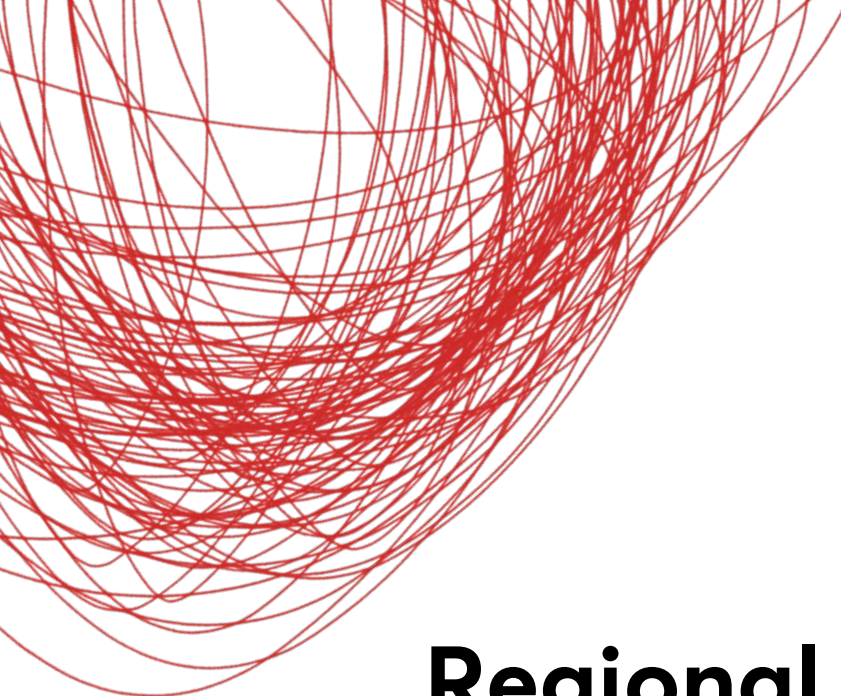




Regional Impact of Film Production in Tartu and Liepāja regions

FILMLINK Case Study Report

Draft comparative report based on Tartu and Liepāja project data

Prepared within FILMLINK, a joint initiative of Tartu Centre for Creative Industries /
Tartu Film Fund and Foundation Liepāja 2027.

The report focuses on documented direct regional expenditure, local supplier use, filming activity,
local crew involvement and socio-cultural observations from selected productions.

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 **Tartu
Film Fund**

Estonia – Latvia

1. Executive summary

This case study has been prepared within the FILMLINK project, supported by the **Estonia-Latvia Programme**. The project partners are **Tartu Centre for Creative Industries / Tartu Film Fund** in Estonia and **Foundation Liepāja 2027** in Latvia.

The purpose of the case study is to understand how film production can contribute to regional economies and local communities. The report compares selected productions in Tartu and Liepāja through practical indicators: documented regional expenditure, local service use, local crew involvement, filming days, institutional participation and potential longer-term visibility effects.

The study does not calculate full macroeconomic impact, tax return, GVA/GDP effect or full-time equivalent employment. It is deliberately more modest. It focuses on what can be demonstrated from the available project-level data.

The **Tartu** analysis covers two feature films: **Dirt in Your Face** and **O'Slaughter Day**. Together, these productions had a production budget of €2.72 million and generated €224,520 in documented regional expenditure. They received €70,000 from Tartu Film Fund, meaning that each euro of support corresponded to approximately €3.21 of direct documented spending in the region.

The **Liepāja** analysis covers three projects: **Uninvited Guests, season 3**; **The School of Survival**; and **Jumprava: The Big Happening**. Together, the projects had a total production budget of €2.52 million, generated €71,465.98 in documented regional expenditure and received €95,000 in Liepāja Film Fund support. Each euro of support corresponded to approximately €0.75 of documented direct expenditure in Liepāja.

The two funds have different funding models. Tartu support is calculated from eligible regional expenditure. Liepāja support is broader and may support production attraction, cultural value and city visibility even when not all expenditure takes place in the city.

The key strategic finding is that funding rules shape the impact that can be demonstrated. Tartu's model makes direct economic return easier to track. Liepāja's model offers more flexibility and can support cultural and visibility objectives, but it would benefit from clearer data collection and a stronger link to Liepāja-based expenditure if direct city-level economic impact becomes a priority.

2. Introduction and purpose

Film production can create regional value in several ways. The most immediate effect is direct spending. Productions need people, services, locations, accommodation, catering, transport, equipment, props, logistics and other support. These purchases can bring income to local businesses and freelancers.

There are also wider effects. A film shoot can introduce a region to producers, directors, cinematographers and location managers. It can help local suppliers learn how to work with film crews. It can involve local residents and institutions. After release, a film or series may also contribute to regional image, audience awareness or film-induced tourism.

The aim of this report is to compare selected productions from Tartu and Liepāja and to identify practical lessons for regional film policy. The report asks: how much documented spending took place in the partner regions; what types of local services were involved; how local crew, companies and institutions participated; and how funding rules influence the type of impact that can be measured.

3. Funding models and why they matter

3.1 Tartu Film Fund

Tartu Film Fund supports only eligible costs made in the defined Tartu Film Fund region (Tartu, Taru county, Jõgeva, Valga, Võru and Põlva county). The support is calculated as a share of documented regional expenditure, with a maximum support rate of up to 35% of eligible regional costs.

This creates a direct and measurable link between public support and regional spending. In the two analysed Tartu projects, €70,000 of support was connected to €224,520 of documented regional expenditure. This means that every euro of Tartu Film Fund support corresponded to approximately €3.21 of direct spending in the region.

3.2 Liepāja Film Fund

Liepāja Film Fund has a broader funding model. The fund is intended to support filming in Liepāja and to create economic and cultural benefits for the city. However, eligible expenditure does not have to take place entirely in Liepāja. Producers may spend part of the budget elsewhere in Latvia if this is needed for the production.

Projects must meet administrative criteria, including a minimum total production budget of €500,000. The maximum support is calculated in relation to the production budget, not only in relation to expenditure made in Liepāja. Projects are evaluated through a points system that includes planned expenditure in Liepāja or Latvia, involvement of local film professionals and companies, producer experience, distribution potential, artistic and cultural value, contribution to Liepāja's economy, use of local infrastructure and the filming period.

This explains why, in some Liepāja cases, the support amount may be higher than the documented expenditure in Liepāja itself. This does not mean that the support has no value. The fund may also support cultural visibility, filming activity, city image and the broader development of Liepāja as a film-friendly location. However, it makes direct city-level economic return harder to demonstrate.

3.3 Implication for the comparison

The comparison therefore shows two different logics. Tartu's model is more directly tied to measurable regional spending. Liepāja's model is more flexible and can support cultural and visibility objectives, but it requires stronger data collection if the city wants to demonstrate direct economic impact more clearly.

4. Methodology and data sources

The analysis is based on project-level data collected by the two partners. The selected projects include feature films, a multi-series film and a documentary feature film. The data covers production budgets, regional expenditure, fund support, filming days, crew size, local crew, service categories and available socio-economic observations.

The main sources are the Tartu film project impact data, the Liepāja film project impact data, and the project-based film impact survey forms completed for the three Liepāja projects.

The report focuses on documented direct regional expenditure. It does not estimate indirect or induced effects, such as supplier-chain impacts beyond the first transaction, personal spending by crew members, tax revenue, wage re-spending, or future tourism effects. This means the findings are conservative and should be read as a documented minimum rather than a complete estimate of all possible impacts.

There are also data limitations. For Liepāja, the production budget figures are described as reported / known budgets because they may not represent the complete production budget in all cases.

5. Overview of selected projects

The final case study covers five projects: two from Tartu and three from Liepāja.

Region	Project	Production company	Type	Year(s)
Tartu	Dirt in Your Face	Taska Film	Feature film	2024-2025
Tartu	O'Slaughter Day	Downtown Pictures	Feature film	2024-2025
Liepāja	Uninvited Guests, season 3	Lelde Kovalova Production	Multi-series film	2024
Liepāja	The School of Survival	Baltic Pine Films	Co-produced feature film	2025-2026
Liepāja	Jumprava: The Big Happening	SIA Filmu studija Grauba	Documentary feature film	2020-2026

6. Tartu Film Fund analysis

6.1 Project indicators

Indicator	Dirt in Your Face	O'Slaughter Day	Tartu total
Production budget	€1,579,000	€1,144,272	€2,723,272
Documented regional expenditure	€87,134	€137,386	€224,520
Film fund support	€30,000	€40,000	€70,000
Direct regional spending per €1 support	€2.90	€3.43	€3.21
Regional expenditure as share of production budget	5.5%	12.0%	8.2%
Filming days in region	3	18	21
Maximum crew size	55	50	n/a
Local crew members	11	15	26
Local supplier entries	19	23	42

The two Tartu projects generated €224,520 in documented regional expenditure from €70,000 of Tartu Film Fund support. The direct regional spending ratio was €3.21 per €1 of support. This ratio is not a full economic ROI, but it is a clear and useful indicator of direct spending generated in the region.

The two projects had 21 filming days in the region and involved 26 local crew members. The productions also generated 42 local supplier entries across a range of service areas. This indicates that the impact was not limited to film professionals but also reached local service providers.

6.2 Regional expenditure by category

Cost category	Dirt in Your Face	O'Slaughter Day	Tartu total
Creative crew	€25,000	€0	€25,000
Technical crew	€16,213	€31,485	€47,698
Art, costume and props	€15,757	€10,210	€25,967
Cast	€600	€6,635	€7,235
Production and set logistics	€570	€0	€570
Locations	€3,000	€17,795	€20,795
Accommodation	€7,273	€27,365	€34,638
Catering	€200	€29,096	€29,296
Transport / logistics	€9,982	€0	€9,982
Equipment rental	€8,539	€3,430	€11,969
Post-production services	€0	€4,000	€4,000
Production fee	€8,713	€0	€8,713
Other production costs	€0	€7,370	€7,370
Total regional spending	€87,134	€137,386	€224,520

The largest combined spending category in Tartu was technical crew (€47,698). Other significant categories were accommodation (€34,638), catering (€29,296), art/costume/props (€25,967), creative crew (€25,000) and locations (€20,795).

The data shows a relatively broad production-spending profile. A meaningful share of expenditure went to film-specific professional categories such as technical crew, creative crew and art/costume/props. At the same time, substantial expenditure went to general local services, especially accommodation, catering, locations and transport.

This suggests that the Tartu region is able to benefit from both sides of production activity: specialist film work and wider local service demand. The funding model encourages producers to identify and use regional suppliers because the support is directly linked to eligible regional expenditure.

6.3 Business, employment and local capacity effects

The two Tartu productions involved 42 local supplier entries and 26 local crew members. The supplier categories included accommodation, catering, transport, location-related services, technical crew, creative and art-related services, equipment rental, logistics, post-production and other production support.

For a regional film fund, this is important because the benefit of production is not only the final amount spent. Each project also helps local businesses and professionals gain experience with film production. Hotels, catering providers, location owners and technical service providers learn how film crews work and what kinds of practical needs productions have.

The Tartu cases therefore show how a regional fund can support both immediate spending and longer-term film readiness. The more often local suppliers are used, the easier it becomes for future productions to work in the region.

6.4 Socio-cultural and longer-term effects

For the Tartu films, socio-cultural impact should be described cautiously at this stage. The selected films have not yet had their full release cycle, so final audience, media, tourism or image effects cannot yet be measured.

The confirmed effects are filming activity in the region, direct regional expenditure, local supplier use and local crew involvement. Potential longer-term effects may include visibility of Tartu region locations, increased awareness of the region among film professionals, and stronger local knowledge of film production processes.

7. Liepāja Film Fund analysis

7.1 Project indicators

Indicator	Uninvited Guests	The School of Survival	Jumprava	Liepāja total
Reported / known production budget	€520,000.00	€1,100,000.00	€900,000.00	€2,520,000.00
Documented regional expenditure	€26,964.16	€18,427.87	€26,073.95	€71,465.98
Film fund support	€30,000	€40,000	€25,000	€95,000
Direct regional spending per €1 support	€0.90	€0.46	€1.04	€0.75
Regional expenditure as share of reported / known budget	5.2%	1.7%	2.9%	2.8%
Filming days in region	14	6	25	45
Maximum crew size	53	10	35	n/a
Local crew members	10	0	13	23
Identified local supplier entries	4	5	19	28

The three analysed Liepāja projects generated €71,465.98 in documented regional expenditure from €95,000 of Liepāja Film Fund support. The direct regional spending ratio was €0.75 per €1 of support.

This lower ratio must be interpreted in the context of the fund's broader funding model. Liepāja support is not calculated only from expenditure made in the city. The fund also considers cultural value, visibility, local infrastructure, production attraction and other criteria.

The three projects had 45 filming days in the region, involved 23 local crew members and included 28 identified local supplier entries. The number of filming days is higher than in Tartu, while the documented spending is lower. This suggests that Liepāja's productions created significant filming activity and visibility, but not all production expenditure was captured as city-level regional spending.

7.2 Regional expenditure by category

Cost category	Uninvited Guests	The School of Survival	Jumprava	Liepāja total
Accommodation	€12,125.00	€8,492.00	€4,719.28	€25,336.28
Catering	€6,091.00	€8,766.20	€7,573.05	€22,430.25
Transportation / fuel	€1,958.16	€0.00	€684.82	€2,642.98
Equipment rental and technical services	€0.00	€0.00	€96.80	€96.80
Local labour / cast	€6,790.00	€506.67	€10,000.00	€17,296.67
Construction / set design	€0.00	€0.00	€0.00	€0.00
Post-production services	€0.00	€0.00	€2,000.00	€2,000.00
Location services and fees	€0.00	€663.00	€0.00	€663.00
Other services	€0.00	€0.00	€1,000.00	€1,000.00
Total regional spending	€26,964.16	€18,427.87	€26,073.95	€71,465.98

The Liepāja expenditure profile is more concentrated than the Tartu profile. The largest documented categories were accommodation (€25,336.28), catering (€22,430.25) and local labour / cast (€17,296.67). Together, accommodation and catering accounted for more than two thirds of documented regional expenditure.

This suggests that Liepāja's clearest immediate economic role is as a host city: providing accommodation, meals, locations, local extras, local labour and practical city infrastructure. Documented spending on equipment rental, technical services, location fees and post-production was much lower.

This may mean that specialist film services were mainly brought from outside the city, or that such expenditure was not fully captured in the reporting. In both cases, the data points to a strategic development question: **if Liepāja wants to increase direct local economic return, the fund may need stronger incentives for using Liepāja-based suppliers and professionals.**

7.3 Business, community and institutional effects

The Liepāja projects show stronger community and institutional involvement than the expenditure numbers alone suggest. Uninvited Guests involved local institutions such as the municipality, police, tourism office and Liepāja Latvian Society House, and included around 40 local residents as extras, hosts or volunteers.

The School of Survival involved the municipality, a high school and Piano Restaurant. It also involved 19 local residents. The producer highlighted Liepāja's well-preserved historic architecture, industrial buildings, calm working environment and compact infrastructure as major advantages for filming.

Jumprava: The Big Happening involved a wide range of local institutions and locations, including a music, art and design school, hotels, Liepāja Theatre, the cathedral, the Olympic centre, cafés, parks and beach areas. The project involved 13 local crew members and at least 17 students, with additional people involved in concert scenes.

These examples show that Liepāja's value from film production is not fully visible in the expenditure figures. Some of the benefit lies in screen visibility, community participation, civic cooperation and the experience of hosting productions.

7.4 Socio-cultural and image effects

The socio-cultural impact of the Liepāja projects is more visible than in the Tartu cases, partly because the survey forms include more qualitative information about community participation and screen visibility.

Uninvited Guests is a well-known Latvian series. Liepāja is mentioned many times on screen because it is part of the story. The project was also connected to a TikTok campaign with 30,000-100,000 organic views from the filming days in Liepāja. The perceived regional image impact was rated 4 out of 5.

The School of Survival has not yet been released, so the final impact cannot be measured. However, local community feedback from people involved in the production was positive, and the perceived regional image impact was rated 3 out of 5.

Jumprava: The Big Happening is closely tied to Liepāja through historical scenes and local cultural memory. The perceived regional image impact was rated 4 out of 5, although the final effect cannot yet be measured because the film has not yet been released.

Overall, Liepāja's cases suggest that film production can support city image and community engagement even when direct documented expenditure is modest. This is especially relevant for productions where the city is visible in the story or where local institutions and residents are actively involved.

8. Comparative findings

8.1 Main numerical comparison

Indicator	Tartu	Liepāja
Number of analysed projects	2	3
Production / reported-known budgets	€2,723,272	€2,520,000.00
Documented regional expenditure	€224,520	€71,465.98
Film fund support	€70,000	€95,000
Direct regional spending per €1 support	€3.21	€0.75
Regional expenditure as share of production / reported-known budget	8.2%	2.8%
Filming days in region	21	45
Local crew members	26	23
Local supplier entries	42	28

The comparison shows two different regional film fund logics. Tartu's model is more directly economic. Because support is calculated from eligible regional expenditure, the fund can clearly demonstrate that public support has generated a measurable amount of local spending.

Liepāja's model is more flexible. It can support productions that bring cultural visibility, community involvement and filming activity to the city, even if not all expenditure takes place in Liepāja. This can be valuable for a city that wants to build recognition as a film-friendly location, but the current model makes direct city-level economic return harder to prove.

The spending profiles also differ. Tartu shows a broader mix of film-specific and general local service spending. Liepāja's documented expenditure is concentrated mainly in accommodation, catering and local labour / cast. This suggests that Liepāja is already functioning well as a host city, but there may be room to increase the use of local film professionals, equipment providers, technical services and paid location-related services.

The number of filming days also tells an important part of the story. Liepāja had 45 filming days across three projects, compared with 21 in Tartu. This means that Liepāja achieved substantial production presence and visibility. However, because the local spending ratio was lower, the data suggests that the city may not yet be capturing the full economic potential of this filming activity.

9. Strategic discussion

9.1 What Tartu can learn

Tartu's funding model is clear and evidence-based. It is strong when the main objective is direct regional economic return. The main opportunity for Tartu is to improve the tracking of qualitative and longer-term effects. This could include media coverage, screenings, audience numbers, location visibility, follow-up production interest and community engagement after release.

Tartu may also benefit from maintaining a structured supplier database. The project data shows that local spending reaches many service categories. Making these suppliers more visible to future producers could strengthen the region's film readiness.

9.2 What Liepāja can learn

The Liepāja case raises a clear strategic question: should the fund primarily support productions that bring visibility and cultural value to the city, or should it more strongly require measurable economic spending in Liepāja?

Both aims are valid, but they require different rules and different indicators. If the priority is city visibility and cultural value, the fund should continue to value screen presence, recognisable locations, distribution potential, media reach and community participation. In that case, reporting should collect stronger evidence on visibility, audience reach, media coverage, social media reach, local participation and post-release effects.

If the priority is direct economic impact, the fund could consider a stronger link between support and expenditure made in Liepāja. This could include clearer separation between Liepāja expenditure and other Latvian expenditure, a minimum required Liepāja spending level, higher scores for projects that use Liepāja-based suppliers and professionals, and more detailed reporting on local spending categories.

A balanced model may be the most useful. Liepāja could keep cultural and visibility criteria while strengthening the incentive for productions to spend more directly in the city.

10. Recommendations

10.1 Recommendations for both regions

- Continue using a shared data collection template for all supported productions.
- Separate total production budget, regional expenditure, national expenditure and expenditure outside the region.
- Use the term documented direct regional expenditure when referring to audited or reported spending in the region.
- Collect post-release information: screenings, festivals, media coverage, audience reach, social media reach, location visibility and follow-up production interest.
- Track local crew and local supplier involvement by service category rather than by company names in public reports.
- Use the case study results to build a stronger local supplier and location network for future productions.

10.2 Recommendations for Tartu

- Keep the clear link between support and eligible regional expenditure, because it makes direct economic return easy to demonstrate.
- Strengthen qualitative impact tracking after release, especially for films that may generate visibility, media attention or future tourism interest.
- Use the collected supplier data to improve the regional film service network and make local capacity more visible to producers.
- Consider adding a short producer feedback section to future reporting to capture practical production experience in the region.

10.3 Recommendations for Liepāja

- Clarify the strategic balance between direct economic return and wider cultural / visibility objectives.
- If direct local economic impact is a priority, consider introducing a stronger link between support and Liepāja-based expenditure.
- Give more weight to paid use of Liepāja-based suppliers, crew, locations, accommodation, catering and technical services.
- Continue valuing productions that show Liepāja on screen, involve local residents and use culturally meaningful city locations.
- Improve reporting so that personal spending, community participation, media reach and post-release effects can be captured more consistently.

11. Conclusion

The selected cases show that regional film production can create value in different but complementary ways.

Tartu demonstrates a clear link between regional support and direct local spending. The two analysed projects received €70,000 in support and generated €224,520 in documented regional expenditure. This gives a direct regional spending ratio of €3.21 for every €1 of support.

Liepāja demonstrates a broader model, where the value of production is not only economic but also cultural and reputational. The three analysed projects had a total production budget of €2.52 million, received €95,000 in support and generated €71,465.98 in documented regional expenditure. This gives a lower direct spending ratio than in Tartu, and the documented city-level expenditure represented 2.8% of the combined project budgets.

The comparison shows that funding rules shape the type of impact that can be measured. A fund that ties support directly to regional expenditure can more easily demonstrate economic return. A fund with broader cultural and production-attraction goals needs a wider set of indicators to show its value.

For future FILMLINK work, both regions would benefit from a shared and standardised data collection system that separates direct regional spending, national spending, local supplier use, local crew involvement, community participation and post-release visibility effects. This would make it easier to compare projects and explain the value of regional film funding to public stakeholders.