



Los Angeles Mission 2018

Date: June 20, 2018

To: Economic Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

On April 19, 2018, Mayor John Tory led a delegation of 23 Toronto screen industry partners to Los Angeles to strengthen existing relationships and foster new ones with Los Angeles' leading film, television and digital media companies in order to secure more investment in Toronto.

The delegation presented a unified voice for the jurisdiction while highlighting the strength and competitive advantages of each service provider, and exemplified Toronto's commitment to growing the industry beyond the \$1.8 billion it contributed to the city in 2017.

This report provides an overview of the Mayor's Los Angeles Mission including key activities and outcomes of the mission.

RECOMMENDATIONS

The General Manager, Economic Development and Culture recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

The total cost of the trade mission was \$116,795.52. The net cost after sponsorship contributions of \$101,076.59 was \$15,718.93. This amount was included in EDC's 2018 Approved Operating Budget, under the Film & Entertainment Industries activity. Future investments in Toronto by companies met in Los Angeles will result in benefits to the City.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The Economic Development Strategy, Collaborating for Competitiveness, adopted by City Council in February 2013 presents specific recommendations and actions to advance four key strategies to accelerate economic growth and job creation in Toronto. A key pillar to the strategy is to “Boost Business Growth” which focuses on leveraging the City's relationship with our international alliance partners and friendship cities as well as with bi-lateral business associations to establish cross border business oriented partnerships, develop new markets and trade alliances, and to act as a catalyst for new investment, as well as business, educational and cultural exchanges.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED19.4>

In order to strategically extend the City's business relationships and to secure future investment in LA, missions to Los Angeles were mounted in February 2016 and in January 2017 with Mayor Tory, Film and Entertainment Industries staff and key representatives of the local industry. Outcomes of the 2016 Mission to LA resulted in the Five Point Plan for Film which focused on five key areas to ensure growth in Toronto's film and TV industry. Returning to LA with a larger delegation in 2017 was a strategic extension of the Five Point Plan that cited Film & Entertainment Industries' commitment to provide consistent support to the industry and to build awareness of Toronto as a premier global destination of choice for screen production.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ED12.1>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED22.5>

In July 2017, City Council adopted *Spotlight on Toronto: A Strategic Action Plan for the Toronto Film, Television and Digital Media Industry*. A recommendation within the Strategic Plans states that “In light of the importance of Los Angeles based clients, the City promote Toronto’s brand and build relationships among key Los Angeles decision makers. Building on previous missions’ success and the expressed need to further solidify the jurisdiction’s presence in Los Angeles.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.ED22.4>

COMMENTS

The focus of Mayor Tory’s 2018 Mission to Los Angeles was to strengthen existing and build new relationships between Los Angeles and Toronto key stakeholders in the film, television and digital media industry and secure more foreign investment in the jurisdiction. 2017 was an outstanding and award-winning year for Toronto productions and the Mission’s messaging was designed to build on that success. The Mission included meetings with film studios, key production companies and streaming services, a panel discussion focussing on Toronto’s advantages as a production jurisdiction, and a reception for industry stakeholders.

Mission Objectives:

- Re-connect with the City’s key industry partners and investors in Los Angeles to present the deliverables and ongoing initiatives of *Spotlight on Toronto: A*

Strategic Action Plan for the Film, Television and Digital Media Industry that are underway to maintain Toronto's position as one of the best and most competitive production jurisdictions in the world.

- Sell Toronto as a globally-leading jurisdiction for film television and digital media production.
- Celebrate the year of outstanding success that Los Angeles investments in Toronto have yielded and thank the City's industry stakeholders for their ongoing partnerships.
- Cultivate relationships with prospective investors, companies and key stakeholders to pursue new business opportunities of high potential growth.
- Showcase Toronto's industry expertise and diversity and the city's livability.
- Provide a platform for Mayor Tory, City elected officials, Film and Entertainment Industries staff and key businesses to network and promote Toronto internationally as an investment destination for the Creative Industries.

Business/Delegate Recruitment

Toronto's film, television and digital media industry is recognized globally for its innovation, creativity and talent. Showcasing this talent in a business mission is crucial to delivering the message of a strong and unified industry. A wide range of industry partners were engaged and contributed to the Mission including unions of industry professionals such as IATSE873 and NABET700-Unifor, film studios including Pinewood Studios and Cinespace Studios, post-production houses like Technicolor, Mr. X, Deluxe and SpinVFX, and hotels and banks servicing the industry such as The Ritz-Carlton, The Hazelton, RBC and BMO, among others.

City of Toronto staff reached out to delegates of the previous missions and new companies who had expressed interest in joining a future mission. In total 23 delegate companies participated in and contributed financially to the Mission and were involved in all stages of planning leading up to the Mission, including consultations on messaging, itinerary, marketing collateral and event programming and logistics. Key to the selection of the delegation was the relevance of the companies' services to the industry and their willingness to be part of a message and delegation that speaks to all of what Toronto has to offer. Also on the Mayor's Mission were Councillor Michael Thompson, Chair of the Economic Development Committee, Vic Gupta, Principal Secretary, Emily Hillstrom, Advisor, Communications and Tour, and City staff members Zaib Shaikh, Film Commissioner and Director of Entertainment Industries, and Magali Simard, Film Sector Development Officer.

The Toronto delegation was also joined by Wendy Noss, Executive Director of the Motion Picture Association of America (Canada) who facilitated a meeting of the major studios.

A list of the Toronto delegate companies is provided in Attachment A.

Mission Highlights: Los Angeles, April 19, 2018:

Breakfast meeting Motion Picture Association of America members, Intercontinental Hotel

- Following his previous meetings with MPA members during the 2016 and 2017 Missions, the Mayor and City staff returned to speak with representatives of each of the six major studios. The MPA members are: Disney (ABC, Marvel, Pixar), Paramount Pictures (CBS, CW, Nickelodeon, MTV), Sony Pictures (Columbia, Screen Gems, Sony Animation), 20th Century Fox (Fox, Fox Searchlight, Blue Sky Animation), Universal (NBCUniversal, Focus Features, DreamWorks Animation, Universal Animation, Illumination Entertainment, Gramercy Pictures, Working Title Films) and Warner Brothers (New Line Cinema, DC Films, Castle Rock Entertainment, Turner Entertainment, CW).
- The Mayor and staff delivered key updates from the Strategic Plan with a focus on infrastructure developments, crew training, tax incentives stability, customer service developments and upcoming initiatives including the new online permitting system, the upcoming Neighbourhood GiveBacks and the xoTO Schools Pilot Project.

Meeting with Sony Pictures Worldwide Acquisition/Screen Gems, Sony Pictures Lot

- Sony Pictures Worldwide Acquisitions (SPWA) is a specialty indie-focused film division of Sony Pictures. The company specializes in acquiring and producing films for a wide variety of distribution platforms. Screen Gems is more focused on development and production while continuing to distribute. They are focused on lower-to-medium budget films for targeted audiences, and have a solid history in Toronto. SPWA has also acquired in the past larger prestige titles for international territories.
- The Mayor addressed how Toronto's infrastructure needs are being addressed, citing recent announcements and upcoming developments, and reinforced the City's commitment to growing the infrastructure footprint in Toronto. Open discussions with attendees about their criteria for choosing a production jurisdiction over another were fruitful in determining the follow up required with Sony television and film branches.

Meeting with Amazon Studios, Amazon Headquarters

- First meeting for the Mayor with Amazon Studios, who are now highly active in original television and film production. To date, Amazon Studios has purchased projects produced by others in Toronto for their Amazon Prime streaming service, and their series *The Boys* (co-produced with Sony) is currently being shot in Toronto.
- The Mayor gave an overview of the current success of Toronto productions and how Toronto is uniquely positioned (from incentives to infrastructure, crew depth and City initiatives) to offer a company like Amazon, who has expressed larger interests in Toronto as a city, a home for their high-end level of productions.
- Amazon has expressed a desire to come more often for production in Toronto as they ramp up their original programming slate.

Meeting with Blumhouse, Blumhouse Production Offices

- Blumhouse is currently in Toronto with their third project in a year. Their films are gaining global recognition and their investments grow with each production. Mission delegates have worked closely with Blumhouse in the past, and the company has larger projects coming up that could potentially be produced in Toronto. They are also expanding greatly in television scripted series production.
- The Mayor gave updates on crew training and developments, on customer service enhancements the City is set to deliver and requested feedback on medium-sized production experiences in Toronto.

Meeting with Netflix, Netflix Headquarters

- With Netflix set to produce \$8 billion in content this year, their \$500M commitment to Canadian productions and their current slate of product shot in Toronto, Netflix is a key production entity for Toronto to host in order to remain competitive in the marketplace.
- Netflix expressed a strong interest in diversity in front of and behind the camera, which places Toronto in an excellent position to attract future business from the company. They are currently scouting for several projects and the Mayor conveyed the nature and scope of Toronto's diversity and actions taken by the industry to further promote diversity within their own ranks.
- Infrastructure and studio space developments were also key elements for Netflix as they have an ever increasing production slate.

Panel Conversation: Spotlight on Toronto, The Jeremy Hotel

- A panel conversation moderated by the Mayor with *The Shape of Water* producer Miles J. Dale, *The Strain* Writer, Executive Producer and Showrunner Carlton Cuse and *The Expanse* Post-Production Executive Alicia Hirsch focused on Toronto as a production jurisdiction and featured candid commentary by some of the world's most celebrated executives and creatives working in Toronto. The Mayor highlighted deliverables of the Strategic Plan for this select group of industry.
- The panel was standing-room only with over 120 attendees.

Industry Celebration, The Jeremy Hotel

- Hosted by the Mayor, City staff and the delegation, this evening celebration was attended by over 200 people to celebrate the achievements of the past year and to foster growth for the jurisdiction by anchoring Torontonians as hosts to their stakeholders at this successful L.A. event.

Mission Feedback Summary

Feedback from the mission participants gathered from informal meetings following the Mission and at a formal post-mortem meeting held on Friday May 11th was greatly positive with companies identifying the successful delivery of our unified message in a succinct period of time with the Mayor in Los Angeles. The Toronto film and television industry considers this trip crucial to the jurisdiction cementing its place in the global production and post-production landscape. The City of Toronto's elected officials and staff are recognized as some of the strongest supporters of the industry of any jurisdiction. One of the six major studios qualified the approach of our city as the 'gold standard'. The Mayor and the team's presence are very much appreciated and offer the necessary face to face candid interactions needed to address successes of the past and conversations about the opportunities of the future.

Mission outcomes

- All studio and production executives were pleased to see the City of Toronto present in Los Angeles for a third year in a row. All were eager to hear updates on the City's news on the growth of its studio footprint, as the issue had been identified in years prior. City staff have since followed up with each company with further infrastructure updates.
- Upcoming productions discussed with executives during the L.A. Mission who have now confirmed Toronto as their production jurisdiction: *IT: Chapter 2*, *Dino Dana*, *The Boys*, *Queen of Thieves*, *SCTV Reunion* (more are underway but titles cannot be released publicly at this time)
- Interest shown by two major studios in the xoTO Schools Pilot Project for immediate future utilization. Two are currently underway, both for on-site filming and for parking utilization
- Commitment from MPA-Canada and MPA members to gather data around community Give-Backs and the creation of a formal programme is underway
- With 80% of street shoots being in the downtown core and with new developments being underway across the City, film productions need space and features to shoot in the city. City staff are undertaking the gathering of industry recommendations for the creation of film-friendly features in both existing areas and in developing ones.

Mission Budget and Financials

The detailed mission budget and financials are attached as Attachment B. The total cost of the mission was \$116,795.52. Sponsorship contributions by Toronto delegates covered \$101,076.59 of the total, making the net City of Toronto mission expenditures a total of \$15,718.93.

Conclusion

The mission was very successful and had several positive outcomes. Conversations and meetings provided further insight into the City's prioritization of the Strategic Plan's recommendations and further anchored Toronto as a key committed jurisdiction for the film, television and digital media industry for Los Angeles stakeholders. The Mayor and

City staff are increasingly recognized as being some of the strongest advocates for the industry in any jurisdiction and as available resources for any production wanting to come to Toronto or already operating in Toronto.

The City of Toronto will continue to work closely and further establish connections with the stakeholders met on this trip to ensure initiatives are carried through and messaged to the industry.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment A: List of Delegate Companies
Attachment B: Los Angeles 2018 Film Mission Budget and Financials

Attachment A: List of Delegate Companies

1. Bank of Montreal
2. Cinespace Film Studios
3. Deluxe Toronto
4. Entertainment Partners Canada
5. FilmOntario
6. The Hazelton Hotel
7. IATSE Local 873
8. NABET 700-M UNIFOR
9. MR. X
10. Pinewood Toronto Studios
11. Production Resource Group (PRG)
12. Royal Bank of Canada (RBC)
13. relato
14. Revival 629 Film Studios
15. The Ritz-Carlton, Toronto
16. SIM International
17. SoHo Metropolitan Hotel and Residences
18. SPINVFX
19. Stratagem Studios
20. Technicolor
21. TriBro Studios
22. William F. White
23. York University

Attachment B: Los Angeles Film Mission 2018 Budget and Financials

City of Toronto political and staff delegation travel (Air and ground transportation, hotels, per diem)	\$15,718.93
Business events and receptions	\$101,076.59
Panel event	\$16,123.32
Evening Reception	\$74,790.00
Marketing materials and advertisement	\$7,361.82
Event staff	\$2,086.43
Meetings charges	\$715.02
Total Mission Budget	\$116,795.52
<i>Sponsorships covered expenses</i>	<i>\$101,076.59</i>
Net Total Mission Expense for the City of Toronto	\$15,718.93