

Los Angeles Mission 2024 – Final Report

Date: June 20, 2024

To: Toronto Film, Television and Digital Media Board

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

On May 8 and 9, 2024, Mayor Olivia Chow led a delegation of 32 Toronto screen industry organizations to Los Angeles to nurture existing relationships and foster new ones with Los Angeles' leading film, television, and digital media companies in order to secure more investment in Toronto.

This report provides an overview of the Mayor's Los Angeles Mission including key activities, objectives, 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 City of Toronto's 2024 Los Angeles trade mission had a total cost of \$139,591.35. After receiving \$128,000.00 in sponsorship contributions, the net cost to the City of Toronto Film Office was \$11,591.35 with an additional \$6,283.52 required for sponsorship funding to be allocated for future industry events. The total cost of \$17,874.87 was included in the Economic Development and Culture's 2024 Operating Budget. The work done during the trade mission will result in future investments in the City of Toronto by companies met in Los Angeles and this will provide future benefits to the City.

The detailed mission financials are attached as Attachment 3.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

At its meeting on February 20, 2013, City Council adopted item ED19.4, Collaborating for Competitiveness: A Strategic Plan to Accelerate Economic Growth and Job Creation in Toronto. One of the recommendations focused on leveraging the City's relationship with 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>

At its meeting on June 7, 2016, City Council adopted item ED12.1, Mayor's Mission to Los Angeles: Growing Toronto's Screen Industry, which directed the Economic Development and Culture division to lead a staff working group with the mandate to maximize the City's support for film and television production in Toronto.

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

At its meeting on July 4, 2017, City Council adopted item ED22.4, Spotlight on Toronto: A Strategic Action Plan for the Film, Television and Digital Media Industry, which emphasized the importance of Los Angeles-based clients and the need for the City to promote Toronto and build relationships among key Los Angeles decision-makers.

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

At its meeting on July 4, 2017, City Council adopted item ED22.5, Los Angeles Mission 2017, which provided a summary of the Mayor's mission and its focus on strengthening existing relationships with Toronto's key investment partners in film, television and digital media and on expanding new business opportunities across all aspects of production including visual effects, animation, post production and virtual reality.

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

At its meeting on October 2, 2019, City Council adopted item EC7.7, Los Angeles Mission 2019, which presented an overview of the Mayor's mission to Los Angeles and focused on the consensus stakeholders demonstrated regarding the need for workforce development and expansion of production infrastructure for the growth of the film industry in Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EC7.7>

At its meeting on July 19, 2022, City Council adopted item EC31.20, Los Angeles Mission 2022, which presented an overview of the Mayor's mission to Los Angeles and conveyed the stakeholders' consensus regarding the need for workforce development, stable and competitive tax credits, and available production infrastructure for the growth of the film industry in Toronto.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EC31.20>

COMMENTS

The focus of the 2024 Los Angeles Mission was to advance Toronto's competitiveness as a jurisdiction for service production, and draw production, post-production, and visual effects (VFX) work to the city. The Mission accomplished this by meeting with current and potential clients to champion the local industry's successes and capacity and by promoting the world-class talent and infrastructure in Toronto. Toronto distinguished itself in a competitive landscape by presenting a unified group of industry leaders with one strong message.

In bringing more production, post-production, and VFX work here, this Mission supported the City's strategic priorities to increase economic vitality, create jobs and generate investment in Toronto.

The Mayor's Mission to Los Angeles is the most important marketing initiative the City of Toronto Film Office has undertaken, and it is critical in advancing the profile, relationships, and competitive position of Toronto's industry in Los Angeles. Service production from Los Angeles is a vital part of the industry in Toronto and an important element of Toronto's economy. In 2022, production volume in the City of Toronto was \$2.6 billion, with 70% of that being service production. The industry employs 35,000 Torontonians, the majority in unionized roles.

On the heels of labour disruption in the industry in 2023, and with a recent softening in production levels, the marketplace has become more competitive. In these market conditions, it is more important than ever for Toronto to be proactive in seeking and retaining business, to keep market share and retain the jobs and investment that ensure that Toronto's industry thrives.

Mission Objectives

- Thank existing clients for their business and learn more about what is working well for them in Toronto and what can be improved.
- Update clients on Toronto's advancements to meet their production needs and find out if Toronto is being considered for specific future productions.
- Explain Ontario's and Canada's stable and competitive tax credits, our worldclass workforce, advanced infrastructure including growing studio space, and talk about sustainability initiatives and customer service improvements.
- Showcase Toronto's industry expertise, diversity and the city's livability.
- Show evidence of workforce development efforts in the city, with a focus on equity, diversity and inclusion, including the strength and efforts of our unions.
- Support the City's strategic priorities to increase economic vitality, create jobs and generate investment in Toronto.

Business/Delegate Recruitment

Delegates represented the studios, educational institutions, unions and guilds, vendors, post-production and VFX companies, as well as industry associations. Each of the

participating companies paid their own travel costs. The City paid for transportation to and from meetings.

In addition to Mayor Olivia Chow, Executive Assistant Sara King and Manager of Tour Devon Sissons (from the Mayor's Office), the City team also included Ward 17 Councillor and Economic Development Champion Shelley Carroll; Ward 14 Councillor and Chair of the Film, Television and Digital Media Board Paula Fletcher; Film Commissioner and Director of Entertainment Industries Marguerite Pigott; Program Manager, Film Sector Development Jessica Menagh; and Film Sector Development Officer Collin Joseph. Marc Fiorentino, who is a Los Angeles-based joint resource employed by Ontario Creates and the City of Toronto, was also included in the activities.

A list of the Toronto delegate companies is provided in Attachment 1.

Mission Activities

Mayor's Team Meetings

On May 8, the Mayor's team, which included Councillors and City staff, visited Hackman/MBSE to see the latest iteration of plans for the Basin Street Studio development. The team also visited Amazon to thank them for their recent investment at Pinewood Studios Toronto. The next morning, the team attended a breakfast hosted by the Motion Pictures Association, which represents 6 key companies active in Toronto: Warner Brothers Discovery, Disney, Paramount, Netflix, Sony, and Universal. The Mayor's team took additional one-to-one meetings with Netflix, Warner Brothers Discovery, and Universal.

Meeting Day with Full Delegation

In 8 teams of 5-6 people, the delegation met with a variety of production companies, streamers and networks who either do business in Toronto already, but could be doing more, or are valuable potential clients for Toronto's companies. The meetings were held with decision-makers at each company and facilitated instructive and productive discussions in addition to delivering our message of Toronto's competitive advantage.

Mayor's Debrief, Sofitel West Hollywood

At the end of the meeting day, all teams attended a meeting to review the findings of the day. The Mayor led the meeting and team leads spoke about the feedback they had received from clients.

Client Cocktail Reception, EP&LP West Hollywood

The City hosted a cocktail reception including 250 representatives from companies who were not able to accommodate meeting during the day. The event stimulated great discussion and fostered deepening relationships.

Indie Producers Breakfast

Film Office staff and delegates from unions and guilds and Ontario Creates hosted 9 indie producers for an intimate breakfast on May 10. This gave producers a chance to meet and hear from delegates about how to approach their smaller productions in Toronto.

Attachment 2 lists the Los Angeles companies that took part in meetings.

Mission Feedback

Clients overwhelmingly expressed satisfaction with their experiences bringing their projects to Toronto. Noted was Toronto's top-notch crew, diversity of talent and locations and a general impression of the city as clean and safe.

Production accounting remains a strong need. More support for training the next generation of production accountants is necessary.

The production environment has changed, and there is a strong need to continue to be proactive in marketing to earn business. Demand has softened from historic highs, and some companies are doing multiple smaller budget projects, or shorter episode orders contrasted to past patterns. Decision-makers need regular contact to make sure Toronto is top-of-mind for production, VFX and post-production.

On provincial tax credits, Ontario is competitive. It was noted that some other jurisdictions do offer more attractive incentives, but Toronto's overall value proposition is still strong. On the federal level, it was noted that the tax credit has not been increased in many years. Processing times were also a topic of discussion.

Mission Outcomes

After the mission, the delegation met to debrief and discuss the trip. Some short-term and long-term action items were identified:

- Companies want to be able to easily identify, meet, and hire post and VFX supervisors. There is a global shortage of those two roles in particular. City staff will work with stakeholders to establish lists of local people in these roles in 2024.
- It is important to continue to deliver and enhance workforce development activities, focusing on key roles and filling the pipeline, including exploring partnerships with the private sector.
- The City of Toronto website could serve as a central place for information for current and potential clients. In order for it to be more effective, it needs to be updated and additional content should be added.
- Consistent marketing of the city is essential to sustain Toronto's position in a competitive market. Presence at markets, consistent communication through newsletters, ad buys, missions, and other initiatives should all be pursued given the importance of these sectors as cornerstones of Toronto's creative industries.

- City staff will continue to work closely and further establish relationships with the stakeholders met on this trip to ensure initiatives are carried through and messaged back to the industry.

CONTACT

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SIGNATURE

Patrick Tobin, General Manager
Economic Development and Culture

ATTACHMENTS

Attachment 1: List of Delegate Companies
Attachment 2: List of Los Angeles Clients that Met with the Delegation
Attachment 3: 2024 Film Mission Budget and Financials

Attachment 1: List of Delegate Companies

ACTRA
EP Canada Film Services
Tribro Studios
Cinespace Studios
NABET 700-M UNIFOR
IATSE Local 873
Directors Guild of Canada - Ontario
Sunbelt Rentals
Company 3
Bank of Montreal
MBSE
Dufferin Gate Studios
FilmOntario
CMU College of Canada
Centennial College
East Side Studios
IATSE Local 411
Redlab
Pinewood Toronto Studios
Northcrest Developments
Sheridan College
Urban Post
Rocket Science VFX
Toronto Film School
Panavision Canada
RBC
Spin VFX
Starline Group
Ontario Creates
Greenspark Group
POV

Attachment 2: List of Los Angeles Clients that Met with the Delegation

A24
Amazon/MGM
Amazon TV
AMC
Amblin
Apple
Bad Robot
Blumhouse
Boat Rocker
CBS/Paramount TV
Disney Features
Disney TV
Fifth Season
Focus Features
Fremantle
Gaumont
Hackman/MBS
Legendary
Lionsgate/Starz
MPA
MRC
Netflix
Nickelodeon
NBC Universal
Paramount Features
Picture Start
Skydance
Sony/Columbia Tristar
Universal
Warner Brothers Discovery
WB Features
101 Studios

Attachment 3: 2024 Film Mission Financials

(PRELIMINARY COSTS / Expense reports to be finalized)

City of Toronto political and staff delegation travel (Air and ground transportation, hotels, per diem)	\$ 17,874.87
Expenses covered by sponsorship revenue:	
Business events and Reception	\$ 81,413.85
Marketing materials and advertisement	\$ 13,362.14
Delegation Transportation	\$ 26,940.49
Total Mission Cost	\$ 139,591.35
Sponsorship revenue	\$ 128,000.00
Total Mission Cost for the City of Toronto (before adjustment)	\$ 11,591.35
Sponsorship funding to be directed for future industry events aligned with Mission goals	\$ 6,283.52
Net Total Mission Cost for the City of Toronto	\$ 17,874.87