

Film production in the UK – Q1 2010

UK Film Council Research and Statistics Unit

22 April 2010

1. Total film production in the UK in Q1 2010

There were 23 films with budgets of £500k or more that commenced principal photography in the UK in Q1 2010, slightly fewer than in the first quarters of 2007-2009. Four were co-productions, 14 were domestic UK features and 5 were inward investment films. The main change since 2003 has been the decline in co-productions, commented on in previous UK Film Council statistical releases. This has been partially offset by an increase in the number of UK domestic films, as shown in Table 1.

Table 1: Number of features produced in the UK in Q1 2003–Q1 2010

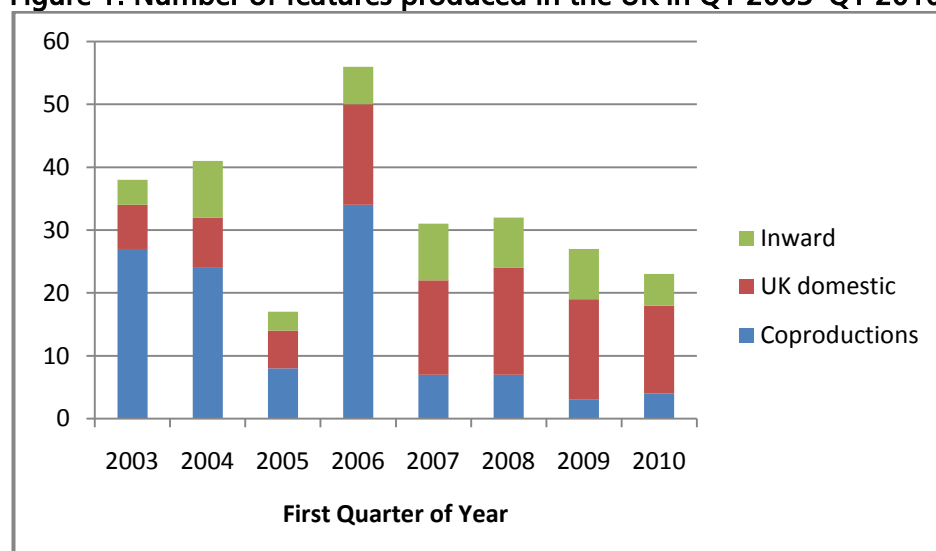
	Q12003	Q12004	Q12005	Q12006	Q12007	Q12008	Q12009	Q12010
Co-productions	27	24	8	34	7	7	3	4
UK domestic features	7	8	6	16	15	17	16	14
Inward investment feature films	4	9	3	6	9	8	8	5
Total	38	41	17	56	31	32	27	23

Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

Figure 1: Number of features produced in the UK in Q1 2003–Q1 2010



Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

The inward investment titles in Q1 2010 were *Harry Potter and the Deathly Hallows Part II*, *John Carter of Mars*, *Frankenweenie*, *Coriolanus* and *Unknown White Male*.

Domestic UK titles in Q1 2010 included *Burke & Hare*, *Jane Eyre*, *Attack the Block*, *Bel Ami*, *Foster* and *Killing Bono*.

Co-productions in Q1 2010 included *Thorne: Sleepyhead*, *Africa United* and *Late Bloomers*.

The UK spend of features that commenced principal photography in the first quarter of 2010 was the second highest on record after 2009, at £426.5 million, driven mainly by inward investment productions. UK spend of co-productions (£6.5 million) was relatively low, but UK spend of UK domestic productions (£43.5 million) compared well with most recent years (Table 2 and Figure 2).

Table 2: UK spend of features produced in the UK in Q1 2003–Q1 2010, £ millions

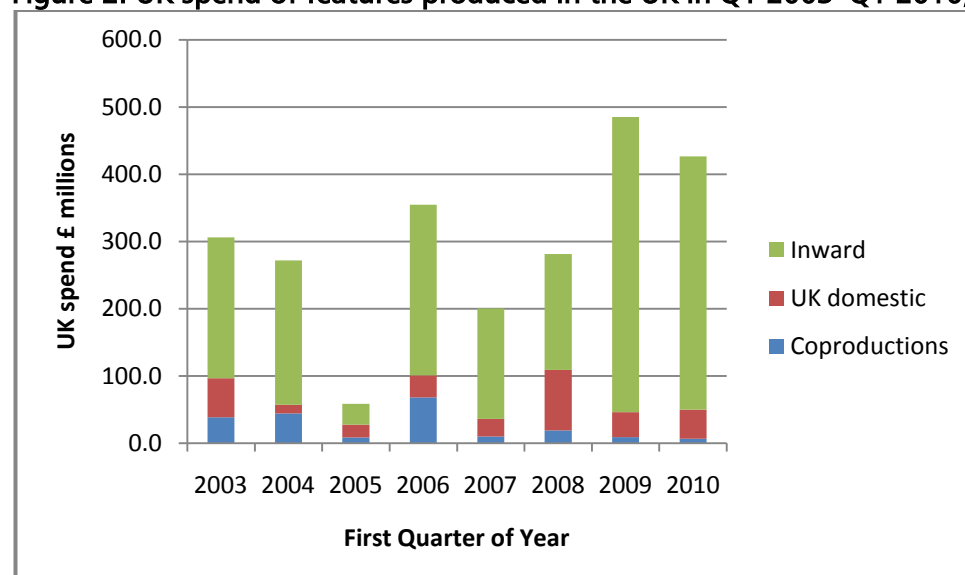
	Q12003	Q12004	Q12005	Q12006	Q12007	Q12008	Q12009	Q12010
Co-productions	38.7	44.2	8.7	68.3	10.1	19.0	8.9	6.5
UK domestic features	57.8	13.1	18.9	32.7	25.8	89.9	37.4	43.5
Inward investment feature films	209.6	214.7	30.9	253.6	164.5	172.6	438.8	376.4
Total	306.1	272.0	58.5	354.6	200.5	281.5	485.1	426.5

Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

Figure 2: UK spend of features produced in the UK in Q1 2003–Q1 2010, £ millions



Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

2. UK independent films in Q1 2010

Looking at UK independent films alone, we see (Table 3 and Figure 3) a declining Q1 trend since 2006. Although the categories cannot be shown separately because of the small number of titles in some categories in a single quarter, the decline is principally due to the decline in co-productions. Independent UK domestic films have increased moderately in number and UK spend over the same period, partly offsetting the decline in co-productions.

Table 3: Number and UK spend of UK independent films in Q1 2003–Q1 2010

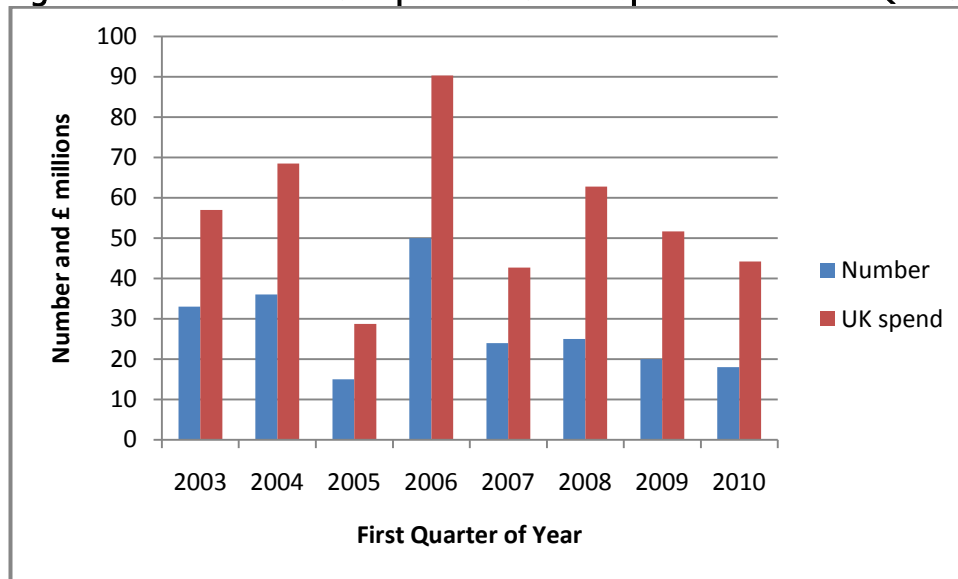
	Q12003	Q12004	Q12005	Q12006	Q12007	Q12008	Q12009	Q12010
Number	33	36	15	50	24	25	20	18
UK spend £ millions	56.9	68.5	28.7	90.3	42.7	62.8	51.6	44.2

Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

Figure 3: Number and UK spend of UK independent films in Q1 2003-Q1 2010



Source: UK Film Council

Data for films with budgets \geq £500,000

Films are allocated to the calendar quarter in which principal photography commenced.

Significant UK independent titles in Q1 2010 were *Burke & Hare*, *Attack the Block*, *Bel Ami*, *Foster*, *Thorne: Sleepyhead*, *Killing Bono* and *Flutter*.

3. Median budget of UK independent films, Q1 2010

The median budget of UK independent films in Q1 2010, at £3.0 million, was significantly higher than in recent full years, comparable to the levels prevailing in 2003-2006 (Table 4). Four of the eighteen UK independent films had budgets of £5 million or more. It is not

possible at this stage to say whether the higher median will be sustained for the whole of 2010.

Table 4: Median budget of UK independent films, 2003-Q1 2010

Year	Median budget £m
2003	3.1
2004	3.5
2005	2.5
2006	2.8
2007	1.9
2008	1.8
2009	1.9
2010 Q1	3.0

Source: UK Film Council

The median value is the middle value, i.e. there are equal numbers of films with budgets above and below the median (to a budget level of £500k).

4. Q1 results as a predictor of full year results

When interpreting the results it is useful to know the extent to which Q1 production statistics can predict full year figures. There may be a relationship, but clearly the timing and amount of film production can be affected by a number of factors so this relationship need not be determinate.

Looking first at total production, we find that total Q1 UK spend varied between 10% and 47% of the full year total over the years 2003-2009 (Table 5). On the basis of these numbers, the lowest likely value for full year 2010 UK spend would be £907 million (treating Q1 UK spend as 47% of the full year), making 2010 one of the better years on record.

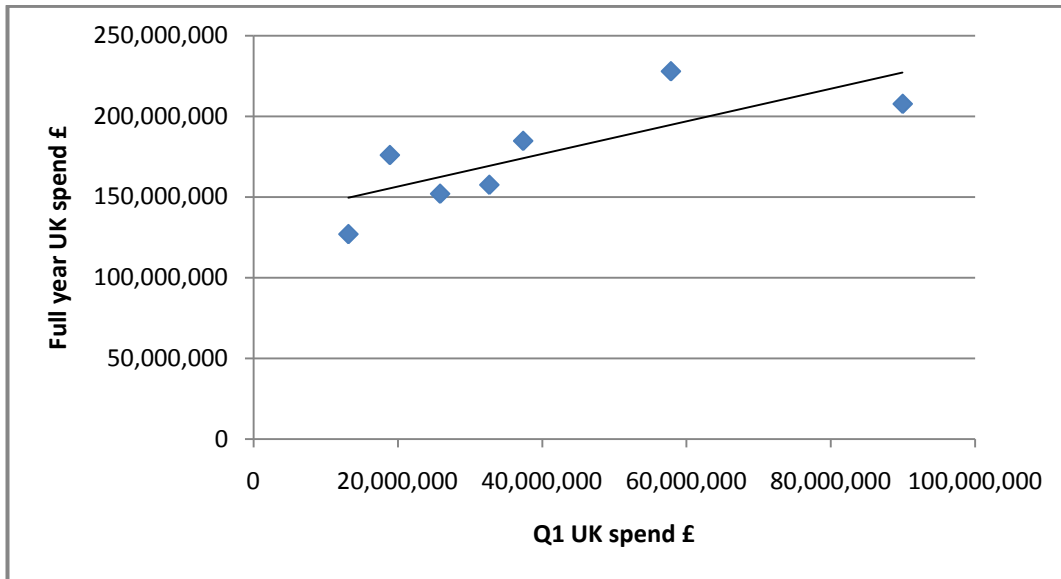
Table 5: Q1 UK spend as a percentage of full year UK spend (all categories of film)

Calendar year	Q1 UK spend as percentage of full year UK spend
2003	27.4
2004	30.9
2005	10.1
2006	43.0
2007	24.1
2008	43.4
2009	47.2

Source: UK Film Council

Because of the variation in Table 5 the Q1 figure cannot be used to make a firm forecast, however taking UK domestic films alone there appears to be a stronger statistical relationship. This is shown in Figure 4. These results suggest that with a Q1 UK spend of £43.5 million, the full year result for UK domestic features is likely to be in the range £160-£200 million, similar to the results for 2008 and 2009.

Figure 4: Correlation between Q1 UK spend and full year UK spend for UK domestic films, 2003-2009



Source: UK Film Council

Each data point is the plot of Q1 spend against full year spend for a given year.

Correlation = 0.78; p value 0.0385

Positive correlation is measured in a range from 0 to 1, with 1 being a perfect match. The correlation in this case is 0.78 which is a high value. The p value of 0.0385 means there is a less than 4% chance of observing this result if there were no correlation at all between the Q1 UK spend and the full year UK spend.

(end)

Notes

1. UK Film Council production tracking

The UK Film Council production tracking system attempts to track all films with budgets greater than £500k produced in whole or part in the UK (i.e. it is a census, not a sample).

Sources of information include industry tracking forums, Skillset, trade press and internet sources, the Office of the British Film Commissioner, UK film certification data and direct approaches to film producers.

Some films with budgets less than £500k are picked up as a result of this process, but we do not have comprehensive coverage of very low budget films so we publish data only for films with budgets of £500k+

Only productions with some UK spend on shooting, visual effects or post-production are included.

Spend is allocated to the calendar year, half year and quarter in which principal photography starts.

2. Revisions

Production tracking is a continuous process and numbers are updated each quarter to reflect newly tracked films, updated budget or UK spend information and postponements or cancellations. Adjustments apply to previous periods as well as to the most recent reported period. The tables in this report contain revised data.

3. Definitions

A **domestic** (indigenous) UK feature is a feature made by a UK production company that is produced wholly or partly in the UK

A **UK co-production** is a co-production (other than an inward co-production) involving the UK and other country partners usually under the terms of a bilateral co-production agreement or the European Convention on Cinematographic Co-production.

An **inward feature** is a feature film which is substantially financed and controlled from outside the UK, where the production is attracted to the UK because of script requirements, the UK's infrastructure or UK tax incentives. Many (but not all) inward features are UK films by virtue of their UK cultural content and the fact that they pass the Cultural Test administered by the UK Film Council Certification Unit on behalf of the Secretary of State for Culture, Media and Sport.

An **inward feature co-production** is an official co-production that originates from outside the co-production treaty countries (usually from the USA) and which is attracted to the UK because of script requirements, the UK's infrastructure or UK tax incentives

A **VFX-only film** is a film that has a substantial quantity of digital visual effects made in the UK at one of the UK's main VFX houses but no other UK spend.

Inward investment (INW) is the total of inward features, inward feature co-productions and VFX-only inward investment films. These are summed as the number of inward co-productions is usually low, so showing their budgets or UK spend separately would be disclosive.

A **UK film** is a film that has been certified as British by the DCMS or by the Certification Unit of the UK Film Council (acting on the authority of the Secretary of State for Culture Media and Sport) or which is a *de facto* UK film by virtue of being made in whole or part in the UK by a UK production company.

A **US studio film** is a film that is produced in whole or part by one of the major US studios or one of the major US studios' specialist subsidiaries.

An **independent film** is a film made by an independent production company or group of independent production companies.

US studio films are generally distributed in most territories by the parent studio. Independent films are usually distributed by different distributors in different territories.

Pre-release Access

Under the terms of the Statistics and Registration Service Act 2007, statutory 24 hours pre-release access to this statistical release was granted to the following:

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