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Front Page Story
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Brooklyn studio films a big hit

Steiner's success
boosts scores of firms;
end to incentives
may cripple business

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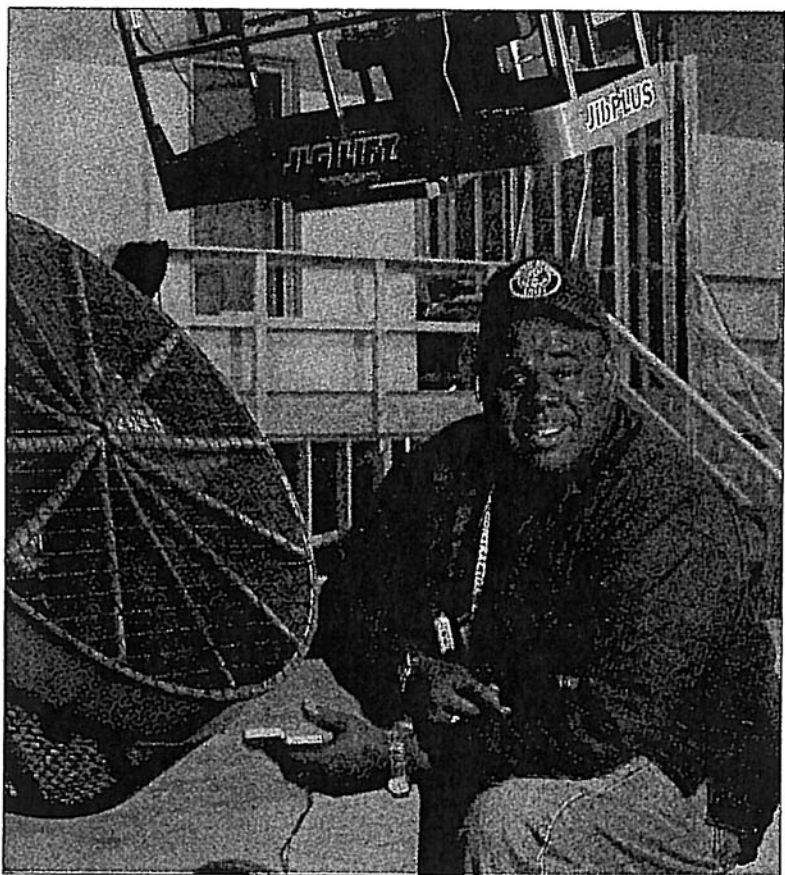
BEFORE STEINER STUDIOS unveiled its \$128 million complex in the Brooklyn Navy Yard a little over a year ago, Ernie Rodriguez operated a tiny two-man locksmith shop in Park Slope.

Now, Mr. Rodriguez is at Steiner every week, changing all the locks and access codes every time a new production comes in. His business has grown nearly 20%, and he's doubled his small staff. Even the emergency calls at 1 a.m. to fix a broken door don't bother him.

"I have my hands full now, thank God," says Mr. Rodriguez, owner of Bear Security Systems. "And I've rubbed shoulders with Nicole Kidman, Uma Thurman and Spike Lee. They're just all over the place."

When plans for the 15-acre state-of-the-art studio complex were announced five years ago, many feared it would take business away from the city's established soundstages, Silvercup Studios and Kaufman Astoria Studios. But thanks to the

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KEY CLIENT: Since the Steiner Studios complex opened in the Brooklyn Navy Yard, business has grown 20% for Ernie Rodriguez's locksmith shop, Bear Security Systems.

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15% city and state tax incentives signed into law in January 2005, about the same time Steiner opened, all three studios have been overflowing with work.

Now, all the newfound bounty could end up on the cutting-room floor. Earlier this month, the city's 5% portion of the 15% hit its \$50 million cap. Government sources say the state's \$125 million fund is nearly depleted as well. The production industry is lobbying aggressively to reinstate the incentives and make them permanent.

"It's clear that the sea change in how much business has come this way is directly related to the incentive program, and it could stop as quickly as it started," observes Doug Steiner, chairman of Steiner Studios.

In the last year, the incentives, which refund 15% of most production costs excluding talent, have brought \$600 million in new film and television business to the city, creating jobs for 6,000 New Yorkers, according to Katherine Oliver, the city's film commissioner. More than 250 films were shot here in 2005, up from 202 in 2004. The number of shooting days on location last year jumped 35% to 31,570 from the previous year.

TV pilots shoot in New York

HOLLYWOOD STUDIOS such as Walt Disney Pictures, which have long deemed New York too expensive, are making blockbusters here now. The number of television pilots is at a record high.

"Before the tax credits, if New York had one or maybe two pilots a year, we were lucky," says Alan Suna, president of Silvercup Studios, where business is up 30% from the previous year. "In the last 13

months, we've had 15 pilots."

The city is so busy that last month, Silvercup announced a \$1 billion expansion plan with eight more soundstages, production support space and offices for entertainment companies in Long Island City, Queens. Steiner Studios is working on a master plan to add hundreds of thousands of square feet to its complex.

The benefits go far beyond the film industry. In Brooklyn, for example, Steiner Studios is a windfall for scores of small businesses, from locksmiths to janitorial product suppliers, who have a new and very busy customer.

"It's more than just the extra business," says Ronnie Borress, vice president of Schlesinger Electrical Contractors Inc., which does electrical work for Steiner. "(Steiner Studios) is changing the neighborhood itself. The type of people they're bringing in is an asset."

Since Steiner opened, more than \$300 million worth of production has been shot there, according to Mr. Steiner. On any given day, anywhere from 200 to 1,200 workers are on the stages, depending on schedules for the various projects.

The studio has made a point of supporting nearby businesses. A local moving company, E-Z Moving Inc., got one of its biggest jobs ever from Steiner.

The initial move-in gig was an \$18,000 job, and moves for different productions have gone as high as \$1,500. E-Z Moving's average jobs range from \$500 to \$600, according to Tim Black, the company's sales manager.

Moving from Manhattan

SOME FILM equipment suppliers based in Manhattan are considering

SHOOTING DAYS	
On location in New York City	
2003	19,309
2004	23,321
2005	31,570

Source: Mayor's Office of Film, Theatre & Broadcasting

relocating to the Brooklyn Navy Yard. Panavision New York will probably have to leave its West 36th Street address in the next 18 months because of the West Side development plan. Scott Fleischer, vice president of the equipment rental company, is looking at space in the Brooklyn Navy Yard and in Long Island City. He says he never would have considered the Navy Yard if not for Steiner.

Mr. Steiner believes this is only the beginning, if the incentives continue to be funded. "We see this business as going from a \$5 billion business for the city up to a \$10 billion business in the next five to 10 years," he says. "We've shown that New York can be competitive."