing short of spectacular. We've now shot two entire seasons of LEVERAGE here and are currently in the midst of shooting our new season.

Our production of LEVERAGE alone has brought in over \$75 million in direct spending, 205,000 hours of labor and 471 full time jobs per season, with 417 local companies receiving money from our production. In addition we spend roughly \$350,000 on background talent (extras) each season we shoot here. Last December I shot a pilot for another TV series, which actually takes place in Portland, called THE BRAIN TRUST. It is our plan to begin shooting that series here in September as well.

It is my fervent belief that there is an incredible opportunity here in Oregon to develop a thriving entertainment industry. Not unlike what happened in Vancouver, Canada in the late 70's and early 80's, Oregon is uniquely positioned for enormous growth. The huge local talent pool of artists, actors, painters, sculptors, musicians, designers and builders is unmatched elsewhere in the country outside of Los Angeles and New York. So are the diverse architectural styles, the incredible variety of locations of cities, farms, beaches, mountains and forests. And, like

Vancouver, Oregon is in the same time zone as Los Angeles, which has a huge financial impact on television productions.

However this opportunity is entirely dependent on the incentive program. Over the last several months, I've been part of a team exploring the idea of building more permanent infrastructure for our industry here in the state. We have looked at several sites in different counties to build a state of the art Film and Television studio. The Wapato Prison, for example, is a perfect place to convert into such a facility. With a true studio in place, we could further grow the entertainment industry here in the state and attract major productions to come here. But there's no point in building infrastructure if there is not going to be enough business coming here to support it. This is why the incentives are crucial.

It's great that our production can spend 30 million or so a year here in the state on my television series. But I'm a producer who often makes films that spend more than \$150 million on a single production. Imagine the impact that could have on the state. But under the current incentive, only a few productions a year eat up the entire benefit, therefore limiting production and limiting job creation. Please support these incentives and the growth of these incentives. The opportunity for the state is tremendous. It just takes leadership. I'm committed to partnering with you on this, to build a true entertainment industry here in Oregon now and in the future.

Thank you for your time. I am available to answer any questions you may have.