

STATE SENATOR • GILDA Z. JACOBS • 14TH DISTRICT

Jacobs Press Release

P.O. Box 30036 • Lansing • Michigan • 48909-7536 • 517-373-7888 • Fax: 517-373-2983
E-mail: sengjacobs@senate.michigan.gov • www.senate.mi.gov/jacobs



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Contact: Sen Gilda Z. Jacobs
Phone: (517) 373-7888

Letter from MI Film Producer supporting film credits

TO: Members of the Media
FROM: Senator Gilda Z. Jacobs
RE: Film Credits Letter from Co-President and Producer of Michigan-based Deep Blue Pictures

On Tuesday of this week, I received this letter in support of Michigan's film credits from Eddie Rubin, Co-President and Producer of the Michigan-based film production company Deep Blue Pictures. Mr. Rubin copied me on the letter to Senator Cassis because I am the Minority Vice-Chair of Finance, the committee that considers tax incentive legislation.

I found Mr. Rubin's letter so compelling that I wanted to share it with you. There has been a great deal of discussion by legislators in the press recently about Michigan's film credits. Mr. Rubin's letter is an explanation of how those film credits actually work in his company to create jobs and more film business in Michigan.

Mr. Rubin can be reached at eddie@deepbluepictures.com, and by phone at 248-592-1940.

Dear Senator Cassis:

Hello, my name is Eddie Rubin. I am Co-President and Producer of Deep Blue Pictures, and I wanted to share with you my great affinity for the state of Michigan and the newly enacted film incentive, the results of which I am experiencing and seeing first hand. Michigan has been a wonderful place to work and I hope to continue to do so.

My company has produced a myriad of projects including "Art House," a feature film that resulted from the incentive. Currently, we have two more feature films in pre-production that are applying for the incentive, and another three or four projects in development that plan on shooting entirely in Michigan.

Over the past year you have heard of many people from L.A. and New York come to this state, produce a film and leave. For Deep Blue, and others like it, it is different. At the end of the day we do not return to L.A. or New York. I return home to Farmington Hills, where I was born and raised and hope to stay for many more years to come.

This past April I graduated from the University of Michigan with a degree in Film and Psychology. While at the University, I met my business partner, Danny Mooney, and in my

junior year we formed Deep Blue Pictures. Since our company's inception we have produced an award winning short, commercials for clientele such as Hanson's and Best Buy, web series for Disney, a music video for Big Sean (Kanye West's newest artist) and two feature films, one of which was part of the incentive. All of these projects were produced while still in college and until last spring we had planned, as many of our friends have done, to leave Michigan for the coast, because there just were no opportunities for us, film related or otherwise.

Last spring Michigan enacted the state film incentive and we decided to take a chance and stay. For the first time, Michigan decided to try and stop the brain drain that has plagued my beloved state for years. It finally provided a reason for young, educated people to remain in Michigan, help the economy, and continue to pursue their dreams.

As mentioned we have multiple feature films coming up over the next few years, which we plan to be a part of the incentive program. Over the next few years, we are planning on bringing over ten million dollars worth of film production and employing hundreds of Michigan workers while contracting many Michigan vendors.

Although our company is young, we are creating many incredible projects here in Michigan. While creating these projects we have kept many of our friends and colleagues in Michigan and have brought many from the coasts back to Michigan to work with us and stay here. On any given film we produce here we are employing anywhere from 100 to 300 people.

On top of our own projects we are very connected with the Hollywood system, and are enticing many of our contacts to come to Michigan and spend their millions of dollars and hire hundreds of Michigan employees.

Without this incentive those millions of dollars and hundreds of jobs would be elsewhere. We would leave our hometown and have to take our skills to other states. It would be criminal for this state to push away a rare multi-million dollar industry that not only WANTS to come to Michigan, but is ACTUALLY DOING SO, and quite rapidly.

I understand your concern about the sustainability of the 30-42% incentive rate, and the upfront costs the state will incur, but we must look ahead to the long term benefits this incentive will have on the state. You will rarely find a business that turns a profit in its first year. This is something that takes time and needs to be nurtured to grow to its full potential, and please remember, this is not a small business, but an enormous, world-reaching industry that could pump several hundred million dollars into the economy, statewide.

The beginnings of the infrastructure are exactly what are needed to help make this a long term industry in Michigan. We have yet to see the state's full potential with strong infrastructure and must give it time to work. Deep Blue also had a loss its first year, and had we decided to close it down based on that, we would not be doing the incredible things we are today. And I know of many more up and coming producers, directors writers and actors here who will keep even more of the incentive credits in-state, again, a by-product of the program's maturation and intentions. But to expect this all to result overnight, or even in one year or less is extremely unreasonable and shortsighted.

I know you are in favor of the infrastructure credit, but please know this absolute truth: With film incentives capped at \$50 million per year as you desire, all three major studio projects announced will not happen. That much is guaranteed, and the developers have stated such.

All should be reminded this incentive was not created as an immediate, for-profit business for the state. It was made to create jobs, stimulate a plethora of vendors, and create new economic activity. I know you think we're robbing Peter, the local business owner, to pay Paul the "Hollywood tycoon" as you call it, but I'm sorry that is simply not the reality. Over the past year we have seen many small businesses birthed, including casting agencies, location management companies, accounting and law practices, educational and training centers, financing and marketing firms. We now have video game companies wanting to set up their businesses - permanently - into another separate multi-billion dollar industry. Within just one

short year we have seen a growth and entrepreneurial surge unlike ever before, that could never be duplicated by other industries. We have seen college-educated people decide to stay in this state to work. The film industry is not merely setting up a camera. It involves many departments and skill sets from catering to legal help to the Teamsters driving the trucks for productions, but also year-round companies with full time employees. And even those “temporary jobs” as you call them, again in reality, last longer than the actual shooting days of a film, sometimes months of time in pre and post production. Plus, those performing those short term jobs are far from discontented, working at a craft they love that is higher paying, highly desired, and with higher satisfaction levels than other sectors.

There is really no limit to what can be created, and it would be detrimental to this state to limit or eradicate this incentive especially since a high likelihood of increased tourism will result when these productions reach the large and small screen. Please remember Senator, the mega tourism industry of Southern California was literally founded on the shoulders of the film and television industries there, and their various iconography.

For once this state has taken a proactive stance to the social and economic problems we are facing and it would be heartbreaking to see this reversed.

Sincerely,
Eddie Rubin

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Senator Gilda Jacobs represents the 14th Senate District, which includes Farmington, Farmington Hills, Ferndale, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield and Southfield Township. She is the Minority Vice Chair of the Campaign & Election Oversight, Families & Human Services and Finance committees. She is a member of the Economic Development & Regulatory Reform and Health Policy committees. She can be reached toll-free in Lansing at 1-888-937-4453.