

February 4, 2022

LETTER OF SUPPORT FOR HB4048

Oregon is home to a thriving Digital Media Production industry - motion picture, television, streaming content, commercials, video games, stop motion animation, augmented and virtual reality. It is an industry that has made this state its home since the turn of the 20th century.

Oregon does well with modestly budgeted feature films and mid-sized TV series, location-based projects, world class animation, a broad spectrum of commercial production work and international level interactive games. We annually track more than \$200M in direct spending impacting more than 5000 jobs each biennium. Our industry is interconnected - meaning we have the talent, locations and crews here to service not only outside productions but also support a deep local industry that develops and produces its own projects. And there is a strong base from which our industry can embrace new and emerging technologies.

In addition, our industry directly supports other industries that were overtly effected by the pandemic - tourism, hotels, restaurants and many other small businesses that support the work we do - and a great example of this can be found in the pandemic-shot "Top Chef - Portland" that not only celebrated the food culture of the title city, it also highlighted many other Oregon culinary locations like Mt. Hood, the Oregon Coast, Wine Country and the foods and chefs from indigenous and other communities.

Oregon's film and media sector is very much in growth mode and, prior to the pandemic, that growth was consistent on a year-to-year basis. The number of jobs, businesses and wages all recorded steady growth for the last decade or more. But, like most industries, the pandemic both slowed and changed the direction and consistency of that growth. Although our industry did well during the 2020-21 (pandemic) FY - more than \$100M of direct, tracked spending effecting more than 3000 jobs over 30 different projects - it is clear that there is more work to be done.

Oregon's digital media industry lags well behind both California and British Columbia in terms of number of projects, size of industry incentives and, probably most importantly, some of the necessary infrastructure (e.g. purpose built soundstages to attract larger projects). In addition, Montana increased their film & media incentive program last year and Washington state has introduced a bill in their next session that will significantly increase their program.

Oregon's media industry is missing opportunities to broaden our economic scope by attracting higher budgeted, higher profile projects while keeping all of our home-grown production talent here in the state, and, therefore, Oregon risks falling behind other neighboring states and losing jobs, vendors, projects, talent and resources.

The pandemic brought to light both the strengths and the weaknesses of our industry. Our crews and supporting vendors stepped up and embraced health and safety while still moving back into production mode fairly quickly after the "shut down" in March 2020. Interactive and animation sectors starting working remotely within a few weeks while the more in-person sets of films and television series were back at work by the summer of 2020.

However, the pandemic did bring to light Oregon's competitive position both within the US and its neighbors on the west coast and PNW. The movement of crews, requirements for better training, lack of access, non-competitive incentives and the need for purpose-built infrastructure has slowed the growth of our industry here in a post-pandemic world. Because of this, we are currently reviewing many aspects of our industry - our crews, the projects that are produced here, the infrastructure we have and still need, our media incentive programs, the industry's small business growth and the overall access to opportunities for everyone - and a third party analysis would help those efforts a great deal.

A comprehensive analysis will be a welcomed addition to helping to clarify the best ways to adjust our approach to our industry growth. Such an analysis of this industry's trajectory and the tools needed to enhance that trajectory would be a welcomed addition to our own analysis and policy changes that are currently underway.

We see this as a part of Gov. Brown's 10 point Economic Recovery plan and gratefully support HB4048 and ask that you do as well.

Best,

A handwritten signature in black ink, appearing to read "Tim Williams".

Tim Williams
Executive Director