

Co-Chairs Burdick, Bailey and Berger, members of the committee, my name is Steve Oster and, while I'm here today as a board member of the Governor's Office of Film and Television, I am also here as a television producer who, for the first time in the twelve years that I have lived in Oregon, was finally able to work on a project here at home thanks to the success of the incentive program.

Granted, Alaska Airlines wasn't so happy not to see me on my typical twice weekly commute to Los Angeles or Vancouver, BC, but I was thrilled that after the many years of conversations that I, Vince Porter and the staff at the Film Office have had with NBC television, they finally felt comfortable that it made financial sense to bring a major network series to Oregon.

It's been a building process that started with the introduction of the film incentives back in 2005, and it has meant double digit growth for this industry every year since, resulting in an ever-expanding crew base and infrastructure. To take the wind out of those sails at this point in the voyage would be a great shame and of financial detriment to the state. For every dollar spent in this program, it is estimated that \$1.15 is returned to the State Treasury.

During the two months that the NBC project was here in Oregon, our direct local spend was nearly \$5M. \$2.5 million of that was wages for the nearly 200 local crew and cast. Another \$2 million went to local businesses, including expenditures such as 700 room nights at hotels, \$140,000 in building supplies for sets, \$125,000 spent at local clothing retailers and nearly \$200,000 that went to two Oregon visual effects houses who beat out several large Los Angeles based visual effects companies. While the demo reels from the Oregon companies were on par with the long-established LA companies, the reason that the work went to the local companies was specifically because they were eligible for the incentive program.

That is just the direct spend. As you may know, the ripple-out economic impact is estimated at 2-3 times the direct spend, because infusing that cash into the local economy then helps bolster the growth of those local lumber supply stores, clothing retailers and hundreds of other mostly small and medium-sized businesses.

The executives at NBC were thrilled with their experience on the pilot, and if they pick it up to series they would very much like to do 22 episodes a year here in Oregon. But that won't happen without the incentive program. Before the incentives were introduced, \$6M/year was a typical figure for production coming into Oregon. That's where we started. As Vince mentioned, 2011 is shaping up to be a nearly \$100M year. With your support, we can continue on that trajectory of exponential growth and the jobs that come with it. Thank you for your consideration.