

Deal of the Week: Netflix's \$1B bet on New Mexico

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The skinny

Netflix plans to invest \$1 billion over the next 10 years in New Mexico, creating 1,000 jobs annually, [the streaming giant announced this week](#). Netflix also said it's in the final negotiations to purchase ABQ Studios.

The numbers

While we don't know what Netflix is spending to acquire ABQ Studios, which is owned by Los Angeles-based PacificaVentures, we do know that Netflix is planning to spend \$1 billion over the next 10 years as it makes Albuquerque its next production hub. The deal does come with tax incentives, including up to \$10 million from the state in Local Economic Development Act funding and up to \$4.5 million in LEDA funding from the city, which got initial approval this week.

The details

Netflix had already filmed some of its original shows in New Mexico including "Godless," "Longmire," "Daybreak" and "The Ridiculous Six." Netflix will begin making hires and continue to move into its newest production hub, officials said.

The players

The deal involved the team at Netflix, the city of Albuquerque's Economic Development Department and Albuquerque Economic Development.

What's next



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Mayor Tim Keller, Gov. Susana Martinez, and Netflix's Ty Warren pose for a photo at Albuquerque Studios on Monday. Netflix is investing \$1 billion over the next 10 years in New Mexico.

The next step is Netflix closing on ABQ Studios, which could initially cause a squeeze in Albuquerque's film economy but will ultimately mean more opportunity for growth in film and television. Word is Netflix is going to let productions that are already at ABQ Studios wrap up their current projects.

Why it's significant

It's hard to overstate how big of a win this is for New Mexico. It's fair to say this is on par with Facebook's \$1 billion data center in Los Lunas, especially in terms of jobs. This deal cements New Mexico's status as a filmmaking hub and the impact of Netflix's investment in New Mexico is sure to be felt throughout the economy.

Christopher Ortiz

Managing Editor

Albuquerque Business First

