



STAFF REPORT ACTION REQUIRED

Film, Television & Digital Media: 2012 Year in Review

Date:	April 3, 2013
To:	Economic Development Committee
From:	General Manager, Economic Development and Culture
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to update City Council on the success of the screen-based industries in 2012. This important sector comprised of production, financial, business and professional service companies, suppliers, unions and guilds employs 25,000 full-time workers. It is linked to the education sector through training and incubation at the colleges and universities.

The industry has demonstrated tremendous resiliency and strength, successfully weathering, or rebounding from SARS, a global recession and a dollar at par with the \$U.S. Results for 2012 show that direct expenditures in Toronto's screen-base industry reached \$1.2 billion, 5.9% above 2011 production spending and the second consecutive year spending has been over the billion dollar level.

The results reported are a tribute to the excellence of the continued work produced and the marketing and promotional efforts by the many companies, unions, and guilds as well as FilmOntario, the consortium of screen-based companies, and the Ontario Media Development Corporation with which the Film, Television and Digital Media section works extremely closely and jointly manages an office in Los Angeles.

The staff of the Toronto Film, Television and Digital Media Office, and their colleagues throughout the City and its ABCCDs are also to be congratulated for their collaborative efforts to support this important industry. The support and assistance of City Councillors, their staff, residents and businesses is also acknowledged. Toronto continues to be indisputably the third largest screen-base production centre in North America out performed only by New York City and Los Angeles. It is also an industry poised for future growth.

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RECOMMENDATIONS

The General Manager, Economic Development & Culture recommends that:

1. City Council congratulate the screen-based industries for the excellence of their work and all of those individual companies and organizations, including FilmOntario and the Ontario Media Development Corporation, for their marketing and promotional efforts that resulted in the largest direct contribution to the Toronto economy in a decade.
2. City Council direct the City Clerk to write the Premier of Ontario and thank her for her government's ongoing support of this important sector.

Financial Impact

There are no financial implications resulting from the adoption of this report.

COMMENTS

With more than 25,000 people directly employed in film and television, Toronto is a full service jurisdiction and home to superb talent both in front of and behind the camera, including digital animation and special effects, and some of the industry's best production and post production facilities.

In 2012 direct expenditures in Toronto's screen-base industry reached \$1.2 billion matching the peak year 2000 production value level. The 2012 expenditures are a healthy 5.9% above 2011 production spending and the second consecutive year spending has been over the billion dollar level. The last time production and post production activities topped the \$1 billion mark was 2002.

Table 1: Toronto 2012 - Total Production Spending

Category	2011 (millions)	2012 (millions)	Increase	
			Value (millions)	%
Major Productions	\$957.8	\$1,014.9	\$57.10	5.96%
Commercials	\$97.7	\$98.2	\$0.50	0.51%
Music Videos	\$1.2	\$1.2	\$0.02	1.67%
Animation	\$72.0	\$81.0	\$9.00	12.50%
Total	\$1,128.70	\$1,195.32	\$66.62	5.90%

As shown on Table 1 above, Toronto 2012 - Total Production Spending, Toronto attracted increased spending in every major category. Spending on major productions, which includes feature films, movies made-for-television, mini-series, TV specials and TV series, topped \$1 billion for the first time. Television commercials continued to account for close to \$100 million while the animation component of the industry increased significantly in 2012, returning to close to the 2010 level of \$85.3 million. A slight decline in U.S. production spending by \$14.9 million, or about 2.8%, relative to 2011 was offset by strong growth, \$72 million, or about 17%, in domestic production reaching almost \$500 million also for the first time.

Table 2: Toronto 2012 – U.S. and Domestic Production Spending

Category	2011 (millions)	2012 (millions)	Increase	
			Value (millions)	%
U.S. Productions	\$530.4	\$515.5	(\$14.90)	-2.81%
Domestic Productions	\$427.4	\$499.4	\$72.00	16.85%
Total	\$957.8	\$1,014.9	\$57.10	5.96%

The number of Location Filming Projects and Shoot Days remained stable in 2012 relative to 2011. The change in the number of Location Film Permits Issued results from the introduction of an enhanced electronic permitting system. Under the previous system, a production shooting at multiple sites within the city required a separate permit for each site. Among other things, the enhanced system provides for multiple sites to be included on a single permit.

Table 3: Toronto 2012 – Location Filming Projects, Shoot Days & Permits

Location Filming	2011	2012	Increase	
			Amount	%
Projects	1,303	1,345	42	3.22%
Shoot Days	5,424	5,284	-140	-2.58%
Permits Issued	3,694	2,034	-1,660	-44.94%

The expenditures and operations data included in this report include only those productions with at least some location work in Toronto. The film, television and digital media industry generates millions of dollars of additional spending in Toronto related to agency costs for talent, in-house broadcaster production (e.g. news and public affairs programming), and other productions completed entirely within a film or TV studio (e.g. by major networks, specialty channels and others)

The industry has demonstrated tremendous resiliency and strength, successfully weathering, or rebounding from SARS, a global recession and a dollar at par with the \$U.S. It is also an industry poised for future growth.

Industry activity in 2012 included the wrap of Total Recall, which at that time was the largest production to date shot in Toronto, followed immediately by the now largest single production to date, Pacific Rim directed by Guillermo Del Toro; the commencement of the Mortal Instruments trilogy with "City of Bones"; and re-makes of Carrie and RoboCop.

2012 also marked by final season of Flashpoint, the most successful Canadian produced television series as well as commencement of several new series Defiance, Hemlock Grove, Hannibal, Orphan Black, Copper and the Transporter and the continued presence of series such as the Listener, Nikita, Covert Affairs, Suits, XIII, Warehouse 13, Lost Girl, Murdoch Mysteries.

In response to the evolving landscape of screen base industries, we continue to work closely with our digital media partners and to link our activities to the broader technology sector and education sector. In conjunction with the Digital Media Industry of Ontario (DMIO formerly CASO) we will host a Digital Market Place event in Nathan Phillips Square on May 31st. Invitations to participate have been extended to graduating students in the field of digital animation, technology and special effects at all Toronto region based schools and digital media sector companies. A festival of student produced digital films to be judged by industry professionals will be held in the Council Chamber with an award to the 'best in show'.

In addition to film, television and digital media production, Toronto is also home to the Toronto International Film Festival (TIFF). TIFF has grown from a small 10-day event with an audience of 35,000 when launched in 1976 into a world renown cultural institution and the third largest film festival in the world, and in true Toronto style, the largest public film festival in the world. It attracts about 1.6 million attendees annually from over 130 countries including 1,100+ media and contributes significantly to Toronto's international reputation.

Anchored by TIFF there are now some 75+ film festivals in Toronto showing everything from shorts to feature films, comedy to drama, animation to documentary, and multilingual to silent throughout the year. Many of these festivals came together in 2012 to form the Toronto Film Festival Association. The establishment of this not-for-profit association, the result of an initiative of the Toronto Film Board, will help each individual festival to increase its outreach, expand and improve, better serve Toronto's diverse communities and provide a showcase for many more filmmakers.

2012 also saw the establishment of the Academy of Canadian Cinema & Television (ACCT) to unite film, television and digital media awards into one gala event. The inaugural Canadian Screen Awards held in Toronto included a series of celebrations of Canada's screen industries. These events showcasing Canada's talent in all aspects of

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film, television and digital media attracted about 5,000 industry leaders and participants and brought international attention to Toronto. The Awards ceremony had a telecast reach of 2.9 million and viewership of 800,000. Trending on twitter in Canada and Los Angeles generated over 52 million social media impressions.

Consistent with the guiding vision articulated in the City's recently adopted economic growth strategy, Collaborating for Competitiveness, we look forward to working with all of our partners to identify synergies and develop joint initiatives to further grow this key industry.

CONTACT

Randy Mclean
A/Film Commissioner
A/Director, Strategic Growth and Sector Development
Tel: 416-392-3397
Email: rmclean@toronto.ca

SIGNATURE

Michael H. Williams, General Manager
Economic Development and Culture