

Netflix Acquires Its First Production Studio

By David Kim, J.D. Candidate 2021 | October 16, 2018

Online streaming giant Netflix [announced its acquisition](#) of Albuquerque-based ABQ Studios on October 8—a deal that will bring over \$1 billion in production and hundreds of jobs to the state of New Mexico over the next ten years. The deal was made possible in part due to New Mexico’s Local Economic Development Act (LEDA), which will provide up to \$4.5 million from the city and \$10 million in funding from the state. ABQ Studios adds eight sound stages, production offices, mill space, a back lot, and the entire canvas of Albuquerque to Netflix’s arsenal of recent infrastructure upgrades.

The acquisition is just as much about Albuquerque’s growth as it is Netflix’s—amidst growing competition amongst municipalities for tech darlings and their tax dollars, the city of Albuquerque seems to have understood and captured the changing landscape of modern media consumption. Albuquerque first put itself on the map as the backdrop for AMC’s hit show *Breaking Bad*, and the city continues to [reap the benefits](#) as a tourism hotspot over ten years after the show’s end. Creator Vince Gilligan viewed the city as “virgin territory for cinematography,” soon thereafter utilizing the rich landscape as part-and-parcel of the core storyline. With Netflix’s deep pockets and history of creative storytelling, there is little question as to whether the company will be able to do the same.

Furthermore, this expansion comes as no surprise. With Netflix’s vision of long-term growth centered around its long-form original content, the company has primed itself to take the next step in ramping up production to cater to the appetite of young cable-cutters around the world. Competitors such as Disney have come to understand the up-or-out ecosystem of online streaming—Disney recently [announced its plans to pull its content from Netflix to start its own streaming service](#). However, the acquisition of ABQ Studios should signal to competitors that Netflix has no intention of bowing down, and instead is taking active steps in becoming its own content-creating behemoth.

