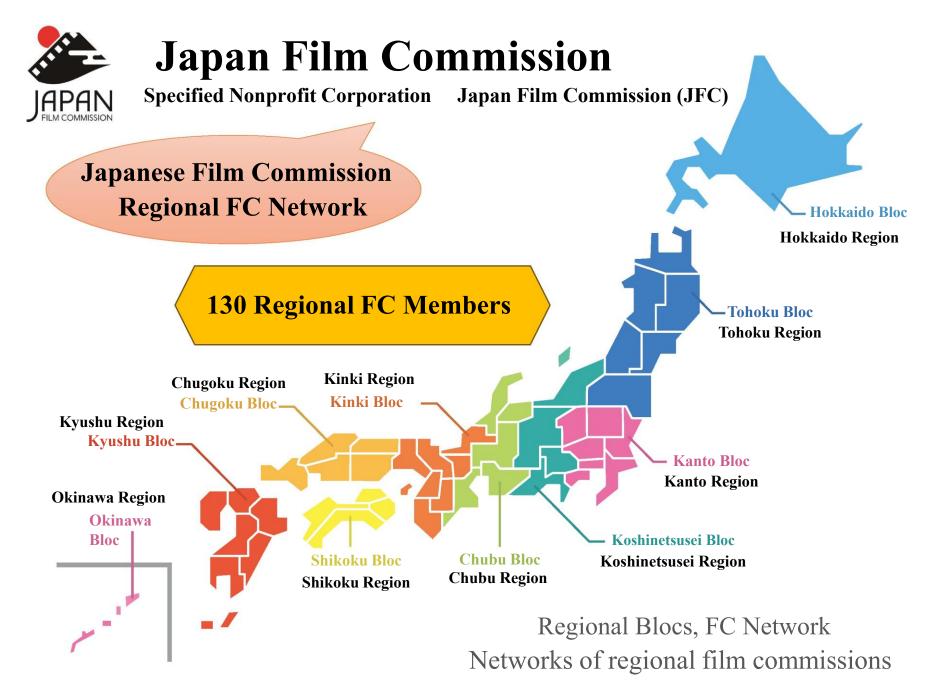


# Economic and Social Benefits Prompted by Location Promotion

Specified Nonprofit Corporation Japan Film Commission

Ruriko Sekine - Secretary General, Japan Film Commission





# **Human Resource Development (Training/Seminars) Education Programs**



## Matching event for producers and FCs Location Market/Pitching Events



# Participation in the global FC network International Network





# 1. Japan's Past Efforts to Attract On-Location Shooting

With its high international demand as a filming location, Japan, despite receiving many inquiries, has fallen behind other countries due to the lack of incentive programs and delays in the development of acceptance systems, and has missed a number of opportunities to attract foreign video productions.



# Promotion at international events Promotion Activities

- Introducing Locations
- Introducing Domestic Operators
- Providing information on permit applications, etc.
- Introducing Regional FC Incentives

#### Examples of large-scale productions that missed the opportunity to be shot in Japan



#### Mission: Impossible/Dead Reckoning Part One

Starring Tom Cruise, Ving Rhames, Simon Pegg

2023US film released in 2012 (production cost: approx.380billion yen).

Location shooting in Japan was initially considered, and location search was conducted in several areas, butwas later **abandoned due to incentive and permit issues.** 

Shot in Venice, etc.



#### Silence

Starring Andrew Garfield, Liam Neeson, Issey Ogata

US film released in 2016 (production cost: approximately 5 billion yen).

A film adaptation of Shusaku Endo's original novel by master director Martin Scorsese.

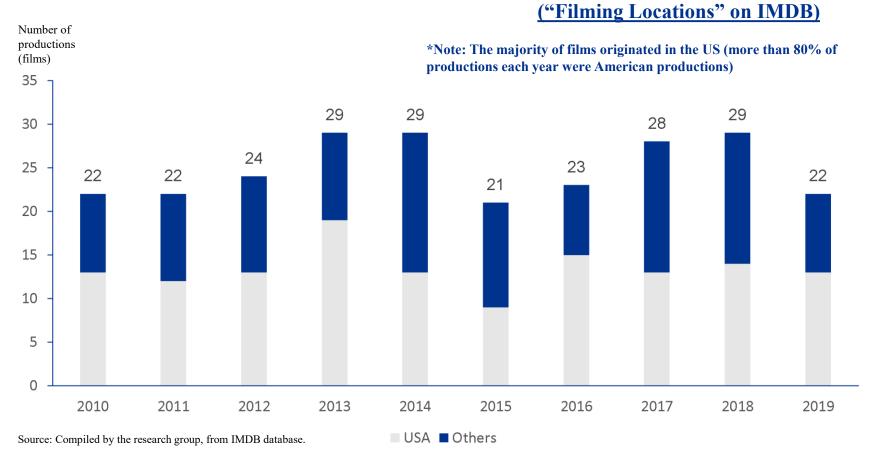
The setting of the original novel is Nagasaki, and activities such as location search had been conducted since around 2007.

Since Taiwan provided location incentives and other national support, the film was shot entirely in Taiwan.

# 2. Status of Location Promotion in Other Countries

An average of about 25 movies a year grossing 10 billion yen or more (most of them, Hollywood productions), of which 40% to 50% are shot outside of the US. Countries have competed with each other for these films' locations.

<u>Distribution of main locations for live-action films with box-office revenues over</u> 100 billion yen



- The growth of the global video industry (Netflix, Amazon, Disney, HBO, etc.) has resulted in huge production costs. (The number of productions exceeding 10 billion yen per production is increasing)
- By attracting large foreign film productions to on-location shooting, <u>significant</u> expenditures/investments are made in the domestic video and non-video industries
- Among the results of collaborating with overseas production teams are the introduction of the latest technologies in filming and production methods, the rationalization of production management including working hours and budget, and the development and availability of high-level video production human resources, together with the strengthening of the international competitiveness of the domestic video industry.
- Many countries have already introduced aggressive location-promotion measures and have already <u>engaged in international competition to attract film productions to their locations</u>. In other countries that have succeeded in attracting on-location shooting, <u>there has been an increase in tourism through location tourism</u>, as well as job creation.

# 3. Economic and Social Effects of Empirical Studies

Empirical studies by the Cabinet Office

The Cabinet Office has been working on a four-year plan from 2019 to 2022, known as "Survey on the Effectiveness of Attracting Large-Screen Films to Locations in Japan" (Japanese only), a quantitative research on the effects of attracting on-location shooting of major overseas productions to Japan by introducing incentives.

As a result, it has become clear that the economic ripple effect on investment has been significant, and that it has produced several social benefits despite the COVID-19 pandemic.

Also, it has proven effects such as employment promotion and human resource development, as well as significant benefits to the domestic video industry, including technological improvements to match international standards.

### Direct economic impact of the six film productions studied (over a four-year period)

Total amount of support from the Cabinet Office

(survey cooperation funds) 434 million yen

Total domestic production costs (domestic consumption) 11,773 million yen

Total economic ripple effects (excluding tourism) 19,363 million yen



#### <Case 1> China

#### Film Co., Ltd.

#### **Detective Chinatown: TOKYO MISSION**

Total production cost: 6.5 billion yen

Production cost in Japan: 3.1 billion yen

Amount of support: 48 million yen (excluding consumption

tax)

	Direct effects (million yen)	Primary indirect ripple effects (million yen)
Tokyo Metropolitan area	1,547	4,640
Aichi prefecture	338	1,015
Tochigi prefecture	290	870
Saitama prefecture	290	870
Hyogo prefecture	242	725
Yamanashi prefecture	97	290
Kanagawa prefecture	97	290
Ibaraki prefecture	48	145
Shizuoka prefecture	48	145
Chiba prefecture	48	145
Gunma prefecture	48	145
Total	3,093	9,280

#### <Case 2>

#### Hollywood movie "G.I. Joe: Jet Black Snake Eyes"

Total production cost: 10.2 billion yen Production cost in Japan: 2 billion yen

Amount of support: 96 million yen (excluding

consumption tax)

	Direct effects (million yen)	Primary indirect ripple effects (million yen)
Tokyo Metropolitan area	572	1,715
Hyogo prefecture	751	2,252
Osaka prefecture	393	1,179
Ibaraki prefecture	250	751
Total	1,966	5,897

#### **<Case 3>**

#### **Streaming series "TOKYO VICE"**

Total production cost: 9 billion yen

Production cost in Japan: 4.5 billion yen

Amount of support: 100 million yen (excluding

consumption tax)

Internationally-distributed works

Locations: Tokyo, Kanagawa, Ibaraki, etc.

Domestic Human
Resource Utilization

Production
Accounting
Advanced
Technology
Multilingual
support

Developing staff with international skills

Human
Resource
Development
Developing staff with international skills

Securing new human resources

Work environment improvement

Increase in inbound visitors

Promotion of local attraction tourism

Various social effects

Infrastructure improvement

Infrastructure use
Increase in studios

Facilitation of licensing

Accumulation of good practices
Discovering new locations

# **Employment promotion**

Production crews of around 100 foreigners are expected to visit Japan for large-scale productions, often employing about 200 Japanese as production staff members during the filming period.

Title	Number of Japanese production staff
Detective Chinatown TOKYO MISSION	346 members
G.I. Joe: Jet Black Snake Eyes	499 members
Tokyo Vice	244 members
Tokyo Vice Season 2	320 members
SUNNY	250 members
Gran Turismo	140 members
Total	1,799 members

- \*Directed by Michael Mann, the film provided an opportunity to learn Hollywood methods directly.
- \*Acquiring skills for internationally standardized operations and work-related know-how.

  (Production accounting, safety management, etc.))
- \*The COVID-19 prevention budget of 500 million yen was an unparalleled opportunity to learn about safety measures on location that were unparalleled in Japan.

Improved work environments

Human Resource Development



China Film Co., Ltd. partially funded the construction of "Shibuya Scramble City" in Ashikaga city, Tochigi prefecture, Japan.

It has been used in many productions after that, and Ashikaga city keeps attracting film productions





In a place that is also drawing attention for infrastructural tourism based on infrastructure created as part of urban development, Hollywood movies have been filmed there with numerous pieces of equipment and other materials brought in for that purpose.

## **Accumulation of good practices**

Discovering new locations

Easing procedures for permits and licenses

Increase in inbound visitors



By providing a preparation period and operating compensation, the project was able to set a precedent for good practices by making it possible to shoot in large cities.

The film was able to capture the real feel of the city. It also increased the number of

Japanese fans.



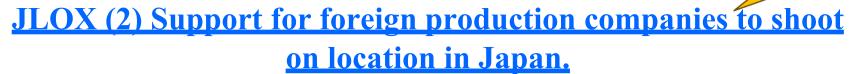


# 4. Support Systems and Initiatives in Japan

<Ministry of Economy, Trade and Industry>

- JLOX Subsidy for projects to promote foreign content development and strengthen infrastructure in FY2022 (support for video productions, etc.) (Subsidy Secretariat: Visual Industry Promotion Organization (VIPO))
- JLOX (1): Support for conversion to advanced business models in the live entertainment industry.
- JLOX (2): Projects providing support for video productions, etc.
  - (i) Video production support by domestic production companies, etc.
  - (ii) Support for projects that produce and publicize videos (branded content) for regional branding, etc.
  - (iii) Support for foreign production companies to shoot on location in Japan
  - (iv) Projects to develop and demonstrate systems that contribute to improving productivity in content production
- JLOX (3): Support for businesses to localize and promote their products to overseas markets

For more information, search for "JLOX".



Objective: To support production costs for on-location shooting in Japan by overseas filmmakers, etc., in order to promote locations, support the film industry and local communities, and increase inbound visitors, etc., through the utilization of human resources and cooperation with local communities in Japan.

Eligibility: Large-scale films produced overseas that include Japan as a shooting location with the participation of overseas production staff (live-action films, streaming series, etc.)

- -Direct production costs in Japan of 500 million yen or more
- -Total production cost of at least 1 billion yen and direct production cost of at least 200 million yen in Japan
- -Release, distribution, broadcast, or release in more than 10 countries, and direct production cost of 200 million yen or more in Japan.

Applicants: Japanese corporations (companies, organizations, etc.)

Subsidy rate: 50% of production costs consumed in Japan that are eligible for subsidy (Maximum: 1 billion yen per project)

#### <Agency for Cultural Affairs>

# Subsidy for promotion of culture and art in 2023

# **Support for International Co-productions**

#### **Project Description:**

To promote international cultural exchange through films and contribute to the promotion of Japanese films, as well as support international film co-production activities with international exchange of human resources leading to the production and popularization of excellent Japanese films.

#### Subjects:

<u>Screening time over 1 hour</u> In principle, the film will be released in Japan and overseas within one year after completion.

Widely released live-action and animated films with a subsidized budget of 100 million yen or more

-Domestic operators must invest at least 20% of the total production cost and foreign organizations must invest at least 10%.

#### Subsidy rate:

Up to 20% of eligible expenses (up to 50 million yen or 100 million yen)

Activity category	Subsidized expenses	Maximum subsidy
		amount
Live-action films	More than 100	50 million yen
	million yen	
Animated films	More than 100 million yen	50 million yen
	million yen	
Special production films (plays and	More than 300	100 million yen
animations)	million yen	



# **National Location Database**







monthly page views

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燃工上前

Appr: 田田田 - 簡単37 新水井平 山田田介 伊藤県州

# **Guidelines for the Smooth Implementation of On-Location Shooting**



(Cabinet Office / National Police Agency / Fire and Disaster Management Agency / Ministry of Land, Infrastructure, Transport and Tourism / Agency for Cultural Affairs) Issued on August 25, 2020

#### Objectives:

- To provide the information necessary to facilitate on-location shooting and location promotion, as well as matters that need to be addressed and noted in that regard, to supporters (JFC/FC, licensees, etc.) and producers
- To share the information necessary for on-location shooting and for the promotion of on-location shooting, as well as to deepen mutual understanding among the parties involved, leading to the facilitation of such activities.

#### Main details:

- Smooth on-location filming process in Japan
- Challenges identified by producers regarding on-location shooting, as well as government and domestic efforts to address them.
- Laws, regulations, ordinances, etc. related to filming

Guidelines for mutual understanding between the host of location shooting and the filmmaker (producer)

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# 5. The Role of Japanese Film Commissions

# Purpose of Film Commission Activities

More than 90% of Japanese FCs belong to the tourism department

In addition to the temporary economic effects of attracting on-location shooting, activities are aimed at regional revitalization linked to regional tourism promotion and city promotion through filming locations.

# Main support provided by the Film Commission

- Provide local information necessary for on-location shooting
- Assistance with scenery/location search/shooting
- Provide information and assistance regarding filming permits and licenses
- Support for consensus building in the community
- Cooperation in the promotion of supported works in conjunction with their release/broadcast/distribution



## Film commissions with incentive programs

As of July 2023

115 Of July 2025		
FC	Contents	Budget
Sapporo Film Commission	Local Resource Visualization Grants	5 to 10 million yen For domestic video projects.
	Sapporo Video Creator Support Grant (SVC Grant)	200,000 yen to 10 million yen There are four types, and the target population differs depending on the type.
	Content Marketing Grants (CM Grants)	1 to 3 million yen For companies in Hokkaido.
Iwate Prefecture, Hanamaki City Tourism Division	Please inquire	Please inquire
	Grants for location hunting for overseas productions	Up to 1 million yen per organization. Not more than 1/2 of the expenses covered by the grant
Tokyo Location Box	Grants for filming overseas productions	Up to 5 million yen per organization. Not more than 1/2 of the expenses covered by the grant
		*In the case of filming using the above-mentioned location scouting subsidy, the subsidy rate will be 2/3 or less.
Fukui prefecture	Subsidies for film and drama productions shot on location in	Up to 10 million yen 10/10 of eligible expenses.
Film commission	the prefecture	*Please inquire
Hill Ed. C	T. C. A.C. C. C.	Up to 500,000 yen 1/2 of eligible expenses.
Hida Film Commission	Location Activity Support	*If filming takes place in the city for more than 3 consecutive days and more than 2/3 of the filming takes place in the city, an additional 500,000 yen will be added.
Sakai Film Office	Sakai Location Support Subsidy Program	Up to 1 million yen For the total number of nights (10 or more people) spent at accommodation facilities in Sakai City, 4,000 yen per person per night will be subsidized. Upper limit: 250 persons
	Location Grant Program	Domestic: Maximum of 40,000 yen per person, up to 5 persons per project.
Kobe Film Office		Overseas: round-trip fares for up to 3 persons and lodging for up to 3 nights. Up to 1 million yen
	"Sunny land" government subsidy	Subsidy of 150,000 yen per day (maximum 300,000 yen) in case of rainfall during outdoor shooting
Okayama prefecture Film Commission Council	Location Assistance Grants	Up to 3 million yen Subsidized lodging and transportation.  Transportation: Depends on the place of departure. Accommodation fee: number of persons + 3,000 yen x total number of nights
	Location hunting assistance	Up to 60,000 yen 30,000 yen per person.
Shimane Film Commission Network	Subsidy for location travel expenses	Up to 200,000 yen About 3 persons for 2 nights (limited to once during the year)
Ube Film Commission	Subsidy for projects to promote location shooting	Up to 500,000 yen 1/2 of the cost of lodging in the city for locations with 50 or more people and 2 or more nights of lodging
		1 2 2 2 2



Kitakyushu Film Commission	Grants to support the attraction of film and TV drama locations	Please inquire
	Subsidy for travel expenses for scenario and location hunting for films and dramas	Please inquire
Saga prefecture Film commission	Location grants for domestic films and dramas shot in Saga Prefecture	Up to 3 million yen 1/2 of expenses for lodging, transportation, etc. *In principle, expenditures in Saga Prefecture are covered.
	Subsidy for location of foreign films, dramas, etc. shot in Saga Prefecture	Up to 5 million yen 1/2 of expenses for lodging, transportation, etc. *In principle, expenditures in Saga Prefecture are covered.
	Subsidy for PR expenses for films and dramas shot in Saga Prefecture	Please inquire
Oita City Location Office	Oita City Subsidy to Promote Location Shooting	Up to 5 million yen 1/2 of eligible expenses are subsidized.  In principle, expenditures in Oita City are covered.
Usa Film Commission	Film locationcosts	Film or Drama: up to 3 million yen Eligible expenses x 1/2 + 100,000 yen Films: up to 1,000,000 yen. Eligible Expenses x 1/3 + 50,000 yen
	Movies, etc.PR expenses	Up to 3 million yen eligible expenses x 1/2
Kagoshima City Tourism Exchange Bureau	Location expenses for movies or drama series	Up to 5 million yen 1/2 of eligible expenses *Consultation and application must be made 180 days prior to the first day of shooting
	PR expenses for film or drama series	Up to 5 million yen 1/2 of eligible expenses *PR Consultation and application must be made 180 days prior to the first day of the project
	Lodging subsidies for filming of video works other than those listed above	Up to 500,000 yen 2,000 yen x total number of nights *Application must be made 20 days prior to the first day of shooting

\*As for the incentive programs that regional FCs are implementing on their own, many of them are focusing on attracting visitors to Asian regions that have good accessibility, such as direct flights to the region, and have a strong effect on inbound visitors.



# To build a film-friendly environment

# From FC/Regions

- Strengthen the regional franchise network and enhance the filming support system.
- Gather feedback from the field on the results of initiatives to attract on-location shooting

# To producers

- Further collaboration with supporters to resolve issues!
- Build a smooth permit system by increasing good practices
- Help promote the films and locations we support!





# Thank you for listening!

Thank you for your attention