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King Kong (UIP); *Mrs Henderson Presents* (Pathé Pictures International); *Star Wars: Episode III – Revenge of the Sith* (Lucasfilm); *Pride and Prejudice* (UIP); *Wallace & Gromit: The Curse of the Were-Rabbit* (UIP); *Waqt* (Eros International); *V for Vendetta* (Warner Bros)

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RSU Statistical Yearbook 2005/06

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Introduction

This *Statistical Yearbook*, the fourth we have published, is intended to contribute to the development of evidence-based film policy in the UK. It contains a rich source of industry data and analysis, drawn from a range of reputable suppliers and detailing the full value chain for film.

If you are familiar with previous yearbooks you will notice the 2005/06 edition contains updated versions of many of the tables you have used before. In addition, there are summarised data from a number of reports that appeared in 2005:

- the Optima/Cambridge Econometrics report on the economic impact of the UK screen industries (Chapter 12)
- the Oxford Economic Forecasting report on the economic impact of UK film (Chapter 12)
- the Olsberg SPI report on the UK sales sector (Chapter 12)
- the Oxford Economic Forecasting report on the UK film post-production and visual effects industry (Chapter 12)
- the Skillset Film Production Workforce and Performing Arts Industry surveys (Chapter 13)

Other additions to the *Statistical Yearbook* include tables on:

- the scale of UK releases (Chapter 1)
- top UK films 1996 – 2005 (Chapter 3)
- more detailed analysis of foreign language films (Chapter 5)
- films by the British Board of Film Classification (BBFC) certification category (Chapter 5)
- a regional breakdown of cinemas by type and programme (Chapter 7)

One subject we have covered in previous years is missing: film on television. This gap reflects a change in licensing arrangements with the Broadcasting Audience Research Board (BARB). We hope that we will be able to recommence publishing data relating to film on television in 2007.

2005 was a year of mixed fortunes. On the positive side, it was an excellent year for UK films which increased their share of the UK box office to 33%. The top 20 UK films achieved international revenues of US$3.3 billion and hundreds of millions of people watched films that reflected the UK culturally. The roll-out of digital projectors picked up pace, UK cinema admissions held up compared with most other territories and new forms of film distribution (such as online rental) grew rapidly, with the promise of much more to follow.

However, it was a year in which box office revenues overall were stable rather than growing, video revenues fell and UK production volumes also fell. The UK theatrical market has now been on a plateau for three years, a break from the surge in admissions from the mid-1980s to 2002. The industry anticipated myriad new forms of film consumption using digital delivery systems (video on demand, web-connected television, mobile film downloads, home cinema, digital projection) but faced as many technical and business challenges (digital rights management, new business models, interconnectivity, infrastructure capacity) and leakage of sales to pirate operators. Just as video evolved from threat to providing the majority of film revenues, it is possible that new forms of digital distribution will become the mainstay of the industry in the future. However, the coming shape of the industry is uncertain. It will take several years for the technical and legal issues to be resolved and for the new digital business models to emerge and settle down.

As this process evolves, we will be talking to our data suppliers and sourcing datasets that will allow us to track and describe the emerging world of digital production, distribution and exhibition. This will be reflected in future editions of this *Statistical Yearbook*.

When deciding what to include in the *Yearbook* our primary concern is always to ensure data are robust and useful to promoting understanding. We also aim for timeliness, although in an annual publication our ability to present the most up-to-date information is, inevitably, limited. Our regular *Research and Statistics Bulletins* on the website, provide regular UK box office updates along with other research findings as they become available. Readers are encouraged to make use of this resource. As always we welcome feedback and comments on our publications and our research activity more generally. Please feel free to contact us on the email addresses or phone numbers given below.

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About the Research and Statistics Unit (RSU)

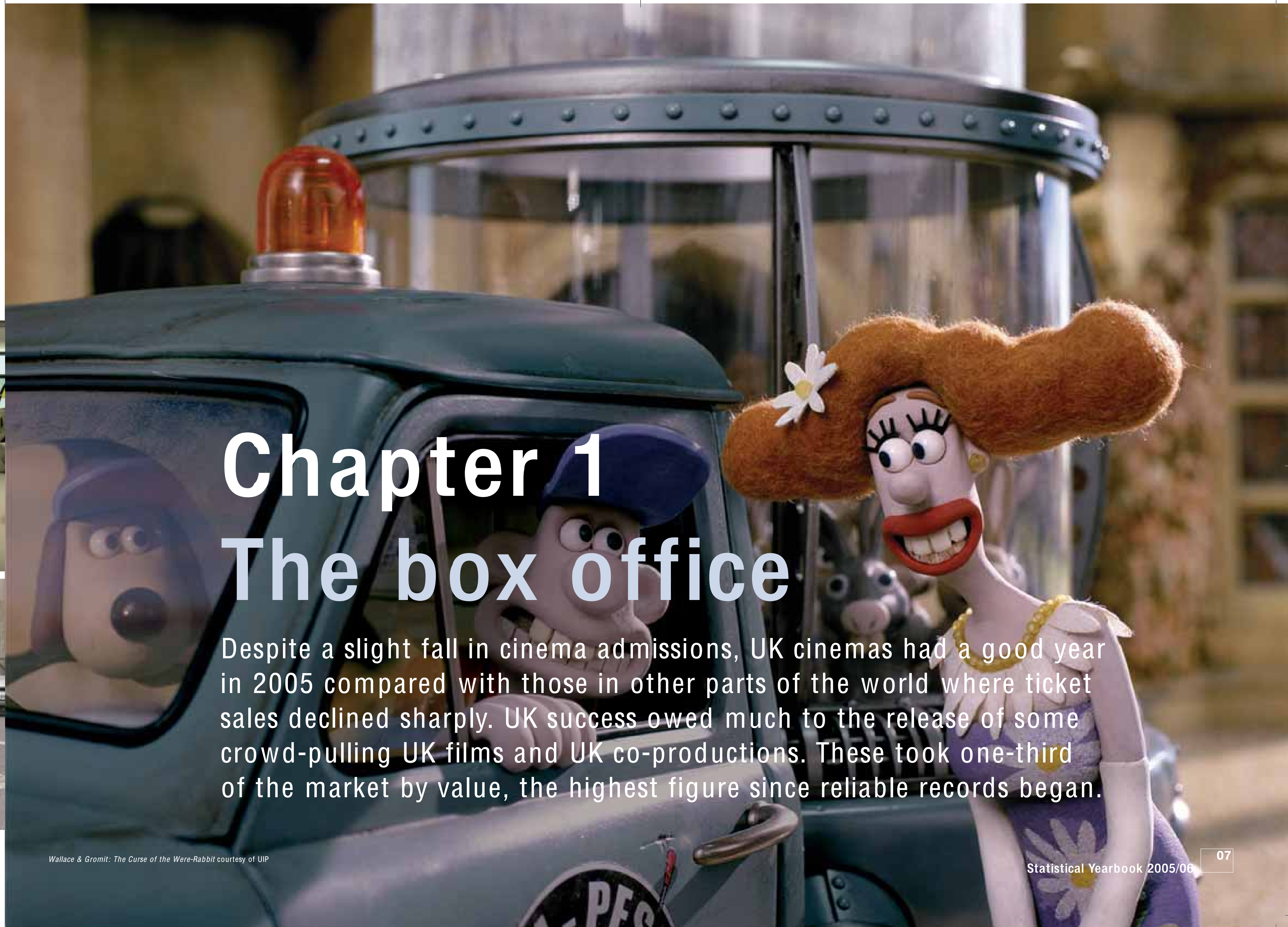
The Research and Statistics Unit (RSU) provides research data and market intelligence to anyone with an interest in UK film and film in the UK. Research enquiries should be directed to the RSU +44 (0)20 7861 7940, rsu@ukfilmcouncil.org.uk. All other enquiries should be made to the UK Film Council Communications Department +44 (0)20 7861 7861, press@ukfilmcouncil.org.uk


Kinky Boots courtesy of BVI

Madagascar courtesy of UIP


The Chorus courtesy of Pathé Pictures International

The Da Vinci Code courtesy of Sony Pictures Entertainment



Chapter 1
The box office

Despite a slight fall in cinema admissions, UK cinemas had a good year in 2005 compared with those in other parts of the world where ticket sales declined sharply. UK success owed much to the release of some crowd-pulling UK films and UK co-productions. These took one-third of the market by value, the highest figure since reliable records began.

Wallace & Gromit: The Curse of the Were-Rabbit courtesy of UIP

Facts in focus

- 2005 saw cinema admissions at 165 million, down 3.9% on 2004.
- Total box office receipts were £770 million, unchanged from 2004.
- Admissions in other countries fell by up to almost one-fifth.
- 467 films (on release for a week or more) were released in the UK and Republic of Ireland, an increase of 3.5% on 2004.
- UK films, including co-productions, accounted for just over 19% of releases, but a third of the market by value. This is an increase of almost 50% on 2004 and the highest figure since reliable records began.
- The top 100 films earned almost 92% of the gross box office.

1.1 Admissions

Although the 164.7 million cinema admissions recorded for the UK in 2005 were down 3.9% on 2004, the UK box office fared better than other major world territories. According to the Motion Picture Association (MPA), US admissions fell by almost 9% to 1.4 billion in 2005. Admissions in Japan have fallen by 6% year-on-year, but the decline in ticket sales was most marked across the major Western European territories. German admissions fell by approximately one-fifth (18.8%) to 127 million, while Spain (down 12.5%), France (still the largest number of admissions recorded in Europe at 175.7 million, but down 10.1% on 2004) and Italy (down 7.5%) also experienced declining ticket sales. The fact that the UK's admissions fall was only 3.9% is largely down to the performance of successful local films which were less prominent in many other European nations.

The fall in admissions comes after a relatively strong box office in 2004; the 2005 figures are closer to those of 2003 as Table 1.1 shows.

Table 1.1 UK annual admissions, 1996 – 2005

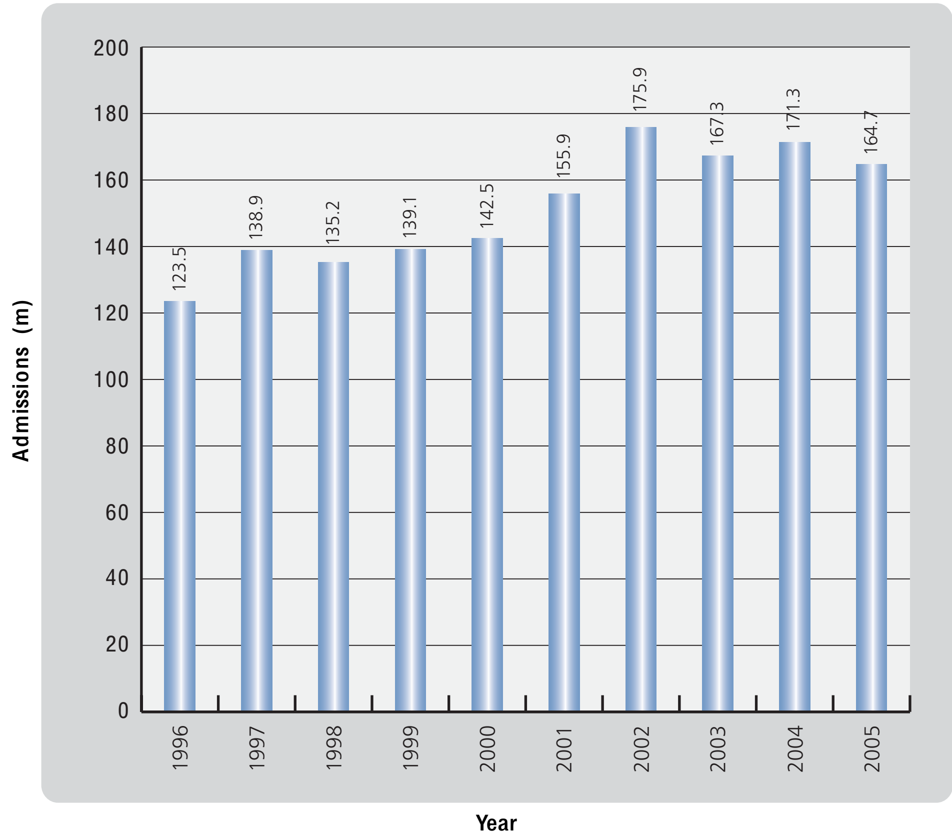
Year	Total admissions (m)
1996	123.5
1997	138.9
1998	135.2
1999	139.1
2000	142.5
2001	155.9
2002	175.9
2003	167.3
2004	171.3
2005	164.7

Source: CAA, Nielsen EDI

The Chronicles of Narnia: The Lion, the Witch and the Wardrobe courtesy of BVI

Figure 1.1 illustrates the upward trend in admissions over the last 10 years, with 2002 being an exceptionally strong year, followed by a plateau around the 167 million mark.

Figure 1.1 Annual admissions, 1996 – 2005



Source: CAA, Nielsen EDI

Tables 1.2 and 1.3 show the UK admissions total broken down by month. Five months (February, March, October, November and December) recorded higher monthly admissions than the equivalent period in 2004. US comedies *Meet the Fockers* and *Hitch* boosted ticket sales in the first three months of the year. The mid-summer period was less successful for a number of reasons including several under-performing studio releases. Blockbusters released in the final quarter of the year, many with a distinctive local flavour, provided a strong boost for admissions in the autumn and winter. These included *Harry Potter and the Goblet of Fire, Wallace & Gromit: The Curse of the Were-Rabbit, Nanny McPhee, The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* and *King Kong.*

Table 1.2 Monthly UK cinema admissions, 2004 – 2005

Month	2004 (m)	2005 (m)	% +/- on 2004
January	15.3	13.4	-12.4
February	13.3	14.8	+11.3
March	10.7	12.3	+15.0
April	14.5	10.6	-26.9
May	13.1	13.1	0.0
June	14.7	10.5	-28.6
July	18.4	16.0	-13.0
August	17.4	15.9	-8.6
September	10.2	9.5	-6.9
October	14.5	15.6	+7.6
November	14.6	15.2	+4.1
December	14.6	17.6	+20.5
Total	**171.3**	**164.7**	**-3.9**

Source: CAA, Nielsen EDI

Table 1.3 Average weekly admissions, 2004 – 2005

Month	2004 weekly average (m)	2005 weekly average (m)
January	3.5	3.0
February	3.2	3.7
March	2.4	2.8
April	3.4	2.5
May	3.0	3.0
June	3.4	2.5
July	4.2	3.6
August	3.9	3.6
September	2.4	2.2
October	3.3	3.5
November	3.4	3.5
December	3.3	4.0

Source: CAA, Nielsen EDI

Table 1.4 shows how the 2005 admissions break down by TV region. The pattern remains largely unchanged on 2004, and the areas with the highest concentrations of population – London, the Midlands and Lancashire – accounted for half of all UK admissions in 2005.

Table 1.4 Cinema admissions by region, 2005

Region	Admissions (m)	%
London	41.3	25.1
Midlands	23.3	14.1
Lancashire	18.3	11.1
Southern	15.2	9.3
Yorkshire	13.8	8.4
Central Scotland	11.3	6.9
East of England	10.9	6.6
Wales and West	10.8	6.6
North East	6.3	3.9
Northern Ireland	4.9	3.0
South West	3.6	2.2
Northern Scotland	3.3	2.0
Border	1.6	1.0
Total	**164.7**	**100.0**

Source: CAA, Nielsen EDI

1.2 Box office earnings

According to the CAA/Nielsen EDI, the total UK box office for 2005 was £770 million, equal to 2004 and an increase of 87% since 1996. This figure covers all box office earnings during the calendar year 2005 for all films exhibited in the UK.

Table 1.5 UK box office trends, 1996 – 2005

Year	Box office gross (£m)	%+/-	Cumulative %
1996	411	0.0	-
1997	489	19.0	19.0
1998	547	11.8	33.1
1999	563	3.0	37.0
2000	583	3.5	41.8
2001	645	10.6	56.9
2002	755	17.0	83.7
2003	742	-1.7	80.5
2004	770	3.7	87.3
2005	770	0.0	87.3

Source: CAA, Nielsen EDI

1.3 Film releases and box office revenues

467 films (on release for a week or more) were released in the UK and Republic of Ireland in 2005, an increase of 3.5% on 2004. They generated £845 million in box office revenues, up 3% on the same period. This figure differs from the £770 million quoted in paragraph 1.2 because it includes revenues generated in 2006 by films released in 2005 and covers the Republic of Ireland as well as the UK.

As can be seen in Table 1.6, the top 100 films took 91.5% of the box office. The remaining 367 films (79% of all releases) accounted for just 8.5% of the box office. Although the top 20 films saw their share of the total revenue increase, the top 50 films accounted for around three-quarters of the box office gross, as in 2004.

Table 1.6 Summary of results at the UK and Republic of Ireland box office, 2000 – 2005

	2001	2002	2003	2004	2005
Releases	352	369	423	451	467
Combined gross £m	744.1	809.4	829.7	822.0	844.9
Top 20 films (% of box office)	59.3	60.3	53.5	49.4	54.7
Top 50 films (% of box office)	84.1	82.3	77.8	75.5	75.7
Top 100 films (% of box office)	95.6	94.4	92.3	92.6	91.5

Source: Nielsen EDI, RSU analysis
Note: Table 1.6 and all subsequent analysis of the theatrical market includes all titles released in 2005.
The combined gross reflects the territorial gross (ie including the Republic of Ireland), and covers those titles released in 2005, but also making money into 2006, up to and including 19 February 2006

Table 1.7 outlines the number of films released in the UK in 2005 by the number of sites at the widest point of release. A total of 142 films were released on 100 sites or more (30%), while 200 films were released on fewer than 10 sites (43% of all films released).

Table 1.7 Number of releases and average box office gross by number of sites at widest point of release, 2005

Number of sites at WPR	Number	% of releases	Average box office (£)
>500	7	1.5	33,061,000
400 – 499	30	6.4	10,421,000
300 – 399	52	11.1	3,688,000
200 – 299	32	6.9	1,560,000
100 – 199	21	4.5	1,200,000
50 – 99	24	5.1	404,000
10 – 49	101	21.6	203,000
<10	200	42.8	24,000
Total	**467**	**100.0**	**1,809,000**

Source: Nielsen EDI, RSU analysis

1.4 Country of origin of film releases

We apply the Department for Culture, Media and Sport (DCMS) definition of a UK film under Schedule 1 of the Films Act (1985) for our analysis. To qualify under Schedule 1 during the period under review a film needed a minimum UK spend of 70% and a specified proportion of labour costs paid to qualifying individuals. A film could also qualify if it satisfied the terms of one of the UK's co-production treaties. From 1 April 2006, the UK Government intends to apply new criteria, the details of which can be obtained from the DCMS (www.culture.gov.uk/creative_industries/film/).

As Table 1.8 indicates, UK films accounted for one-third of the UK theatrical market by earnings in 2005, the highest figure since reliable box office records began. Of all films released in 2005, 36% were of US origin (excluding UK co-productions), and these films accounted for 63% of the total box office earnings (down 10% on 2004).

UK films, including co-productions, accounted for 19% of releases and 33% of the box office, while UK/USA collaborations earned over 28% of the box office despite representing only 6% of releases. This was due mainly to the likes of *Harry Potter and the Goblet of Fire, Charlie and the Chocolate Factory, Wallace & Gromit: The Curse of the Were-Rabbit, Nanny McPhee, Batman Begins* and *Pride and Prejudice*.

Films whose country of origin lies outside the UK and USA accounted for 45% of releases but only 3.9% of earnings. Indian films alone represented 16% of all releases and 1.5% of revenues. Films from the rest of the world (excluding Europe) accounted for almost 1% of the box office from 12% of the releases, and European films were boosted by the likes of *Downfall* and *The Chorus*, representing 1.6% of the box office gross from 17% of releases.

Table 1.8 Country of origin of films released in the UK and Republic of Ireland, 2005

Country of origin	No. of releases in 2005	% of all releases	2005 box office (£m)	2005 box office share (%)
USA solo	137	29.3	386.2	45.7
USA co-productions (other)	30	6.4	147.2	17.4
Sub total	167	35.8	533.4	63.1
UK and UK co-productions	61	13.1	39.5	4.7
UK/USA	28	6.0	239.3	28.3
Sub total	89	19.1	278.9	33.0
Europe	80	17.1	13.7	1.6
India	74	15.8	12.4	1.5
Rest of the world	57	12.2	6.5	0.8
Total	**467**	**100**	**844.9**	**100**

Source: Nielsen EDI, RSU analysis
Box office gross = cumulative total up to 19 February 2006

Table 1.9 focuses on the changes in market share over time by country of origin of films. While UK, European and Indian market shares were at their highest for four years, and US the lowest, most of the fluctuations can be attributed to one or two high profile releases in any given year.

Table 1.9 Market share by country of origin, 2002 – 2005

	2002	2003	2004	2005
USA	73.4	81.6	73.2	63.1
UK	24.4	15.7	23.4	33.0
Europe	0.7	0.9	0.6	1.6
India	1.0	1.0	1.1	1.5
Rest of the world	0.5	0.8	1.8	0.8
Total	**100.0**	**100.0**	**100.0**	**100.0**

Source: Nielsen EDI, RSU analysis

Table 1.10 compares the number of UK films across several gross box office bands with the non-UK output in 2005. The UK is better represented in the higher bands of box office earnings than the non-UK releases. What is clear is that 78% of non-UK films earn less than £1million at the UK box office.

Table 1.10 UK and non-UK releases by box office gross band, 2005

Box office gross (£m)	Non-UK releases		UK releases	
	Number	% releases	Number	% releases
>30	4	1.1	3	3.4
20 – 29.99	2	0.5	0	0
10 – 19.99	6	1.6	4	4.5
5 – 9.99	18	4.8	6	6.7
1 – 4.99	54	14.3	22	24.7
0.5 – 0.99	30	7.9	5	5.6
0.1 – 0.49	60	15.9	13	14.6
Less than 0.1	204	54.0	36	40.4

Source: Nielsen EDI, RSU analysis

Table 1.11 focuses on the breadth of film release by country of origin. Collaborations between the UK and USA were the most widely released, with a median of 349 locations. UK-only productions and UK co-productions experienced a more limited distribution with a median of 23. The median for European and rest of the world films were three and four respectively.

Table 1.11 Films on release in UK and Republic of Ireland by country of origin and average widest point of release, 2005

Country of origin	No. of releases in 2005	2005 box office (£m)	Median WPR
USA solo	137	386.2	160
USA co-productions (other)	30	147.2	276
All USA	167	533.4	192
UK and UK co-productions	61	39.5	23
UK/USA	28	239.3	349
All UK	89	278.9	58
Europe	80	13.7	3
India	74	12.4	14
Rest of the world	57	6.5	4
Total	**467**	**844.9**	**16**

Source: Nielsen EDI, RSU analysis

The average box office per site by country of origin is depicted in Table 1.12. UK/USA collaborations earned the most per site, followed by US co-productions.

Table 1.12 Films on release in the UK and Republic of Ireland by country of origin and average box office gross per site, 2005

Country of origin	Average box office per site (£)	2005 box office (£m)	Total sites at WPR
USA solo	15,026	386.2	25,700
USA co-productions (other)	21,709	147.2	6,782
All USA	16,422	533.4	32,482
UK and UK co-productions	6,128	39.5	6,451
UK/USA	31,527	239.3	7,591
All UK	19,859	278.9	14,042
Europe	9,246	13.7	1,478
India	9,241	12.4	1,342
Rest of the world	6,359	6.5	1,029

Source: Nielsen EDI, RSU analysis

Hitch courtesy of Sony Pictures Entertainment

See also

- For more information about top films in 2005 see chapter 2 (p.15)
- For further details of film distribution in 2005 see chapter 6 (p.40)
- For information about weekend/weekday box office performance see chapter 6 (p.40)
- For a review of the exhibition sector in 2005 see chapter 7 (p.44)

Chapter 2
Top films in 2005

UK films made a brilliant showing in 2005 with eight films in the top 20. *Harry Potter* really is magic, reaching the number one spot this year in *Harry Potter and the Goblet of Fire*, his third appearance in the top films in the last four years.

Harry Potter and the Goblet of Fire courtesy of Warner Bros

Facts in focus

- *Harry Potter and the Goblet of Fire* was the biggest film of the year, earning over £48 million.
- Eight UK films featured in the top 20 – *Harry Potter and the Goblet of Fire, Charlie and the Chocolate Factory, Wallace & Gromit: The Curse of the Were-Rabbit, Nanny McPhee, Batman Begins, Pride and Prejudice, The Hitchhiker's Guide to the Galaxy* and *Valiant*.
- The USA was involved in every production in the top 20 films at the UK box office, partnering the UK on eight films.
- The top 20 UK films grossed £244.5 million at the UK box office, around 29% of the total, a 39% increase on last year's figure.
- UK films topped the weekly box office charts for a total of 23 weeks in 2005.

2.1 The top 20 films

Harry Potter and the Goblet of Fire was the highest grossing film of the year, earning well over £48 million. Other UK successes included *Charlie and the Chocolate Factory, Wallace & Gromit: The Curse of the Were-Rabbit, Nanny McPhee, Batman Begins, Pride and Prejudice, The Hitchhiker's Guide to the Galaxy* and *Valiant*. Films based on UK-originated story material were also represented in *The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* and *War of the Worlds*. Sequels and franchises accounted for five of the top 20 films, down from six in 2004.


Pride and Prejudice courtesy of UIP


Batman Begins courtesy of Warner Bros

Table 2.1 Box office results for the top 20 films released in the UK and Republic of Ireland, 2005

	Title	Country of origin	Box office gross (£m)	No. of opening screens	Opening weekend gross (£m)	Distributor
1	Harry Potter and the Goblet of Fire*	UK/USA	48.59	535	14.93	Warner Bros
2	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe*	USA/NZ	43.64	498	8.88	Buena Vista
3	Star Wars Episode III: Revenge of the Sith	USA	39.43	490	14.36	20th Century Fox
4	Charlie and the Chocolate Factory	UK/USA	37.46	531	7.97	Warner Bros
5	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	32.00	501	9.37	UIP
6	War of the Worlds	USA	30.65	507	8.64	UIP
7	King Kong*	USA/NZ	30.04	481	6.94	UIP
8	Meet the Fockers	USA	28.93	456	7.92	UIP
9	Madagascar	USA	22.65	505	5.43	UIP
10	Hitch**	USA	17.39	448	4.23	Sony
11	Nanny McPhee	UK/USA	16.49	427	2.60	UIP
12	Batman Begins	UK/USA	16.42	514	4.43	Warner Bros
13	Pride and Prejudice	UK/USA	14.57	397	2.53	UIP
14	Mr. and Mrs. Smith	USA	13.59	450	3.94	20th Century Fox
15	Wedding Crashers	USA	13.16	409	2.18	Entertainment
16	Fantastic Four	USA/Ger	12.71	406	3.54	20th Century Fox
17	Ocean's Twelve	USA/Aus	12.58	450	3.39	Warner Bros
18	Robots	USA	12.48	474	2.62	20th Century Fox
19	The Hitchhiker's Guide to the Galaxy	UK/USA	10.67	465	3.30	Buena Vista
20	Valiant	UK/USA	8.52	403	1.10	Entertainment

Source: Nielsen EDI, RSU analysis
Box office gross = cumulative total up to 19 February 2006
Films with an asterisk (*) were still being exhibited on 19 February 2006
**Note that the number of screens in the first weekend of wide release is shown for Hitch which opened on one screen only

Nanny McPhee courtesy of UIP

2.2 The top 20 UK films

The top UK film continued the *Harry Potter* franchise, while the next two in the chart were Tim Burton's version of *Charlie and the Chocolate Factory* and the first feature-length outing for Aardman's *Wallace & Gromit*.

Collaborations with the USA were once again prominent, accounting for 16 of the top 20 films. Warner Bros and UIP both launched five of the top 20 UK films, followed by Pathé and Entertainment with three each. The top 20 UK films had a combined gross of £244.5 million, which was 29% of the total UK box office, up from £176.3 million in 2004 (20% of gross box office).

The Magic Roundabout courtesy of Pathé Pictures International

Table 2.2 Box office results for the top 20 UK films released in the UK and Republic of Ireland, 2005

	Title	Country of origin	Box office gross (£m)	Distributor
1	Harry Potter and the Goblet of Fire*	UK/USA	48.59	Warner Bros
2	Charlie and the Chocolate Factory	UK/USA	37.46	Warner Bros
3	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	32.00	UIP
4	Nanny McPhee	UK/USA	16.49	UIP
5	Batman Begins	UK/USA	16.42	Warner Bros
6	Pride and Prejudice	UK/USA	14.57	UIP
7	The Hitchhiker's Guide to the Galaxy	UK/USA	10.67	Buena Vista
8	Valiant	UK/USA	8.52	Entertainment
9	Closer	UK/USA	8.49	Sony Pictures
10	Kingdom of Heaven	UK/USA/Spa/Ger	7.77	20th Century Fox
11	White Noise	UK/Can/USA	6.46	Entertainment
12	The Magic Roundabout	UK/Fra	5.96	Pathé
13	The Constant Gardener*	UK/Ger	5.50	UIP
14	Tim Burton's Corpse Bride	UK/USA	4.85	Warner Bros
15	Sahara	UK/USA/Spa/Ger	4.83	UIP
16	The Wedding Date	UK/USA	3.96	Entertainment
17	Mrs. Henderson Presents*	UK	3.51	Pathé
18	Kinky Boots	UK/USA	3.03	Buena Vista
19	Alexander	UK/USA/Fra/Neth	2.73	Warner Bros
20	The Descent	UK	2.72	Pathé
UK top 20 total			**244.53**	

Source: Nielsen EDI, RSU analysis
Box office gross = cumulative total up to 19 February 2006.
Films with an asterisk (*) were still being exhibited on 19 February 2006

2.3 Best weekend performances of UK films

Films usually open at the weekend, when people are more likely to go to the cinema, in order to maximise their impact at the box office. The performance of a film during its opening weekend is a factor in deciding how long the film will remain on release. Opening weekend data are therefore important in negotiations between distributors and exhibitors. Table 2.3 shows the UK films that topped the weekend box office charts (of all films) during 2005. Eleven films achieved this distinction, with a combined total of 23 weeks at number one. All these films topped the chart in their opening week of release, apart from *Nanny McPhee* which reached the top spot in its third week of release during schools' autumn half term.

Table 2.3 UK films at number one in the weekend box office charts, 2005

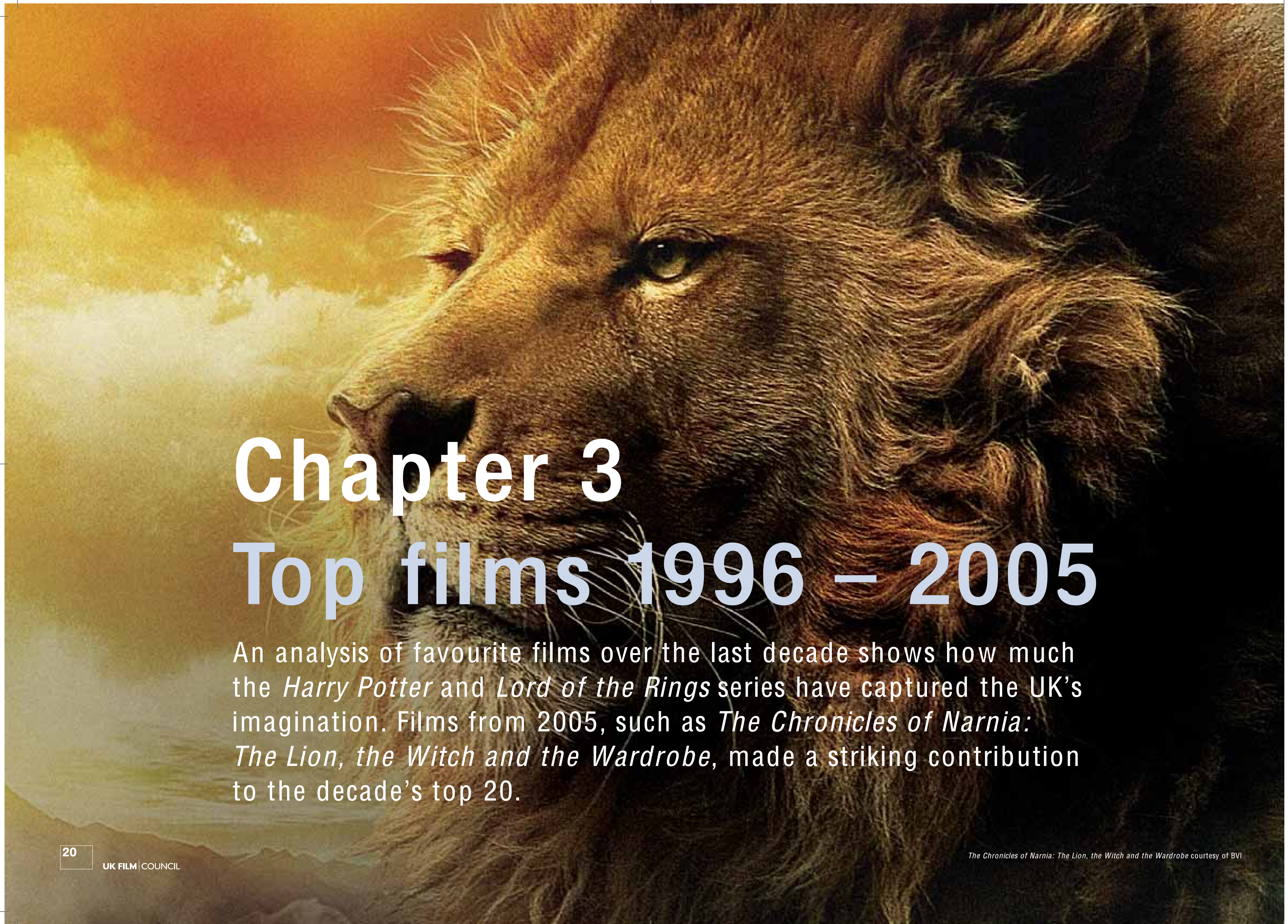
Week at top	Title	Weekend gross (£m)	Box office gross (£m)	Distributor	No. weeks at no. 1
29/7/05	Charlie and the Chocolate Factory	7.97	37.46	Warner Bros	4
16/9/05	Pride and Prejudice	2.53	14.57	UIP	3
14/10/05	Wallace & Gromit: The Curse of the Were-Rabbit	9.37	32.00	UIP	3
18/11/05	Harry Potter and the Goblet of Fire	14.93	48.59	Warner Bros	3
14/1/05	Closer	1.57	8.49	Sony Pictures	2
6/5/05	Kingdom of Heaven	2.53	7.77	20th Century Fox	2
17/6/05	Batman Begins	4.43	16.42	Warner Bros	2
7/1/05	White Noise	1.79	6.46	Entertainment	1
8/4/05	Sahara	1.37	4.83	UIP	1
29/4/05	The Hitchhiker's Guide to the Galaxy	3.30	10.67	Buena Vista	1
4/11/05	Nanny McPhee	1.66	16.49	UIP	1

Source: Nielsen EDI, RSU analysis

Charlie and the Chocolate Factory courtesy of Warner Bros

See also

- For more about top films since 1996 see chapter 3 (p.20)
- For further information about film distribution in 2005 see chapter 6 (p.40)
- For information about weekend/weekday box office performance see chapter 6 (p.40)
- For an overview of the exhibition sector in 2005 see chapter 7 (p.44)
- For information about how the UK Film Council supports UK film production see the UK Film Council *Annual Review 2005/06* (p.45)



Chapter 3
Top films 1996 – 2005

An analysis of favourite films over the last decade shows how much the *Harry Potter* and *Lord of the Rings* series have captured the UK's imagination. Films from 2005, such as *The Chronicles of Narnia: The Lion, the Witch and the Wardrobe*, made a striking contribution to the decade's top 20.

The Chronicles of Narnia: The Lion, the Witch and the Wardrobe courtesy of BVI

Facts in focus

- The top 20 best performing films of the decade included four films from 2005.
- The *Harry Potter* and *Lord of the Rings* films made up seven of the top 11 films of the decade.
- Seven of the top 20 films were UK/USA collaborations.
- Eleven of the top 20 films were based on stories and characters created by UK writers.

3.1 Top films in the UK 1996 – 2005

Four films released in 2005 appear in the list of the top films over the last 10 years. The fourth film in the *Harry Potter* franchise and the first and final chapters respectively of the *Chronicles of Narnia* and *Star Wars* sagas enter the chart, as well as another film based on the work of a British writer, the latest adaptation of Roald Dahl's *Charlie and the Chocolate Factory*. There are seven UK and USA collaborations in the top 20, including all four *Harry Potter* films released to date. UK story material dominates the nation's favourites, with 11 films out of the 20.

In a list dominated by obvious blockbusters, it is interesting to see the enduring impact of lower-budget UK films such as *The Full Monty*, which is seventh in popularity.

Table 3.1 Top 20 films at the UK box office, 1996 – 2005

	Title	Country of origin	UK box office gross (£m)	UK distributor	Year of release
1	Titanic	USA	69.03	20th Century Fox	1998
2	Harry Potter and the Philosopher's Stone	UK/USA	66.10	Warner Bros	2001
3	The Lord of the Rings: The Fellowship of the Ring	USA/NZ	63.00	Entertainment	2001
4	The Lord of the Rings: The Return of the King	USA/NZ	60.88	Entertainment	2003
5	The Lord of the Rings: The Two Towers	USA/NZ	57.60	Entertainment	2002
6	Harry Potter and the Chamber of Secrets	UK/USA	54.78	Warner Bros	2002
7	The Full Monty	UK/USA	52.23	20th Century Fox	1997
8	Star Wars: Episode I – The Phantom Menace	USA	51.06	20th Century Fox	1999
9	Harry Potter and the Goblet of Fire	UK/USA	48.59	Warner Bros	2005
10	Shrek 2	USA	48.10	UIP	2004
11	Harry Potter and the Prisoner of Azkaban	UK/USA	46.08	Warner Bros	2004
12	Toy Story 2	USA	44.31	Buena Vista	2000
13	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	USA/NZ	43.64	Buena Vista	2005
14	Bridget Jones's Diary	UK/USA	42.01	UIP	2001
15	Star Wars: Episode III – Revenge of the Sith	USA	39.43	20th Century Fox	2005
16	Monsters, Inc.	USA	37.91	Buena Vista	2002
17	Star Wars: Episode II – Attack of the Clones	USA	37.55	20th Century Fox	2002
18	Charlie and the Chocolate Factory	UK/USA	37.46	Warner Bros	2005
19	Finding Nemo	USA	37.36	Buena Vista	2003
20	Independence Day	USA	37.13	20th Century Fox	1996

Source: Nielsen EDI, RSU analysis
Note: Figures have not been inflation adjusted

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3.2 Top UK films of the last decade

In a new feature for this year's *Statistical Yearbook*, we take a look at the top British films released in the UK over the last 10 years. The list is dominated by inward investment features, with British talent, infrastructure and locations supported by US studio investment. All four *Harry Potter* films feature in the top 20, together with five productions from Working Title (*Bridget Jones's Diary; Love Actually; Bridget Jones: The Edge of Reason; Notting Hill* and *Johnny English*) and three films from the James Bond franchise. Three of the nation's favourite UK films were released in 2005 – *Harry Potter and the Goblet of Fire, Charlie and the Chocolate Factory* and *Wallace & Gromit: The Curse of the Were-Rabbit.*

Bridget Jones's Diary courtesy of Universal

See also

- For top films in 2005 see chapter 2 (p. 15)

Table 3.2 Top 20 UK films at the UK box office, 1996 – 2005

	Title	Country of origin	UK box office gross (£m)	UK distributor	Year of release
1	Harry Potter and the Philosopher's Stone	UK/USA	66.10	Warner Bros	2001
2	Harry Potter and the Chamber of Secrets	UK/USA	54.78	Warner Bros	2002
3	The Full Monty	UK/USA	52.23	20th Century Fox	1997
4	Harry Potter and the Goblet of Fire	UK/USA	48.59	Warner Bros	2005
5	Harry Potter and the Prisoner of Azkaban	UK/USA	46.08	Warner Bros	2004
6	Bridget Jones's Diary	UK/USA	42.01	UIP	2001
7	Charlie and the Chocolate Factory	UK/USA	37.46	Warner Bros	2005
8	Love Actually	UK/USA	36.80	UIP	2003
9	Die Another Day	UK/USA	36.06	20th Century Fox	2002
10	Bridget Jones: The Edge of Reason	UK/USA	36.00	UIP	2004
11	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	32.00	UIP	2005
12	Notting Hill	UK/USA	31.00	Universal	1999
13	Chicken Run	UK/USA	29.51	Pathé	2000
14	The World is Not Enough	UK/USA	28.58	UIP	1999
15	Shakespeare in Love	UK/USA	20.81	UIP	1999
16	Calendar Girls	UK/USA	20.43	Buena Vista	2003
17	The Mummy Returns	UK/USA	20.39	UIP	2001
18	Tomorrow Never Dies	UK/USA	19.88	UIP	1997
19	Johnny English	UK/USA	19.65	UIP	2003
20	Billy Elliot	UK/Fra	18.39	UIP	2000

Source: Nielsen EDI, RSU analysis

Chapter 4
UK films internationally

A key indicator of the health of the UK film industry is its performance in the global market. Despite a worldwide downturn in cinema admissions in 2005, UK films excelled, with an increased market share in North America and many EU countries. In 2005 the top 10 performing UK films grossed $2,599 million worldwide.

The Hitchhikers Guide to the Galaxy courtesy of BVI

Facts in focus

- Worldwide the gross box office for films of all countries of origin declined by 8% in 2005 to $23 billion.
- The top 10 performing UK films worldwide grossed $2,599 million in 2005 compared with $2,337 million in 2004.
- UK films represented 12% of releases at the USA box office, up from just under 11% in 2004.
- The market share of UK films at the USA box office was 16%, up from 11% in 2004, at a value of $1,311 million.
- The UK's market share increased in Germany, France, Spain and Austria.
- *Harry Potter and the Goblet of Fire* was the best-performing UK film at the worldwide box office.

4.1 UK films in North America

According to the Motion Picture Association just under 40% of the $23 billion gross box office made worldwide in 2005 came from North America, which indicates its importance in the international film market. Table 4.1 shows the country of origin of films released in the USA and Canada in 2005. UK share of the gross box office rose from 11% in 2004 to 16% in 2005. The total revenue from these films stood at $1,311 million.

Harry Potter and the Goblet of Fire courtesy of Warner Bros

Table 4.1 Country of origin of films in the USA and Canada, 2005

Country of origin	No. of releases	% of releases	Box office share (%)	Box office ($ m)
UK and UK co-productions (non-USA)	40	7.5	0.8	65.6
USA/UK	24	4.5	15.0	1,245.5
Sub total	64	12.0	15.8	1,311.0
USA solo	267	50.3	66.9	5,549.3
USA co-productions (other)	53	10.0	15.0	1,244.6
Sub total	320	60.3	81.9	6,793.9
Rest of world	147	27.7	2.2	184.1
Total	**531**	**100.0**	**100.0**	**8,289.1**

Source: Nielsen EDI, RSU analysis
Figures may not sum due to rounding

Harry Potter and the Goblet of Fire was the top performing UK film at the USA box office in 2005. The top 10 grossed a total of $1,072 million, up 41% on 2004 (Table 4.2).

Mrs Henderson Presents courtesy of Pathé Pictures International

Table 4.2 Top 20 UK films at the USA and Canada box office (including co-productions), 2005

	Title	Country of origin	Box office gross (£m)	Distributor
1	Harry Potter and the Goblet of Fire	UK/USA	288.73	Warner Bros
2	Charlie and the Chocolate Factory	UK/USA	206.46	Warner Bros
3	Batman Begins	UK/USA	205.34	Warner Bros
4	Sahara	UK/USA/ Spa/Ger	68.67	Paramount
5	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	56.11	Dreamworks SKG
6	White Noise	UK/Can/USA	56.09	Universal
7	Tim Burton's Corpse Bride	UK/USA	53.36	Warner Bros
8	The Hitchhiker's Guide to the Galaxy	UK/USA	51.09	Buena Vista
9	Kingdom of Heaven	UK/USA/ Spa/Ger	47.40	20th Century Fox
10	Pride and Prejudice	UK/USA	38.37	Focus Features
11	The Brothers Grimm	UK/USA/Cze	37.92	Miramax
12	The Constant Gardener	UK/Ger	33.58	Focus Features
13	The Wedding Date	UK/USA	31.73	Universal
14	Doom	UK/USA/Cze	28.21	Universal
15	Unleashed	UK/Fra/USA	24.54	Focus Features
16	Match Point	UK/USA	21.26	Dreamworks SKG
17	Valiant	UK/USA	19.48	Buena Vista
18	Mrs. Henderson Presents	UK	7.14	The Weinstein Co
19	Ladies in Lavender	UK	6.77	IDP Distribution
20	Bride and Prejudice	UK/USA	6.61	Miramax

Source: Nielsen EDI, RSU analysis
Note: box office gross correct up to 26 February 2006

4.2 UK films in the European Union

The UK market share of major European countries where data exist rose to around 20% in 2005, as Table 4.3 shows. UK films had a 20.3% share of the French market in 2005 (up from 13.5% in 2004), rising to a 20.9% share in Germany (up from 17.1% in 2004).

Table 4.3 UK market share in selected EU territories, 2004 – 2005

Country	Population (m)*	Box office for UK films (£m)	UK share 2004 (%)	UK share 2005 (%)
Germany	82.4	104.5	17.1	20.9
France	60.2	34.1m (admissions)	13.5	20.3
UK	59.2	278.9	23.4	33.0
Spain	40.2	88.2	14.3	20.4
Austria	8.2	12.6	15.8	18.1

Source: Nielsen EDI
* forecast data

The top 20 UK films at the European box office in the period 2001 to 2005 generated a total of 445 million cinema admissions according to the European Audiovisual Observatory's Lumière database (Table 4.4). Five films from 2005 entered the top 20: *Harry Potter and the Goblet of Fire, Charlie and the Chocolate Factory, Wallace & Gromit: The Curse of the Were-Rabbit, Batman Begins* and *Kingdom of Heaven*.

Table 4.4 Top 20 UK films in 35 European countries, 2001 – 2005

	Title	Country of origin	Year of UK release	European admissions (m)
1	Harry Potter and the Philosopher's Stone	UK/USA	2001	59.95
2	Harry Potter and the Chamber of Secrets	UK/USA	2002	52.56
3	Harry Potter and the Prisoner of Azkaban	UK/USA	2004	40.46
4	Harry Potter and the Goblet of Fire	UK/USA	2005	32.85
5	Bridget Jones's Diary	UK/USA	2001	30.19
6	Troy	UK/USA/Mal	2004	27.73
7	Die Another Day	UK/USA	2002	26.95
8	The Mummy Returns	UK/USA	2001	20.44
9	Bridget Jones: The Edge of Reason	UK/USA	2004	18.76
10	Charlie and the Chocolate Factory	UK/USA	2005	17.97
11	Love Actually	UK/USA	2003	16.64
12	Lara Croft: Tomb Raider	UK/USA/ Jap/Ger	2001	14.63
13	Johnny English	UK/USA	2003	14.52
14	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	2005	11.63
15	About a Boy	UK/USA	2002	10.98
16	Chocolat	UK/USA	2001	10.98
17	King Arthur	UK/USA/Ire	2004	10.93
18	Batman Begins	UK/USA	2005	9.02
19	Kingdom of Heaven	UK/USA/Spa	2005	8.83
20	The Pianist	Fra/UK/Ger/ Neth/Pol	2003	8.68

Source: European Audiovisual Observatory Lumière Database, RSU analysis

4.3 UK films worldwide

According to *Variety*, the top 20 performing UK films worldwide grossed a total of $3,266 million in 2005, and as Table 4.5 shows, UK story material performed strongly at the global box office.

Closer courtesy of Sony Pictures Entertainment

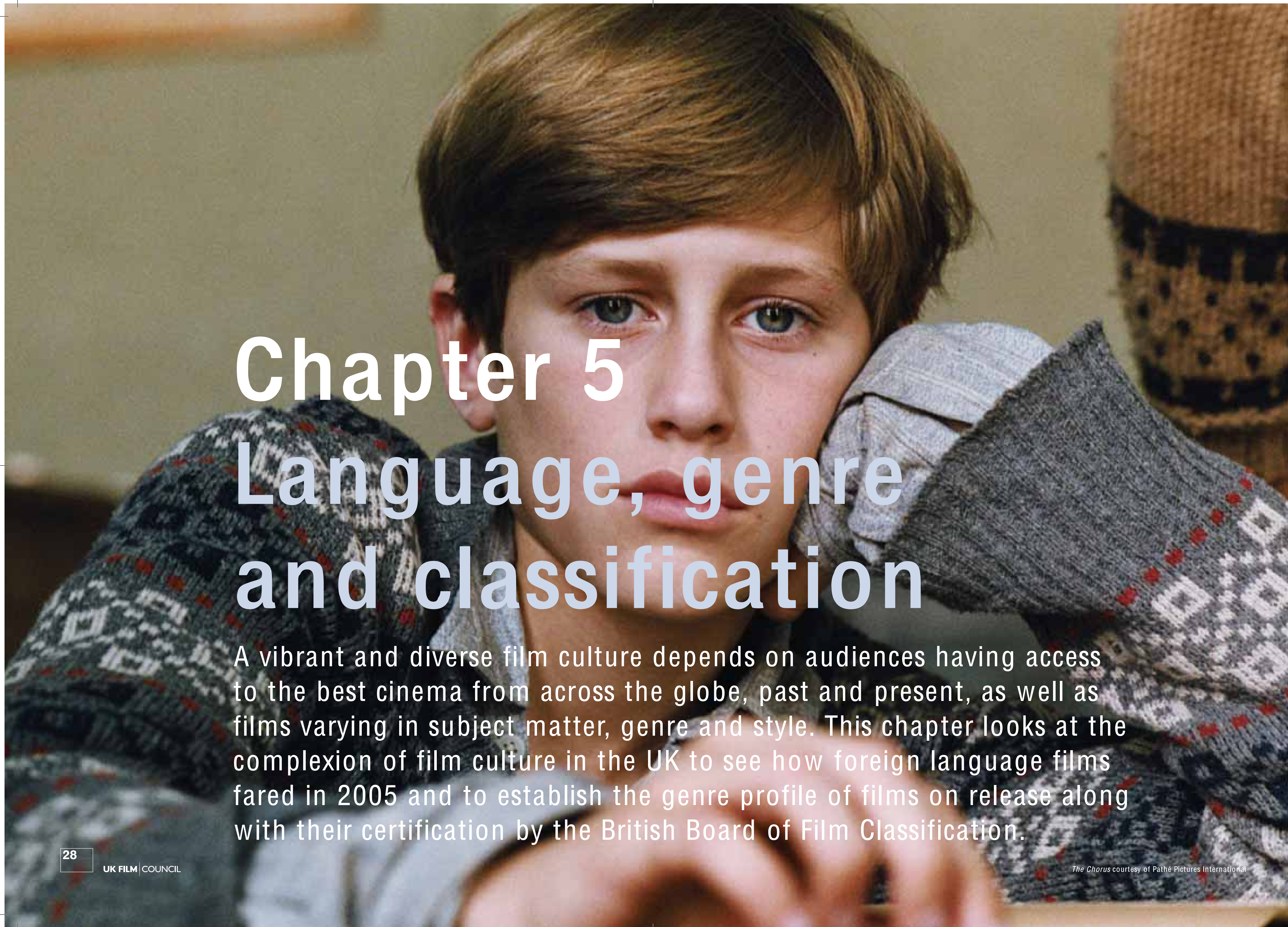
See also

- For more information about the UK film economy see chapter 12 (p.84)
- For further details about what the UK Film Council is doing to strengthen film exports see the UK Film Council *Annual Review 2005/06* (p.56)

Table 4.5 Top 20 UK films worldwide, 2005

	Title	Country of origin	Worldwide gross ($ m)
1	Harry Potter and the Goblet of Fire	UK/USA	808
2	Charlie and the Chocolate Factory	UK/USA	472
3	Batman Begins	UK/USA	371
4	Kingdom of Heaven	UK/USA	210
5	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	183
6	Sahara	UK/USA/Spa/Ger	122
7	Tim Burton's Corpse Bride	UK/USA	118
8	The Phantom of the Opera	UK/USA	110
9	The Hitchhiker's Guide to the Galaxy	UK/USA	104
10	The Brothers Grimm	UK/USA/Cze	101
11	White Noise	UK/USA/Can	92
12	Finding Neverland	UK/USA	86
13	Closer	UK/USA	83
14	Pride and Prejudice	UK/USA	78
15	The Constant Gardener	UK/Ger	60
16	Alexander	UK/USA/Fra/Neth	59
17	Valiant	UK/USA	58
18	Doom	UK/USA/Cze	52
19	Bridget Jones: The Edge of Reason	UK/USA	52
20	The Wedding Date	UK/USA	47

Source: Variety
Note: Variety lists the gross made in 2005 and includes films released in the previous year



Chapter 5
Language, genre and classification

A vibrant and diverse film culture depends on audiences having access to the best cinema from across the globe, past and present, as well as films varying in subject matter, genre and style. This chapter looks at the complexion of film culture in the UK to see how foreign language films fared in 2005 and to establish the genre profile of films on release along with their certification by the British Board of Film Classification.

The Chorus courtesy of Pathé Pictures International

Facts in focus

- Films in 33 different languages (including English) were released in the UK in 2005.
- 203 foreign language films were released, 43.5% of total releases, up from 37.5% in 2004.
- Although foreign language films accounted for over two-fifths of all releases, they shared just 3.2% of the total UK box office gross.
- Foreign language films averaged 15 sites at their widest point of release, compared to 179 for English language films.
- Hindi was the most common foreign language in terms of the number of releases.
- Drama films made up the highest proportion of releases (38.8%) but only shared 7.8% of the total box office. Comedy, traditionally popular with a broad spectrum of audiences, accounted for 20% of releases and took 20% of the box office gross.
- The same number of documentaries was released in 2005 as in 2004 (32) but their share of the total box office fell to 0.5%.
- Fantasy films took more money on average per site than other genres.
- The genre pattern of UK films was broadly similar to that of all films on release.
- More films were released with '15' certificates from the British Board of Film Classification than any other category. However, '12A' films accounted for the largest share of box office gross.

5.1 Foreign language films

Films in 33 different languages (including English) were released in the UK in 2005, an increase from 26 in 2004 as Table 5.1 shows.

A Very Long Engagement courtesy of Warner Bros

Downfall courtesy of Momentum Pictures

Table 5.1 Languages of films released, 2005

Language	No. of releases	Language	No. of releases
Arabic	2	Japanese	11
Aramaic	2	Korean	7
Bengali	1	Kurdish	1
Cantonese	4	Mandarin	2
Czech	1	Persian	1
Danish	4	Portuguese	2
Dutch	1	Punjabi	5
English	264	Russian	3
Farsi	1	Serbo-Croat	1
French	31	Silent	1
German	6	Spanish	15
Greek	1	Swedish	5
Hebrew	2	Tamil	1
Hindi	66	Telugu (an Indian language)	1
Hungarian	1	Thai	4
Icelandic	1	Turkish	12
Italian	6	Wolof (Senegal and other West African countries)	1
Subtotal	394	Subtotal	73
Total			**467**

Source: Nielsen EDI, RSU analysis

The 32 foreign languages were spread over 203 releases in the UK (43.5% of all releases, an increase of 55% since 2002), earning £26.9 million at the box office (Table 5.2). This represented 3.2% of the total UK gross box office for 2005, a fall from 4.6% in 2004 but still higher than in 2002 and 2003.

Table 5.2 Foreign language films at the UK box office, 2002 – 2005

Year	Number	% of all releases	Box office (£m)	% of total gross box office
2002	131	35.5	17.1	2.2
2003	147	34.7	20.4	2.5
2004	169	37.5	38.1	4.6
2005	203	43.5	26.9	3.2

Source: Nielsen EDI, BBFC, RSU analysis
Figures as at 19 February 2006

Hindi was once again the most common foreign language in terms of the number of releases (Table 5.3). Taken together, foreign language films played on average at only 15 sites at their widest point of release (against 16 in 2004) compared with an average of 179 for English language releases. Table 5.4 shows the top five foreign languages, with Hindi again in top position with French second.

Salaam Namaste courtesy of Yash Raj Films

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Table 5.3 Language of releases, 2005

Main language	No. films released	% of releases	Gross box office (£m)	% gross box office	Average sites at WPR
English	264	56.5	818.0	96.8	179
Hindi	66	14.1	12.2	1.4	20
European	74	15.8	9.7	1.1	11
Other international	62	13.3	5.0	0.6	15
Silent	1	0.2	<0.1	<0.1	1
Total	**467**	**100.0**	**844.9**	**100.0**	

Source: Nielsen EDI, BBFC, RSU analysis
Figures as at 19 February 2006. Figures may not sum to totals due to rounding
WPR= widest point of release

Table 5.4 Top five foreign languages at the UK box office, 2005

	No. of releases	Gross box office total (£m)	Top performing title
Hindi	66	12.2	Dosti
French	31	4.2	A Very Long Engagement
German	6	2.4	Downfall
Spanish	15	2.2	Maria Full of Grace
Cantonese	4	1.7	Kung Fu Hustle

Source: Nielsen EDI, BBFC, RSU analysis
Figures as at 19 February 2006

Table 5.5 looks at European language releases in 2005 and shows the top three performing languages were French, German and Spanish. Spanish-language films included films from South America as well as Spain and the two Portuguese-language films were of Brazilian origin.

Table 5.5 European foreign languages at the UK box office, 2005

	No. of releases	Gross box office total (£m)	Top performing title
French	31	4.2	A Very Long Engagement
German	6	2.4	Downfall
Spanish	15	2.2	Maria Full of Grace
Italian	6	0.6	The Consequences of Love
Portuguese	2	0.1	Lower City
Czech	1	<0.1	Czech Dream
Danish	4	<0.1	King's Game
Dutch	1	<0.1	Twin Sisters
Greek	1	<0.1	Weeping Meadow - Trilogy 1
Hungarian	1	<0.1	Pleasant Days
Icelandic	1	<0.1	Screaming Masterpiece
Swedish	5	<0.1	Saraband

Source: Nielsen EDI, BBFC, RSU analysis
Figures as at 19 February 2006

While the top three foreign language films in 2005 were in German, French and Cantonese respectively, the top 20 as a whole was dominated by Hindi films, which accounted for 11 titles (Table 5.6).

Kung Fu Hustle courtesy of Sony Pictures Entertainment

Night Watch courtesy of Twentieth Century Fox

Table 5.6 Top 20 foreign language films released in the UK and Republic of Ireland, 2005

	Title	Country of origin	Gross box office (£m)	Distributor	Language
1	Downfall	Ger/Ita/Aut	1.9	Momentum	German
2	A Very Long Engagement	Fra/USA	1.6	Warner Bros	French
3	Kung Fu Hustle	Chi/HK	1.3	Sony	Cantonese
4	The Chorus	Fra/Swi/Ger	1.1	Pathé	French
5	Dosti	Ind	0.9	Tip Top	Hindi
6	Waqt	Ind	0.9	Eros	Hindi
7	Howl's Moving Castle	Jap	0.8	Optimum	Japanese
8	Salaam Namaste	Ind	0.8	Yash Raj	Hindi
9	Night Watch	Rus	0.7	20th Century Fox	Russian
10	Maria Full of Grace	USA/Col	0.7	Icon	Spanish
11	The Rising	Ind	0.6	Yash Raj	Hindi
12	Garam Masala	Ind	0.6	Venus	Hindi
13	Bunty Aur Babli	Ind	0.6	Yash Raj	Hindi
14	Paheli	Ind	0.5	Eros	Hindi
15	The Beat My Heart Skipped	Fra	0.5	Artificial Eye	French
16	Maine Pyar Kyun Kiya?	Ind	0.5	Spark	Hindi
17	Bewafaa	Ind	0.5	Eros	Hindi
18	Bombon – El Perro	Arg/Spa	0.5	Pathé	Spanish
19	Black	Ind	0.5	Yash Raj	Hindi
20	Barsaat	Ind	0.5	Tip Top	Hindi

Source: Nielsen EDI, BBFC, RSU analysis
Figures as at 19 February 2006

A record number of films in the top 20 were supported by the UK Film Council. Seven of the titles (*Downfall, A Very Long Engagement, The Chorus, Howl's Moving Castle, Maria Full of Grace, Night Watch* and *The Rising*) received funding to pay for additional prints and advertising, affording greater opportunity for people to see the films.

5.2 Genre

The UK Film Council allocated a primary genre to every film released in the UK in 2005. The list of genres is based on conventions commonly used within the industry and by published sources. The full list of genres and classification of each title released in 2005 is available on our website (www.ukfilmcouncil.org.uk/statistics/genre/titles).

Table 5.7 provides an indication of the relative popularity of different genres. Comedy was once again the top-grossing genre at the UK box office (earning £167.2 million), followed by fantasy (£132.1 million) and animation (£100.3 million). Despite accounting for the largest proportion of releases (38.8%), drama films shared only 7.8% of the box office gross.

Howl's Moving Castle courtesy of Optimum Releasing

Table 5.7 Films on release in the UK and Republic of Ireland by genre, 2005, ranked by gross box office

Genre	No. of releases	% of releases	Gross box office (£m)	% of box office	Top performing title
Comedy	95	20.3	167.2	19.8	Meet the Fockers
Fantasy	4	0.9	132.1	15.6	Harry Potter and the Goblet of Fire
Animation	18	3.9	100.3	11.9	Wallace & Gromit: The Curse of the Were-Rabbit
Action	40	8.6	91.7	10.9	Batman Begins
Sci-fi	7	1.5	88.7	10.5	Star Wars: Episode III – Revenge of the Sith
Drama	181	38.8	65.8	7.8	Closer
Horror	25	5.4	45.6	5.4	Saw 2
Adventure	7	1.5	40.8	4.8	King Kong
Thriller	21	4.5	32.1	3.8	The Interpreter
Crime	13	2.8	28.4	3.4	Ocean's Twelve
Family	4	0.9	23.7	2.8	Nanny McPhee
Romance	11	2.4	15.8	1.9	Pride and Prejudice
Biopic	5	1.1	5.1	0.6	Cinderella Man
Documentary	32	6.9	4.3	0.5	March of the Penguins
Musical	2	0.4	2.9	0.3	The Producers
War	2	0.4	0.1	<0.1	Merry Christmas (Joyeux Noël)

Source: Nielsen EDI, RSU analysis

Seven of the top performing films by genre originated in the UK, demonstrating the wide variety of story types of successful British films (*Harry Potter and the Goblet of Fire, Wallace & Gromit: The Curse of the Were-Rabbit, Batman Begins, Closer, Nanny McPhee, Pride and Prejudice* and *Merry Christmas (Joyeux Noël)*).

Table 5.8 gives the pattern of genres ranked by the average number of sites at the widest point of release (WPR). Whereas in 2004 animation topped the list with an average WPR of 437 across six heavily-marketed titles on wide release, the average for animated films in 2005 was 240 across 18 films.

Waqt courtesy of Eros International

Table 5.8 Films on release in the UK and Republic of Ireland by genre, 2005, ranked by average widest point of release

Genre	Average WPR	No. of releases	Gross box office (£m)
Fantasy	492	4	132.1
Sci-fi	319	7	88.7
Family	294	4	23.7
Animation	240	18	100.3
Adventure	217	7	40.8
Action	205	40	91.7
Horror	199	25	45.6
Crime	175	13	28.4
Musical	174	2	2.9
Biopic	154	5	5.1
Comedy	134	95	167.2
Thriller	115	21	32.1
Romance	52	11	15.8
Drama	36	181	65.8
War	18	2	0.1
Documentary	11	32	4.3

Source: Nielsen EDI, RSU analysis
WPR= number of sites at the widest point of release

Table 5.9 demonstrates how well different genres generated box office revenues per site, independently of the size of the release. Comedy, which took the largest slice of box office overall, is much lower placed when the average WPR is taken into account, indicating a long tail of less able performers. Documentary, meanwhile, out-performed box office staples like action and horror in this analysis.

Table 5.9 Films on release in the UK and Republic of Ireland by genre, 2005, ranked by average box office gross per site

Genre	Average box office per site (£)	Gross box office (£m)	Total sites
Fantasy	67,199	132.1	1,966
Sci-fi	39,702	88.7	2,233
Romance	27,609	15.8	574
Adventure	26,809	40.8	1,522
Family	20,175	23.7	1,177
Thriller	13,312	32.1	2,411
Comedy	13,106	167.2	12,761
Crime	12,477	28.4	2,280
Documentary	11,953	4.3	361
Action	11,204	91.7	8,187
Drama	10,173	65.8	6,471
Horror	9,184	45.6	4,964
Musical	8,207	2.9	348
Biopic	6,649	5.1	772
War	3,515	0.1	35

Source: Nielsen EDI, RSU analysis
Total sites = Number of films multiplied by widest point of release

Looking at the genres of UK films released in 2005 ranked by gross box office we see a picture similar to that for all films released in terms of the order of rankings, although there are some notable differences. For example, fantasy blockbusters made just under one-third of the total box office for UK films and UK comedies performed less well than comedies in general (Table 5.10).

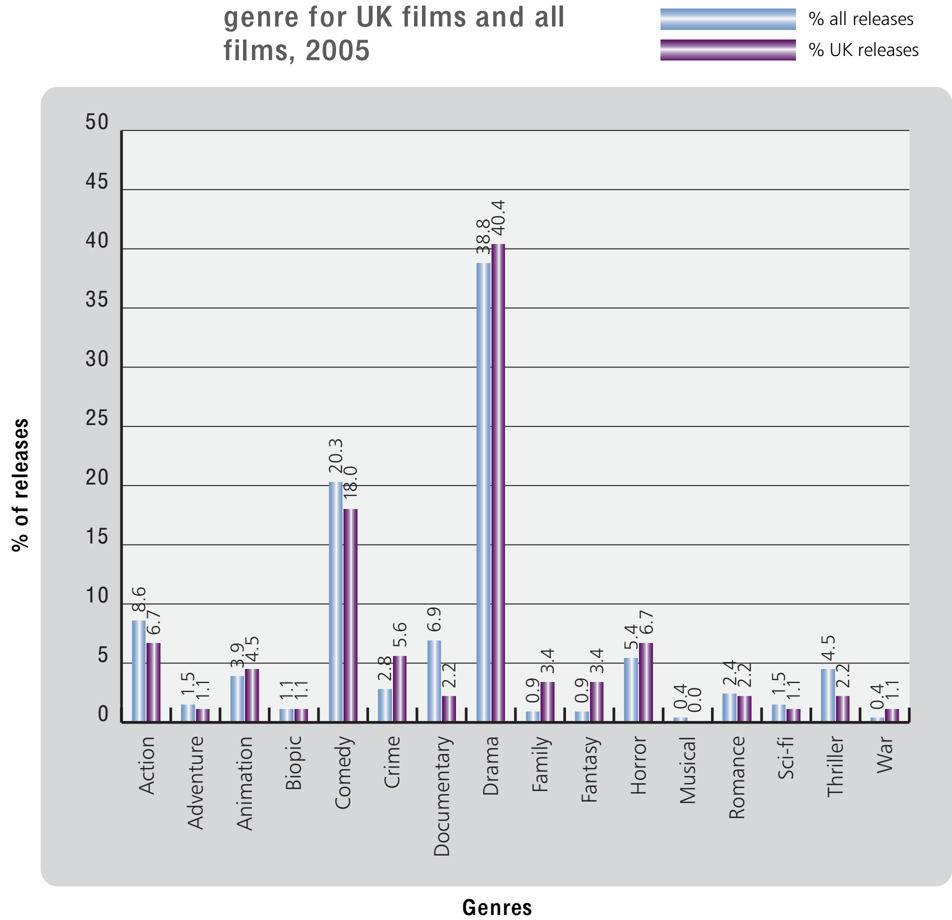
Table 5.10 UK films on release in the UK and Republic of Ireland by genre, 2005, ranked by gross box office

Genre	No. of releases	% of releases	Gross box office (£m)	% of box office	Top performing title
Fantasy	3	3.4	88.5	31.8	Harry Potter and the Goblet of Fire
Animation	4	4.5	51.3	18.4	Wallace & Gromit: The Curse of the Were-Rabbit
Action	6	6.7	25.4	9.1	Batman Begins
Drama	36	40.4	21.5	7.7	Closer
Family	3	3.4	18.0	6.5	Nanny McPhee
Comedy	16	18.0	17.2	6.2	The Wedding Date
Romance	2	2.2	14.6	5.2	Pride and Prejudice
Horror	6	6.7	11.1	4.0	White Noise
Sci-fi	1	1.1	10.7	3.8	The Hitchhiker's Guide to the Galaxy
Adventure	1	1.1	7.8	2.8	Kingdom of Heaven
Crime	5	5.6	6.4	2.3	Revolver
Thriller	2	2.2	6.1	2.2	The Constant Gardener
War	1	1.1	0.1	<0.1	Merry Christmas (Joyeux Noël)
Biopic	1	1.1	<0.1	<0.1	Stoned
Documentary	2	2.2	<0.1	<0.1	Rize
Musical	0	0.0	0.0	0.0	N/A

Source: Nielsen EDI, RSU analysis

As in 2004, the genre pattern of UK film releases was broadly similar to that of all films (Figure 5.1). Notable differences are seen in the proportion of crime, family, fantasy, documentary and thriller releases. There were proportionally more British crime, family and fantasy releases, whereas there were far fewer UK documentaries and thrillers than were released as a whole.

Figure 5.1 Proportion of releases by genre for UK films and all films, 2005



Source: Nielsen EDI, RSU analysis

5.3 Classification

All films in the UK must carry a certificate indicating their age suitability for exhibition in premises licensed for the purpose by local authorities. The British Board of Film Classification (BBFC) classifies the majority of films for theatrical release, although local authorities may grant their own classification if they decide to.

The symbols used by the BBFC, and their meanings, are given in Table 5.11.

Table 5.11 BBFC film classifications

U (Universal)	Suitable for all
PG (Parental Guidance)	General viewing, but some scenes may be unsuitable for some children
12A	No one younger than 12 may see a '12A' film at the cinema unless accompanied by an adult
15	No one younger than 15 may see a '15' film at the cinema
18	No one younger than 18 may see an '18' film at the cinema

Source: BBFC website

Table 5.12 provides a picture of how 2005 releases were classified. It shows that as in previous years more '15' films were released than any other category (37.3% of all releases) although they accounted for proportionally less of the total gross box office (19.9%). There was a sharp increase in the number of '18' certified films in 2005, up from 39 in 2004 to 50.

Table 5.13 gives the top 10 'U' certified films in 2005. With six out of 10 titles the list is dominated by animated features (traditionally aimed at the youngest audiences for whom a 'U' certificate is preferable). *Pride and Prejudice* is the only film aimed primarily at an adult audience to appear in the top 10. It is also worth noting that five of the films had UK involvement.

UKFC1956_YearbookSignOff 20/7/06 10:05 Page 36

Table 5.12 Releases in the UK and Republic of Ireland by film certificate, 2005

Certificate	No. of releases	% of releases	% of gross box office	Top performing title
U	29	6.2	16.7	Wallace & Gromit: The Curse of the Were-Rabbit
PG	80	17.1	19.0	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe
12A	116	24.8	40.4	Harry Potter and the Goblet of Fire
15	174	37.3	19.9	Mr. and Mrs. Smith
18	50	10.7	3.8	Saw 2
No certificate	18	3.9	0.1	Tara Road
Total	**467**	**100.0**	**100.0**	

Source: Nielsen EDI, BBFC, RSU analysis

The top 10 performing 'PG' certified films are a more varied group (Table 5.14). The table is topped by two hugely successful fantasy films (*The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* and *Charlie and the Chocolate Factory*) and the remainder are a mix of action, comedy, animation and sci-fi.

Dosti courtesy of Tip Top Video

Table 5.13 Top 10 'U' certified films, 2005

	Title	Country of origin	Gross box office (£m)	Distributor	Genre
1	Wallace & Gromit: The Curse of the Were-Rabbit	UK/USA	32.0	UIP	Animation
2	Madagascar	USA	22.7	UIP	Animation
3	Nanny McPhee	UK/USA	16.5	UIP	Family
4	Pride and Prejudice	UK/USA	14.6	UIP	Romance
5	Robots	USA	12.5	20th Century Fox	Animation
6	Valiant	UK/USA	8.5	Entertainment	Animation
7	Herbie: Fully Loaded	USA	6.7	Buena Vista	Comedy
8	The Magic Roundabout	UK/Fra	6.0	Pathé	Animation
9	Racing Stripes	RSA/USA	5.8	Momentum	Family
10	Spongebob Squarepants	USA	5.7	UIP	Animation

Source: Nielsen EDI, BBFC, RSU analysis

As noted in Table 5.12, the largest share of gross box office was earned by '12A' films (40.4%), largely down to the success of popular family-oriented films which also managed to attract older audiences (Table 5.15).

Table 5.14 Top 10 'PG' certified films, 2005

	Title	Country of origin	Gross box office (£m)	Distributor	Genre
1	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	USA	43.6	Buena Vista	Fantasy
2	Charlie and the Chocolate Factory	UK/USA	37.5	Warner Bros	Fantasy
3	Fantastic Four	USA/Ger	12.7	20th Century Fox	Action
4	The Hitchhiker's Guide to the Galaxy	UK/USA	10.7	Buena Vista	Sci-fi
5	Cheaper by the Dozen 2	USA	6.1	20th Century Fox	Comedy
6	Just Like Heaven	USA	5.3	UIP	Comedy
7	Tim Burton's Corpse Bride	UK/USA	4.9	Warner Bros	Animation
8	Bewitched	USA	4.6	Sony	Comedy
9	The Pacifier	USA/Can	4.3	Buena Vista	Comedy
10	The Legend of Zorro	USA	4.1	Sony	Action

Source: Nielsen EDI, BBFC, RSU analysis

Table 5.15 Top 10 '12A' certified films, 2005

	Title	Country of origin	Gross box office (£m)	Distributor	Genre
1	Harry Potter and the Goblet of Fire	UK/USA	48.6	Warner Bros	Fantasy
2	Star Wars: Episode III – Revenge of the Sith	USA	39.4	20th Century Fox	Sci-fi
3	War of the Worlds	USA	30.6	UIP	Sci-fi
4	King Kong	USA/NZ	30.0	UIP	Adventure
5	Meet the Fockers	USA	28.9	UIP	Comedy
6	Hitch	USA	17.4	Sony	Comedy
7	Batman Begins	UK/USA	16.4	Warner Bros	Action
8	Ocean's Twelve	USA/Aus	12.6	Warner Bros	Crime
9	The Interpreter	USA	7.3	UIP	Thriller
10	Monster-in-Law	USA	6.3	Entertainment	Comedy

Source: Nielsen EDI, BBFC, RSU analysis

By definition, '15' certified films contain stronger material than the younger categories. Depending on the type of film, they are likely to involve more adult-oriented themes, action, comedy and language. This is reflected in the top 10, shown in Table 5.16, which has two 'serious' dramas (*Closer, Crash*) and a thriller based on a literary adaptation (*The Constant Gardener*) alongside more mainstream action films and comedies aimed at teens and younger adults.

Table 5.16 Top 10 '15' certified films, 2005

	Title	Country of origin	Gross box office (£m)	Distributor	Genre
1	Mr. and Mrs. Smith	USA	13.6	20th Century Fox	Action
2	Wedding Crashers	USA	13.2	Entertainment	Comedy
3	Closer	UK/USA	8.5	Sony	Drama
4	Kingdom of Heaven	UK/USA/ Spa/Ger	7.8	20th Century Fox	Adventure
5	The 40-Year-Old Virgin	USA	7.5	UIP	Comedy
6	Constantine	USA	6.7	Warner Bros	Action
7	White Noise	UK/Can/USA	6.5	Entertainment	Horror
8	Crash	USA/Ger	6.0	Pathé	Drama
9	The Constant Gardener	UK/Ger	5.5	UIP	Thriller
10	The Ring 2	USA	5.3	UIP	Horror

Source: Nielsen EDI, BBFC, RSU analysis

Because of the challenging nature of '18' certified films, which contain the strongest content, their audience appeal is much narrower than other categories. It is therefore unsurprising that no '18' certified films broke the £10 million barrier at the box office in 2005 (Table 5.17). Half of the top 10 '18' films were horror titles, along with four crime films and one thriller. It is also notable that five of the films originated in the UK, indicating there is a market for adult-oriented, home-grown horror and crime stories.

Table 5.17 Top 10 '18' certified films, 2005

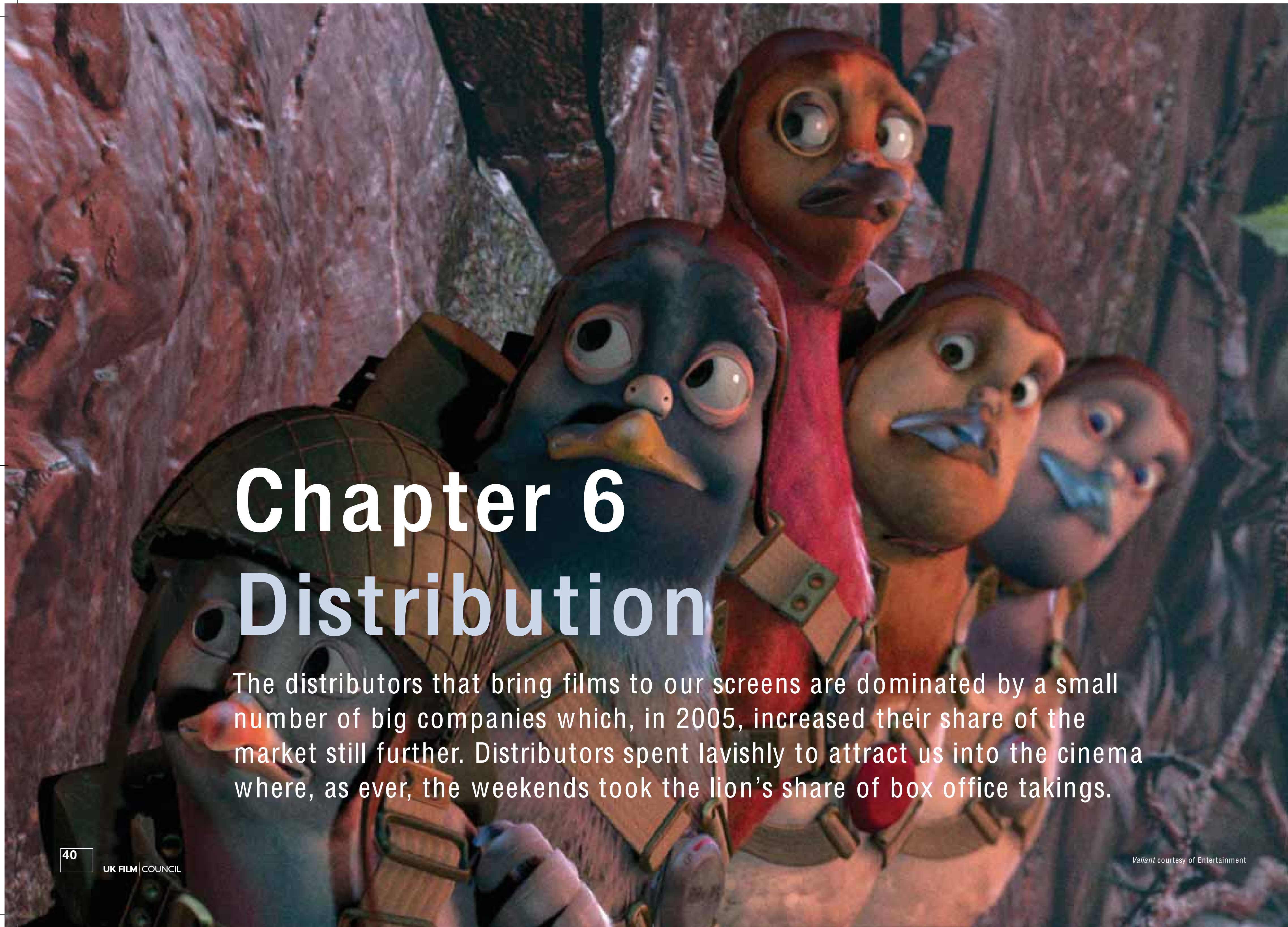
	Title	Country of origin	Gross box office (£m)	Distributor	Genre
1	Saw 2	USA	7.3	Entertainment	Horror
2	Sin City	USA	7.1	Buena Vista	Crime
3	A History of Violence	USA	3.8	Entertainment	Thriller
4	The Descent	UK	2.7	Pathé	Horror
5	Creep	UK/Ger	1.8	Pathé	Horror
6	Wolf Creek	Aus	1.7	Optimum	Horror
7	The Business	UK	1.5	Pathé	Crime
8	Unleashed	UK/Fra/USA	1.5	UIP	Crime
9	Green Street	UK/USA	1.3	UIP	Crime
10	The Devil's Rejects	USA/Ger	0.8	Momentum	Horror

Source: Nielsen EDI, BBFC, RSU analysis

See also

- For cinema admissions and box office in 2005 see chapter 1 (p.7)
- For a look at cinema audiences see chapter 8 (p.52)

- For information about film classification in the UK see www.bbfc.co.uk
- For details of local film societies that screen foreign language films in your area see www.bffs.org.uk
- For further insight into what the UK Film Council does to support specialised films see www.ukfilmcouncil.org.uk/cinemagoing/distributionandexhibition/
- For more details about genre classification see www.ukfilmcouncil.org.uk/information/statistics/genre-titles/



Chapter 6
Distribution

The distributors that bring films to our screens are dominated by a small number of big companies which, in 2005, increased their share of the market still further. Distributors spent lavishly to attract us into the cinema where, as ever, the weekends took the lion's share of box office takings.

Valiant courtesy of Entertainment

Facts in focus

- The top 10 distributors had a 97% share of the market in 2005.
- Weekends (Friday to Sunday) accounted for 64% of the box office.
- Opening weekends represented 26% of the total box office.
- Estimated total advertising spend was £165.7 million, an increase of 4.5% on 2004.

6.1 Distributors in 2005

As shown in Table 6.1, the top 10 distributors had a 97% share of the market, up 2% on 2004. The remaining 59 distributors handled a total of 287 titles, 54% of the total, but gained only a 3% share of the box office, down 2% on the previous year.

War of the Worlds courtesy of UIP

Table 6.1 Distributor share of box office, UK and Republic of Ireland, 2005

Distributor	Market share (%)	Films on release 2005	Box office gross (£m)
UIP	29.1	44	243.3
Warner Bros	18.2	25	152.1
20th Century Fox	14.3	24	120.0
Buena Vista	13.1	28	109.4
Entertainment	9.4	25	78.6
Sony Pictures	6.8	24	57.0
Pathé	3.5	19	29.0
Momentum	1.9	16	15.8
Optimum Releasing	0.6	18	4.8
Eros International	0.4	20	3.5
Sub total	97.3	243	813.5
Others (59 distributors)	2.7	287	23.1
Total	**100.0**	**530**	**836.6**

Source: Nielsen EDI
Box office gross = cumulative box office total for all films handled by the distributor in the period 3 January 2005 to 1 January 2006 (ie includes films released in 2005 and still showing in 2006)

6.2 Distributors 2001 – 2005

Table 6.2 shows that the top six distributors form a stable leading group, although their individual market shares vary considerably from year to year, depending on the particular mix of films distributed. The share of box office made by distributors outside the top 10 fell to its lowest level since 2000 and stood at 2.7%.

Table 6.2 Distributor market share as percentage of box office gross, 2001 – 2005

Distributor	2001	2002	2003	2004	2005
UIP	31.7	12.5	22.5	29.8	29.1
Warner Bros	16.5	15.4	10.4	14.7	18.2
20th Century Fox	8.7	17.9	8.8	10.7	14.3
Buena Vista	14.1	15.2	26.3	14.5	13.1
Entertainment	9.7	16.6	14.6	7.9	9.4
Sony Pictures	6.6	12.3	9.7	10.0	6.8
Pathé	2.1	2.1	2.0	2.8	3.5
Momentum	2.5	1.9	1.3	2.2	1.9
Optimum	0.3	0.3	0.3	1.1	0.6
Eros	0.3	0.4	0.4	0.3	0.4
Top 10 total*	97.2	96.8	97.1	96.1	97.3
Others	2.8	3.2	2.9	3.9	2.7
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Nielsen EDI
*Top 10 total refers to the top 10 distributors of that particular year. Table is ranked by top 10 distributors in 2005

6.3 Weekend box office

In 2005, 64% of the box office was taken at weekends (Friday to Sunday), up from 60% in 2004, as Table 6.3 shows.

Table 6.3 Box office percentage share by weekday/weekend, 2001 – 2005

	2001	2002	2003	2004	2005
Friday	16.1	16.9	16.0	15.3	18.0
Saturday	26.3	29.4	26.6	24.5	27.0
Sunday	19.9	21.3	18.7	19.9	19.0
Weekend	**62.3**	**67.6**	**61.3**	**59.7**	**64.0**
Monday	8.7	7.2	8.9	9.7	8.0
Tuesday	9.0	8.5	10.0	10.1	8.0
Wednesday	9.9	8.6	9.8	10.7	10.0
Thursday	10.0	8.1	10.0	9.8	10.0
Weekday	37.6	32.4	38.7	40.3	36.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Nielsen EDI

The opening weekend box office as a share of total theatrical revenue decreased slightly in 2005 as shown in Table 6.4. Films earning over £20 million at the UK box office took a significantly smaller share of their final cumulative gross in the opening weekend compared with 2004.

Table 6.4 UK opening weekend as percentage of total box office, 2004 – 2005

Range of box office results	% of total in opening weekend 2004	% of total in opening weekend 2005
All films	**27.2**	**26.3**
More than £30 million	37.1	27.2
£20 million – £30 million	31.6	25.9
£10 million – £19.9 million	21.7	23.4
£5 million – £9.9million	23.4	24.3
£1 million – £4.9 million	25.4	28.3
£200,000 – £999,000	28.8	29.2
Less than £200,000	30.0	27.1

Source: Nielsen EDI
Opening weekends include preview figures. For films with a limited initial opening, the wider release figure is included in the analysis

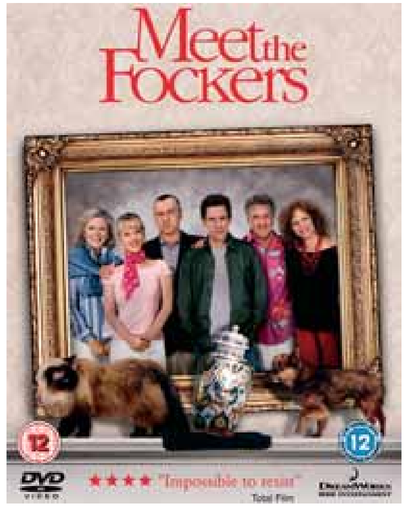
6.4 Release costs

The opening weekend of a film is recognised as being crucial to its lifetime, both in cinemas and on subsequent release platforms. Distributors invest heavily in advertising in order to raise a film's profile across all media (outdoor posters, print media, TV and radio). From data provided by Nielsen Media Research (Table 6.5), the estimated total distributor advertising spend in 2005 was £165.7 million, up 4.5% from £158.5 million in 2004.

Table 6.5 Estimated advertising spend, 2005

TV	£71.9 million
Outdoor	£55.3 million
Press	£29.3 million
Radio	£9.2 million
Total	**£165.7 million**

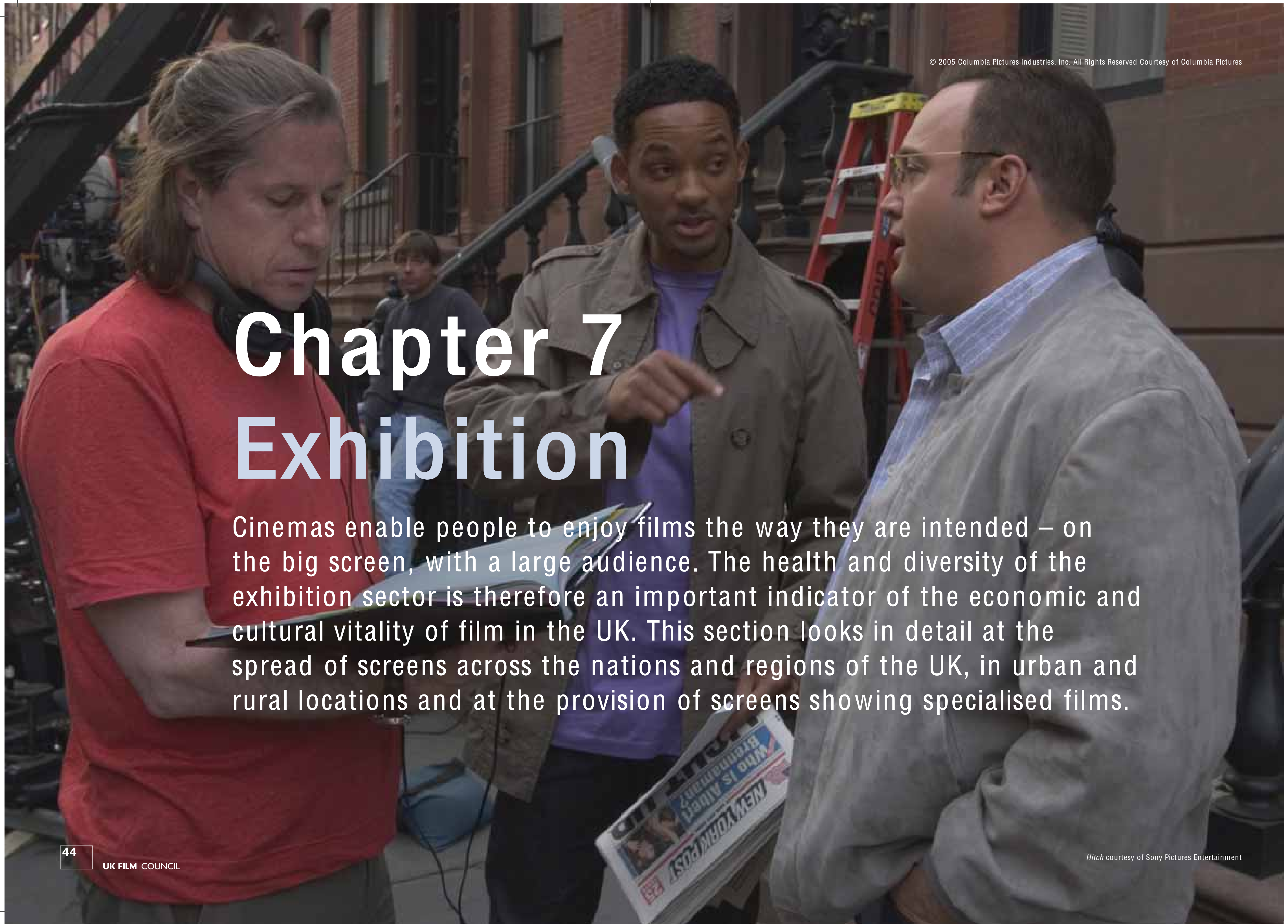
Source: Nielsen Media Research



Meet the Fockers courtesy of Universal

See also

- For further details about the UK box office in 2005 see chapter 1 (p.7)
- For more information about the top films at the UK box office in 2005 see chapter 2 (p.15)
- For an overview of employment in film distribution see chapter 13 (p.91)
- To learn more about what the UK Film Council is doing to support UK distribution see the UK Film Council *Annual Review 2005/06* (p.51)



Chapter 7
Exhibition

Cinemas enable people to enjoy films the way they are intended – on the big screen, with a large audience. The health and diversity of the exhibition sector is therefore an important indicator of the economic and cultural vitality of film in the UK. This section looks in detail at the spread of screens across the nations and regions of the UK, in urban and rural locations and at the provision of screens showing specialised films.

Hitch courtesy of Sony Pictures Entertainment

Facts in focus

- The UK had 3,357 screens,15 more than 2004, in 659 cinemas.
- There were 5.6 screens per 100,000 of the population, the same as 2004 and lower than many countries.
- There was a decrease in the number of screens in town centres and rural locations, but an increase in suburban, edge of town and out of town locations.
- The proportion of screens in multiplexes remained unchanged at 73%.
- London had the highest number of screens overall (16% of the UK total), followed by the South East and North West.
- Northern Ireland had the highest number of screens per 100,000 people in the UK, and England had the lowest.
- Only 6% of screens were dedicated to ‘specialised’ (that is, non-mainstream) programming, with 0.5% showing South Asian films.
- Specialised screens were concentrated in London and the South East, Scotland and the South West.
- Over two-thirds (67%) of specialised screens were found in single, independently-owned cinemas.
- Thirteen companies owned or operated 20+ screens each in the UK. After further consolidation the five largest exhibitors operated 74% of screens.
- The average ticket price was £4.67.
- The UK had 75 digital screens, a fourfold increase on the number in 2004.

7.1 UK screens

The number of owned or programmed cinema screens (excluding those operated in venues such as schools and private screening rooms) continued to increase in 2005 albeit at a slower rate than previously, rising 0.4% to 3,357. This was matched by an increase in the number of sites, from 646 to 659.

Table 7.1 shows that more sites opened than closed in 2005, although the number of traditional screens fell due to the closure of a number of larger sites. A total of 28 sites closed in 2005, a fall of 56% on the number of closures in 2004, with a loss of 75 screens. Forty-one sites opened (including five multiplexes), adding 90 screens (including 34 multiplex screens).

Table 7.1 Site openings and closures, 2005

	Multiplex		Traditional	
	Sites	Screens	Sites	Screens
Opened	5	34	36	56
Closed	2	13	26	62
Net difference	+3	+21	+10	-6

Source: Dodona Research

One simple way to gauge the level of cinema provision is to examine 'screen density', that is, the number of screens available per 100,000 people. In 2005 this stood at 5.6 screens per 100,000 people in the UK, just as it has for the last three years. This level of screen access falls short of the numbers in other major film territories: USA 12.8, Spain 10.9, Australia 9.7, France 8.8, Italy 6.2 and Germany 5.9.

Table 7.2 reveals the numbers of admissions per person in major film territories. The UK saw more admissions per person than both Italy and Germany despite lower screen density.

Table 7.2 Admissions per person, 2003 – 2005

	USA	Australia	Spain	France	UK	Italy	Germany
2003	5.0	4.6	3.4	2.9	**2.8**	1.9	1.8
2004	5.1	4.6	3.5	3.0	**2.9**	1.9	1.8
2005	4.7	4.1	3.0	2.9	**2.8**	1.6	1.5

Source: Dodona Research

7.2 Screen location

Historically cinemas have been a feature of the urban landscape, and 2005 was no different with 97.2% of all screens in the UK in town or city centres, edge of centre, 'out of town' or suburban locations.

Table 7.3 shows that suburban and rural cinemas tend to have fewer screens on average than their urban counterparts (although town and city centre sites are also relatively small). The number of rural screens fell further in 2005 while the decline in suburban screens was reversed with five more screens than in 2004.

Table 7.3 Screens by location, 2002 – 2005

Location	2002	2003	2004	2005	% change 2002/2005	Average no. of screens
Centre	1,466	1,470	1,502	1,495	+2.0	4
Out of town	1,199	1,234	1,243	1,250	+4.3	10
Edge of centre	456	464	465	479	+5.0	9
Suburban	34	33	33	38	+11.8	2
Rural	103	117	99	95	-7.7	2
Total	3,258	3,318	3,342	3,357	+3.0	

Source: Dodona Research, RSU analysis

As in last year's *Statistical Yearbook*, we are able to present screen provision data based on two types of regional classification. The datasets are not directly comparable because of differences in the way the regions are defined; they do, however, shed light on different aspects of national and regional variations in screen provision.

The Cinema Advertising Association produces monthly admissions totals for each of the television advertising regions used by the Incorporated Society of British Advertisers (ISBA). Screen and admissions data for 2005 using these TV regions are presented in Table 7.4.

Table 7.4 Screens and admissions by ISBA TV region, 2005

ISBA TV region	Screens	Admissions	Admissions per screen
London	740	41,332,225	55,854
Midlands	489	23,280,583	47,609
Lancashire	411	18,264,672	44,440
Southern	291	15,244,349	52,386
Wales and West	279	10,788,202	38,667
Yorkshire	277	13,771,042	49,715
Central Scotland	227	11,343,353	49,971
East of England	203	10,896,998	53,680
Northern Ireland	150	4,920,551	32,804
North East	107	6,343,985	59,290
South West	86	3,616,164	42,048
Northern Scotland	61	3,275,036	53,689
Border	36	1,614,618	44,851

Source: Dodona Research, CAA, RSU analysis

Table 7.5 gives screen information for each of the English Government Office Regions, plus Scotland, Northern Ireland and Wales, which correspond to the areas covered by the nine English Regional Screen Agencies, Scottish Screen, the Northern Ireland Film and Television Commission and Sgrîn Cymru Wales.

Table 7.5 Screens and population in the nations and Government Office Regions, 2005

Government Office Region	Screens	Population*	Screens per 100,000	Average no. of screens per site
London	530	7,388,000	7.2	5
South East	459	8,080,000	5.7	4
North West	426	6,805,000	6.3	7
West Midlands	299	5,320,000	5.6	7
Scotland	297	5,057,000	5.9	6
South West	277	4,999,000	5.5	4
Yorkshire	240	5,009,000	4.8	6
East of England	222	5,463,000	4.1	5
Wales	171	2,938,000	5.8	3
East Midlands	167	4,252,000	3.9	5
Northern Ireland	150	1,703,000	8.8	7
North East	102	2,539,000	4.0	5
Other**	17	N/A	N/A	2
Total	**3,357**	**59,553,000**	**5.6**	**5**

Source: Dodona Research, RSU analysis
*Note: 2003 population data
**Note: 'Other' includes the Channel Islands and the Isle of Man

The pattern of regional and national variations in screen provision remains unchanged in 2005. It is still the case that areas of high population in urban areas, like London, the South East and the North West, have higher screen numbers. Northern Ireland had the highest number of screens per 100,000 people of the four nations (8.8) followed by Scotland (5.9), Wales (5.8) and England (5.2). Table 7.5 also reveals that the North West, West Midlands and Northern Ireland have on average seven screens per site compared with the national average of five. The South East, South West and Wales all fall below the average, showing a tendency towards smaller cinemas and proportionately fewer multiplexes (see Table 7.7).

7.3 Multiplexes

The number of multiplex screens (defined by Dodona Research as those in purpose-built cinemas with five or more screens) continued to grow in 2005, as shown in Table 7.6. There has been a rise of 51% in the number of multiplex screens since 1999 compared with a 20% fall in the number of traditional and mixed-use screens (used for film screenings only part of the time). The UK has gained 829 multiplex screens since 1999 and lost 230 traditional or mixed-use screens. The proportion of multiplex screens has increased from 58.9% in 1999 to 73.1% in 2005.

Table 7.6 Cinema screens by type, 1999 – 2005

Year	Multiplex	% multiplex	Traditional and mixed use	Total
1999	1,624	58.9	1,134	2,758
2000	1,874	63.4	1,080	2,954
2001	2,115	66.8	1,049	3,164
2002	2,299	70.6	959	3,258
2003	2,362	71.2	956	3,318
2004	2,426	72.6	916	3,342
2005	2,453	73.1	904	3,357

Source: Dodona Research

Table 7.7 provides a snapshot of variations in multiplex provision around the UK. The North West had the largest number of multiplex screens (353), eight more than London. It also had a high proportion of multiplex screens (82.9%), although the highest proportion was found in the North East, with 85.3%. By far the lowest concentration of multiplex screens was found in the South West (55.2%), which had a particularly high number of traditional and mixed-use screens (the third highest after London and the South East). Wales (65.5%) and the Channel Islands and Isle of Man (58.8%) also had proportionally fewer multiplex screens than the national average.

Table 7.7 Cinema screens by type and nation or Government Office Region, 2005

Nation/region	Multiplex	% multiplex in nation/region	Traditional and mixed use	Total screens
North West	353	82.9	73	426
London	345	65.1	185	530
South East	322	70.2	137	459
West Midlands	234	78.3	65	299
Scotland	230	77.4	67	297
Yorkshire	197	82.1	43	240
East of England	169	76.1	53	222
South West	153	55.2	124	277
East Midlands	127	76.0	40	167
Northern Ireland	114	76.0	36	150
Wales	112	65.5	59	171
North East	87	85.3	15	102
Other*	10	58.8	7	17
Total	**2,453**	**73.1**	**904**	**3,357**

Source: Dodona Research, RSU analysis
*Note: 'Other' includes the Channel Islands and the Isle of Man

7.4 Programming

Dodona Research categorises screens according to whether they show mainly mainstream, specialised (that is, non-mainstream, including 'art-house') or South Asian ('Bollywood') films.

By far, the majority of screens mainly show mainstream films. In 2005, 522 cinemas with 3,133 screens showed mainly mainstream films, compared with 132 (206 screens) showing specialised films, and five (18 screens) dedicated mainly to South Asian films.

Table 7.8 compares figures for 2004 and 2005 and shows that the number of sites and screens showing South Asian and specialised films increased in 2005 compared with a reduction in the number of sites and screens programming mainly mainstream films.

Table 7.8 Sites and screens by programme, 2004 – 2005

Programme	Sites		Screens	
	2004	2005	2004	2005
South Asian	4	5	11	18
Specialised	116	132	196	206
Mainstream	526	522	3,135	3,133

Source: Dodona Research, RSU analysis

Over two-thirds (67%) of specialised screens were found in single, independently-owned cinemas (that is, not part of a chain).

Table 7.9 shows the pattern of programme type by location in 2005. Screens showing mainly South Asian films were located in town or city centre and suburban areas, while those devoted to specialised film were mainly found in town or city centres.

Table 7.9 Proportion of screens by location and programme, 2005

	South Asian (%)	Specialised (%)	Mainstream (%)
Town/city centre	44.4	83.5	42.0
Edge of centre	0.0	2.4	15.1
Out of town	0.0	3.9	39.6
Suburban	55.6	5.3	0.5
Rural	0.0	4.9	2.7
Total	**100.0**	**100.0**	**100.0**

Source: Dodona Research, RSU analysis

This geographical analysis is extended in Tables 7.10 and 7.11, which reveal the distribution of South Asian and specialised screens around the UK.

Table 7.10 confirms that screens showing mainly South Asian films were found in London and the Midlands, areas with large British Asian populations. Almost 90% of all South Asian screens were found in London and the West Midlands, with the remainder in the East Midlands.

Table 7.10 Geographical spread of South Asian screens, 2005

Region	South Asian screens	%
London	8	44.4
West Midlands	8	44.4
East Midlands	2	11.1
East of England	0	0.0
Other regions*	0	0.0
Total	**18**	**100.0**

Source: Dodona Research, RSU analysis
*Note: 'Other regions' includes the Channel Islands and the Isle of Man

Screens showing mainly specialised films were concentrated in London and the South East, which had 43.7% of total specialised screens in 2005 (Table 7.11). Scotland and the South West had just over 20 specialised screens each, accounting for 11.2% and 10.2% of all such screens respectively. Wales (4.4%), the North East (1.9%) and Northern Ireland (1.0%) had the smallest number of specialised screens.

Table 7.11 Geographical spread of specialised screens, 2005

Region	Specialised screens	%
London	63	30.6
South East	27	13.1
Scotland	23	11.2
South West	21	10.2
East of England	13	6.3
West Midlands	12	5.8
Yorkshire & the Humber	12	5.8
East Midlands	10	4.9
North West	10	4.9
Wales	9	4.4
North East	4	1.9
Northern Ireland	2	1.0
Other*	0	0.0
Total	**206**	**100**

Source: Dodona Research, RSU analysis
*Note: 'Other' includes the Channel Islands and the Isle of Man

7.5 Exhibitors

In 2005, the main story in the commercial exhibition sector was once again one of consolidation and its after-effects. Vue acquired Ster Century and the competition authorities required Odeon UCI and Cineworld to sell off a number of sites as a result of previous mergers. The number of exhibitors that owned or programmed 20 or more screens in the UK increased to 13 in 2005, as shown in Table 7.12. The five largest exhibitors owned approximately 74% of all UK screens.

Table 7.12 Exhibitors with 20+ screens, 2005

	Screens	%
Odeon UCI	822	24.5
Cineworld	728	21.7
Vue	501	14.9
National Amusements	237	7.1
Ward Anderson	204	6.1
Apollo	64	1.9
City Screen	50	1.5
Village Cinemas	41	1.2
Movie House	33	1.0
Reel Cinemas	30	0.9
AMC	28	0.8
Reeltime	21	0.6
Hollywood Screen Entertainment	20	0.6
Others	578	17.2
Total	**3,357**	**100.0**

Source: Dodona Research
Figures correct as at March 2006
Notes: Odeon UCI is owned by Terra Firma Capital Partners, a European private equity firm with headquarters in London and Frankfurt.
Cineworld comprises the former Cine-UK and UGC chains and is owned by The Blackstone Group, a multinational private equity company.
Vue, which acquired Warner Village cinemas in 2003, is owned by SBC International Cinemas (headquartered in the UK).
National Amusements is owned by the family of Sumner Redstone, chairman of US media giant Viacom.
Ward Anderson is headquartered in the Republic of Ireland where it operates the Cineplex, IMC and Ominplex chains

7.6 Exhibitor revenues

Dodona Research reports that total exhibitor revenue in 2005 stood at £948 million, only a fraction higher than in 2004. Net concession revenue (sales of drinks, food and merchandise) stood at £210 million (a rise of 3% on the previous year), while gross advertising revenue totalled £190 million.

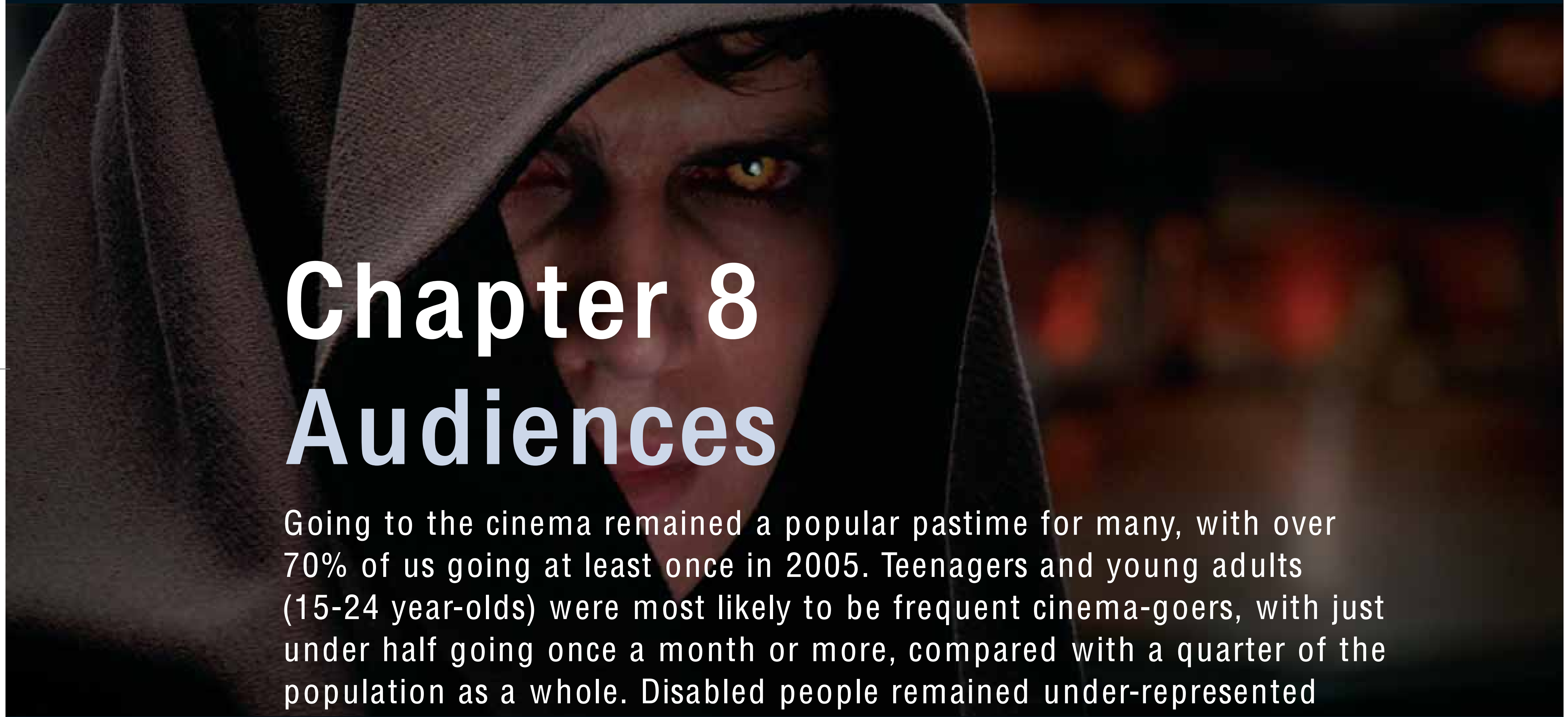
Average ticket prices (calculated by dividing UK box office gross for the year (£769 million) by total UK admissions (164.7 million)) rose from £4.49 in 2004 to £4.67 in 2005, an increase of 4%.

7.7 Digital projection

During 2005, the first 50 screens in the UK Film Council-supported Digital Screen Network (DSN) became operational, marking a watershed year in the roll out of digital screens across the UK. A further 190 DSN screens are due to go live by spring 2007. This took the number of UK screens offering digital projection of feature films (as opposed to digital advertising) to 75 according to online industry journal *DCinemaToday.com*, which also estimates that worldwide there were 794 commercial digital screens operating by early 2006.

See also

- For cinema admissions and box office in 2005 see chapter 1 (p.07)
- For a look at cinema audiences see chapter 8 (p.52)
- For employment in the exhibition sector see chapter 13 (p.91)
- For more about the UK Film Council's Digital Screen Network see (p.51)



Chapter 8
Audiences

Going to the cinema remained a popular pastime for many, with over 70% of us going at least once in 2005. Teenagers and young adults (15-24 year-olds) were most likely to be frequent cinema-goers, with just under half going once a month or more, compared with a quarter of the population as a whole. Disabled people remained under-represented overall among those who paid to watch films either in the cinema or at home (on video/DVD or pay-per-view TV).

Star Wars: Episode III - Revenge of the Sith courtesy of Lucasfilm

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Facts in focus

- In 2005, 72% of the UK population said they went to the cinema at least once a year, unchanged from 2004.
- 25% went once a month or more.
- The overall cinema audience was almost evenly split between men and women.
- Dramas and comedies with romantic themes plus family films appealed most to the female audience.
- Action-led films, whether historical dramas or fantasy and science fiction, held stronger male appeal.
- The cinema audience for the top 20 films in 2005 was predominantly young, with the 7 – 34 age group (39% of the population) making up 64% of the audience.
- The younger age groups preferred animation, comedy, fantasy, action and horror films while drama appealed more to the over-35s.
- Minority ethnic groups were equally or over-represented in the film audience, except for pay-per-view TV where they were under-represented.
- Certain films generated larger-than-average audiences from particular ethnic groups.
- Disabled people were under-represented in the film audience, except for retail video/DVD.

8.1 Cinema audience by gender

As in previous years, the overall UK cinema audience in 2005 had a roughly equal gender split, with males and females attending with similar frequency, as Table 8.1 shows.

Table 8.1 Cinema audience by gender, 2005

	Male %	Female %
See at least one film per year (proportion of population)	71	72
Go to the cinema at least once a month (proportion of population)	25	24
Top 20 films (proportion of audience)	50	50
Top 20 UK films (proportion of audience)	45	55
Total population	49	51

Source: CAVIAR 23 and Quarterly Reports

8.2 Film preferences by gender

Although the overall cinema audience in 2005 was split almost evenly between men and women, some films attracted substantially more of one gender than the other as Table 8.2 shows. Men preferred action-led films, including historical dramas (*Alexander, Kingdom of Heaven*) science fiction (*Star Wars: Episode III - Revenge of the Sith, The Hitchhiker's Guide to the Galaxy, War of the Worlds*), and fantasy (*Batman Begins, King Kong, Fantastic Four*). Romance, whether allied to comedy or drama, figured highly in the list of films with large female audience shares (*Pride and Prejudice, The Wedding Date, Closer*) along with a number of family films (*Nanny McPhee, Charlie and the Chocolate Factory, Madagascar, The Chronicles of Narnia: The Lion, the Witch and the Wardrobe*).

Unlike in 2004, the top 20 UK films had a definite female audience skew and it is notable that the six films with the highest female audience share were all British (Table 8.2).

Table 8.2 Top films by audience gender split, UK box office, 2005
Top 20 films and top 20 UK films

Title	Male %	Female %	
Pride and Prejudice (UK)	29.2	70.8	Greater female audience share
Nanny McPhee (UK)	30.4	69.6	
Kinky Boots (UK)	30.6	69.4	
The Wedding Date (UK)	30.8	69.2	
Closer (UK)	33.8	66.2	
Charlie and the Chocolate Factory (UK)	40.7	59.3	
Madagascar	41.7	58.3	
The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	44.7	55.3	

Title	Male %	Female %	
Kingdom of Heaven (UK)	59.7	40.3	Greater male audience share
War of the Worlds	60.5	39.5	
Fantastic Four	60.7	39.3	
The Hitchhiker's Guide to the Galaxy (UK)	61.5	38.5	
King Kong	62.1	37.9	
Batman Begins (UK)	64.8	35.2	
Star Wars: Episode III – Revenge of the Sith	68.4	31.6	
Alexander (UK)	71.9	28.1	

Source: CAVIAR/BMRB/CAA, Quarterly Surveys
Note: A test for statistical significance has been applied to determine which titles can be described as having a greater male or female audience share. The larger the audience for a particular film, the smaller the male/female difference needed to be statistically significant

Table 8.2 Top films by audience gender split, UK box office, 2005
Top 20 films and top 20 UK films

Title	Male %	Female %	
The Constant Gardener (UK)	30.7	69.3	Gender difference not statistically significant
Mrs. Henderson Presents (UK)	37.8	62.2	
The Magic Roundabout (UK)	42.0	58.0	
Hitch	44.8	55.2	
Meet The Fockers	45.6	54.4	
Tim Burton's Corpse Bride (UK)	46.0	54.0	
Mr. and Mrs. Smith	46.1	53.9	
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	47.5	52.5	
Harry Potter and the Goblet of Fire (UK)	47.5	52.5	
White Noise (UK)	49.5	50.5	
The Descent (UK)	52.0	48.0	
Wedding Crashers	52.3	47.7	
Valiant (UK)	52.3	47.7	
Robots	54.1	45.9	
Ocean's Twelve	55.8	44.2	
Sahara (UK)	57.4	42.6	

8.3 Cinema audience by age

Teenagers and young adults were the most frequent cinema-goers in 2005 as Table 8.3 shows, a pattern common to previous years. In 2005, the 39% of the population in the 7 – 34 age group provided 64% of the top 20 film audience and 59% of the top 20 UK film audience.

Table 8.3 Cinema audience by age group, 2005

	Age 7 – 14 %	Age 15 – 24 %	Age 25 – 34 %	Age 35+ %
See at least one film per year (proportion of population)	93	91	85	61
Go to the cinema at least once a month (proportion of population)	36	47	36	16
Top 20 films (proportion of audience)	22	25	17	37
Top 20 UK films (proportion of audience)	20	23	16	41
Total population aged 7+	11	14	14	61

Source: CAVIAR 23 and Quarterly Reports

Despite the youthful skew of the cinema audience, the audience share of the 35+ age group increased for the top 20 films overall, with the success of adult-oriented dramas (*The Constant Gardener and Pride and Prejudice*) alongside family favourites (eg *The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* and *Nanny McPhee*). For the top 20 UK films the audience share of 15 – 24 year olds fell but there was a marked increase in the share of the 7 – 14 group. This reflects the larger number of successful British family films at the box office (eg *Harry Potter and the Goblet of Fire* and *Wallace & Gromit: The Curse of the Were-Rabbit*).

Table 8.4 demonstrates there was a more or less even gender balance across the age range of cinema-goers. It also challenges the popular misconception that young men aged 15 – 24 make up the largest share of the cinema audience.

Table 8.4 Cinema audience by gender and age group, 2005

	Age 4 – 14 %	Age 15 – 24 %	Age 25 – 34 %	Age 35+ %
Male	11	12	12	15
Female	12	11	9	18
Total	**23**	**23**	**21**	**33**

Source: CAA

8.4 Film preferences by age

It was a good year for fantasy films, whose success lay in their appeal to all ages. Examples of the genre appear in each of the lists of films with appeal to particular age groups (Tables 8.5 to 8.8). Animated features and fantasy films (led by adaptations of popular children's books) appealed to the 7 – 14 audience (Table 8.5). Comedy, horror, action and fantasy films appealed to the 15 – 24 and 25 – 34 age groups (Tables 8.6 and 8.7). Drama and fantasy appealed more to the over-35 age group (Table 8.8).

Table 8.5 Films with an above-average audience in 7 – 14 age group, 2005. Top 20 films and top 20 UK films

Title	Age group % of the film's total audience
Valiant (UK)	40.6
Nanny McPhee (UK)	33.8
Madagascar	33.4
Robots	33.3
The Magic Roundabout (UK)	31.0
Fantastic Four	30.7
Charlie and the Chocolate Factory (UK)	29.0
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	28.9
The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	26.8
Harry Potter and the Goblet of Fire (UK)	24.0
Percentage of 7 – 14 age group in top 20 audience	21.9
Percentage of 7 – 14 age group in top 20 UK audience	20.3
Percentage of 7 – 14 age group in total survey population	11.3

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.6 Films with an above-average audience in 15 – 24 age group, 2005. Top 20 films and top 20 UK films

Title	Age group % of the film's total audience
White Noise (UK)	64.7
The Descent (UK)	56.0
Wedding Crashers	51.2
Closer (UK)	50.1
Hitch	43.1
Mr. and Mrs. Smith	40.9
Ocean's Twelve	39.9
Kingdom of Heaven (UK)	37.4
Tim Burton's Corpse Bride (UK)	35.6
The Wedding Date (UK)	34.0
Sahara (UK)	33.4
Batman Begins (UK)	33.0
Meet the Fockers	32.7
The Hitchhiker's Guide to the Galaxy (UK)	30.4
Percentage of 15 – 24 age group in top 20 audience	24.5
Percentage of 15 – 24 age group in top 20 UK audience	22.8
Percentage of 15 – 24 age group in total survey population	14.0

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.7 Films with an above-average audience in 25 – 34 age group, 2005. Top 20 films and top 20 UK films

Title	Age group % of the film's total audience
Mr. and Mrs. Smith	27.7
Kingdom of Heaven (UK)	26.5
Alexander (UK)	26.3
The Magic Roundabout (UK)	22.8
Batman Begins (UK)	21.9
Star Wars Episode III: Revenge of the Sith	20.7
War of the Worlds	20.2
Percentage of 25 – 34 age group in top 20 audience	16.9
Percentage of 25 – 34 age group in top 20 UK audience	15.9
Percentage of 25 – 34 age group in total survey population	14.0

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.8 Films with an above-average audience in 35+ age group, 2005. Top 20 films and top 20 UK films

Title	Age group % of the film's total audience
Mrs. Henderson Presents (UK)	79.7
The Constant Gardener (UK)	74.8
Pride and Prejudice (UK)	68.9
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	44.0
Harry Potter and the Goblet of Fire (UK)	43.2
Nanny McPhee (UK)	42.7
The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	40.6
Percentage of 35+ age group in top 20 audience	36.6
Percentage of 35+ age group in top 20 UK audience	41.0
Percentage of 35+ age group in total survey population	61.0

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

8.5 Comparative age distribution of DVD, cinema and TV audiences

Table 8.9 compares the frequency of cinema visits with the frequencies of watching television and pre-recorded DVDs. Watching television was the most prevalent activity across the whole age range, with the most frequent viewers skewed towards the 35+ group. The frequency of DVD watching overall was substantially higher than cinema visiting, but with a similarly youthful age skew. Frequent DVD watching was particularly common in the 7 – 14 and 15 – 24 age groups.

Table 8.9 Audience frequency, DVD, cinema and TV by age group, 2005

	Age 7 – 14 %	Age 15 – 24 %	Age 25 – 34 %	Age 35+ %
Watch bought DVD once a month or more	82	72	63	45
Watch bought DVD 3 days a week or more	19	15	9	6
Go to cinema once a month or more	36	47	36	16
Watch TV every day	87	80	82	85
Watch TV five hours or more per day	12	18	18	23

Source: CAVIAR 23
DVD data relate to *pre-recorded* DVDs. Bought DVDs made up 97% of the film video retail market in 2005
VHS dropped to only 3%

8.6 Cinema audience by social group

The cinema audience for both the top 20 films and top 20 UK films had a higher incidence of people in professional and higher skilled manual occupations than in the population as a whole (Table 8.10).

Table 8.10 Cinema audience by social group, 2005

	AB %	C1 %	C2 %	DE %
See at least one film per year (proportion of population)	81	80	71	54
Go to the cinema at least once a month (proportion of population)	29	28	24	19
Top 20 films (proportion of audience)	31	33	19	16
Top UK films (proportion of audience)	31	35	19	16
Total population	25	29	21	25

Source: CAVIAR 23 and Quarterly Reports
Note: AB: Professional, business and white collar, C1: Higher skilled manual, C2: Lower skilled manual, DE: 'Semi -' and 'Un-skilled' manual

8.7 Film preferences by social group

Only three films had a particularly high appeal to the AB audience (compared with six last year): *Pride and Prejudice, Wallace & Gromit: The Curse of the Were-Rabbit* and *The Chronicles of Narnia: The Lion, the Witch and the Wardrobe* (Table 8.11) and only one title had particular appeal to the C1 group (*The Magic Roundabout*) (Table 8.12). There were no titles that stood out for the C2 and DE groups.

Table 8.11 Films with above-average AB audience share, 2005. Top 20 films and top 20 UK films

Title	AB group % of film's total audience
Pride and Prejudice (UK)	44.0
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	37.1
The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	35.8
AB share of top 20 audience	31.3
AB share of top 20 UK audience	30.9
AB percentage in total survey population	25.0

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.12 Films with above-average C1 audience share, 2005. Top 20 films and top 20 UK films

Title	C1 group % of film's total audience
The Magic Roundabout (UK)	44.1
C1 share of top 20 audience	33.4
C1 share of top 20 UK audience	34.9
C1 percentage in total survey population	29.0

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

8.8 Film audiences by ethnicity

Once again, minority ethnic groups were over-represented among buyers of cinema tickets and rental films and under-represented among buyers of pay-per-view (PPV) and retail video/DVD (Table 8.13). The picture was broadly similar to that of the previous two years.

Table 8.13 Ethnicity of audiences aged 12 – 74 for cinema, rental and retail video/DVD, PPV, 2005

	Black, Asian, Chinese, mixed and other %	White %
Population aged 12 – 74	8.3	91.7
Buyers of cinema, rental, retail and PPV film	8.0	92.0
Film renters	10.7	89.3
Retail video/DVD buyers	6.6	93.4
Cinema-goers	13.0	87.0
PPV buyers	7.4	92.6

Source: TNS

For reference, the size of each of these markets as measured in the TNS survey is shown in Table 8.14.

Table 8.14 Size of cinema, rental, retail and PPV markets for 12 – 74 age groups, 2005

	Number of persons/buyers (m)	Market volume (m)
Population aged 12 – 74	45.8	n/a
Total buyers: cinema, rental, retail and PPV film	36.0	473.7
Film renters	12.5	136.7
Cinema-goers	19.6	111.6
PPV	3.1	4.8
Retail video/DVD buyers	27.3	220.6

Source: TNS

As in 2004, there was a common core of popular films across the main ethnic groups, but certain titles had a marked ethnically-distinct appeal, as illustrated in Table 8.15, which shows the top 10 films for the black, white and Indian and Pakistani ethnic groups. *Bridget Jones: The Edge of Reason* appears in the white top 10 but in neither of the other top 10s. *Hitch* had a much higher ranking with the black and Indian and Pakistani groups than with the white group. *Robots* came in at sixth with the black group but did not make the top 10 for the other groups. *Bride and Prejudice* came in at seventh for the Indian and Pakistani group, but did not make the top 10 for the white and black groups.

Table 8.15 Top films by ethnicity of audience

	White	Black	Indian & Pakistani
1	The Incredibles	The Incredibles	The Incredibles
2	Charlie and the Chocolate Factory	Madagascar	**Hitch**
3	Meet the Fockers	**Hitch**	Madagascar
4	**Bridget Jones: The Edge of Reason**	Charlie and the Chocolate Factory	**Fantastic Four**
5	Madagascar	Meet the Fockers	Star Wars Episode III: Revenge of the Sith
6	Star Wars: Episode III – Revenge of the Sith	**Robots**	Meet the Fockers
7	**Wallace & Gromit: The Curse of the Were-Rabbit**	**Fantastic Four**	**Bride and Prejudice**
8	**War of the Worlds**	**Spongebob Squarepants**	Ocean's Twelve
9	Ocean's Twelve	National Treasure	Million Dollar Baby
10	Hitch	Ocean's Twelve	National Treasure

Source: CAA
Notes: (1)'Black' means the sum of black Caribbean, black African and 'black other' groups. 'Indian and Pakistani' is the sum of Indian and Pakistani. Other ethnic groups have not been shown separately due to small sample sizes
(2) Because of survey timing differences, some films released in late 2004 (for example *The Incredibles* and *Bridget Jones: The Edge of Reason*) appear on the CAA 2005 list

8.9 Film audiences by disability

As in the previous two years, disabled people were significantly under-represented overall among those people who paid to watch films. Retail video/DVD was the only market segment in which disabled purchasers matched their overall population percentage.

Table 8.16 Disabled audiences aged 12 – 74 for cinema, rental and retail video/DVD, PPV, 2005

	Disabled %	Not disabled %
Population aged 12 – 74	13.5	86.5
Buyers of cinema, rental, retail and PPV film	10.9	89.1
Film renters	4.9	95.1
Cinema-goers	7.4	92.6
PPV buyers	4.2	95.8
Retail video/DVD buyers	15.2	84.8

Source: TNS

8.10 Film preferences by region

The regional distribution of the audiences for most top 20 and top 20 UK films was close to that of the top 20 audience as a whole. Seven titles had unusually high audience shares in particular regions: *Kingdom of Heaven* and *Sahara* in London (Table 8.17), *Mrs. Henderson Presents, Star Wars: Episode III – Revenge of the Sith* and *Wallace & Gromit: The Curse of the Were-Rabbit* in the South/South East (Table 8.18), *Wallace & Gromit: The Curse of the Were-Rabbit* in the Midlands (Table 8.19) and *Fantastic Four* in the North West (Table 8.20).

Table 8.17 Films with above-average London audience share, 2005. Top 20 films and top 20 UK films

Title	London % of film's total audience
Kingdom of Heaven (UK)	39.4
Sahara (UK)	35.6
London share of top 20 audience	23.0
London share of top 20 UK audience	23.2
London percentage in total survey population	19.8

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.18 Films with above-average South/SE audience share, 2005. Top 20 films and top 20 UK films

Title	South/SE % of film's total audience
Mrs. Henderson Presents (UK)	26.0
Star Wars: Episode III – Revenge of the Sith	22.3
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	20.7
South/SE share of top 20 audience	17.3
South/SE share of top 20 UK audience	17.5
South/SE percentage in total survey population	16.8

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.19 Films with above-average Midlands audience share, 2005. Top 20 films and top 20 UK films

Title	Midlands % of film's total audience
Wallace & Gromit: The Curse of the Were-Rabbit (UK)	20.7
Midlands share of top 20 audience	16.3
Midlands share of top 20 UK audience	16.1
Midlands percentage in total survey population	16.5

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Table 8.20 Films with above-average North West audience share, 2005. Top 20 films and top 20 UK films

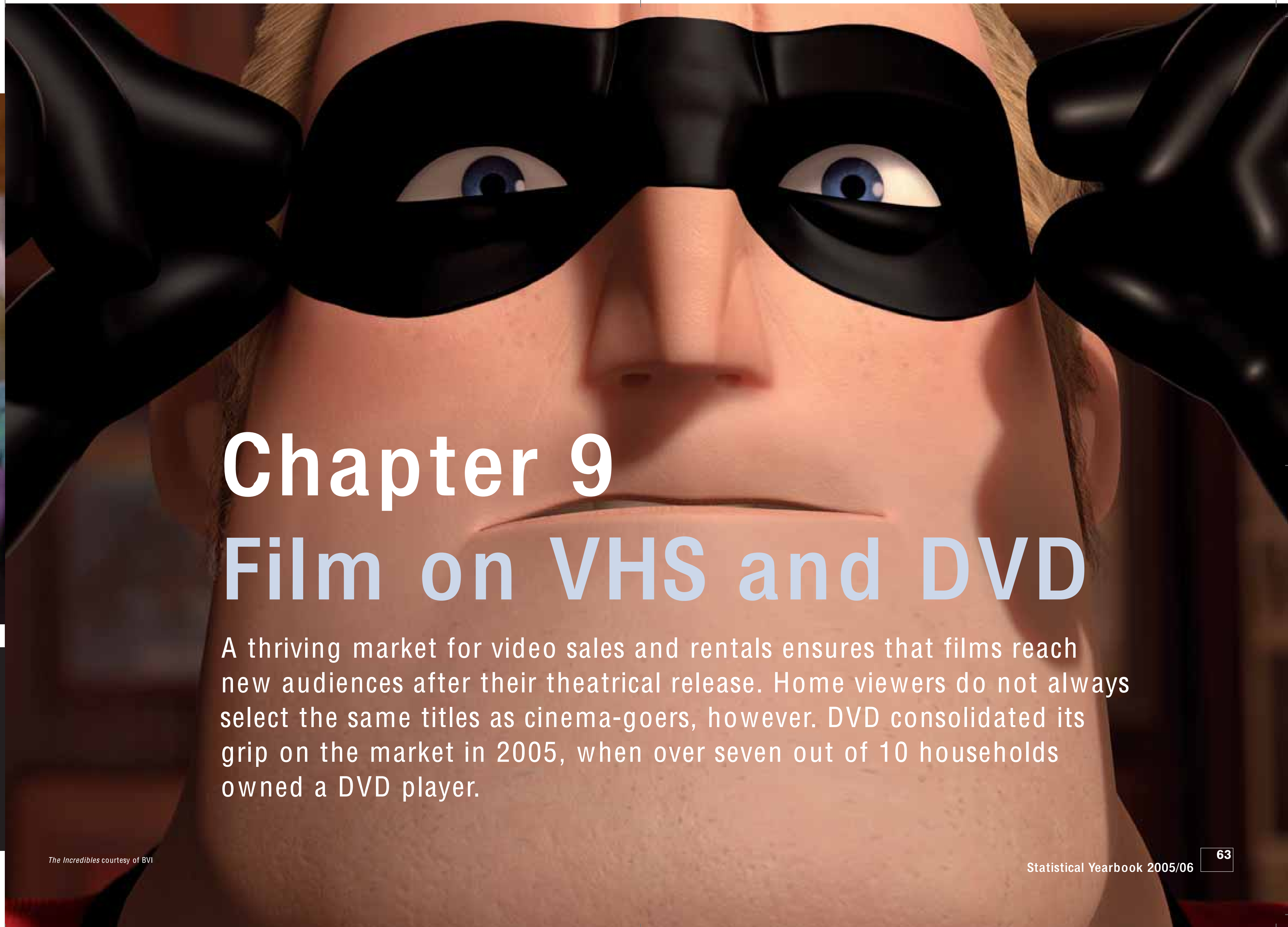
Title	North West % of film's total audience
Fantastic Four	21.0
Midlands share of top 20 audience	14.4
Midlands share of top 20 UK audience	14.1
Midlands percentage in total survey population	13.7

Source: CAVIAR/BMRB/CAA, Quarterly Surveys

Wallace & Gromit: The Curse of the Were-Rabbit courtesy of UIP

See also

- For more information about top films at the box office in 2005 see chapter 2 (p.15)
- For further details about films on DVD see chapter 9 (p.63)
- For more information about film regionally see chapter 7 (p.44)
- For a summary of what the UK Film Council is doing to broaden audience diversity and make films more accessible at the cinema see the UK Film Council Annual Review (p.51)



Chapter 9
Film on VHS and DVD

A thriving market for video sales and rentals ensures that films reach new audiences after their theatrical release. Home viewers do not always select the same titles as cinema-goers, however. DVD consolidated its grip on the market in 2005, when over seven out of 10 households owned a DVD player.

The Incredibles courtesy of BVI

Facts in focus

- 137 million VHS videos and DVDs were rented in 2005, while 222 million VHS videos and DVDs were sold.
- The total value of the rental and sales market in 2005 was £2.7 billion, down 7% on 2004.
- DVD sales increased 11% on 2004.
- Film accounted for 77% of the DVD sales market and 99% of the DVD rental market.
- The top rental title was *Collateral*. The most popular purchase on DVD was *The Incredibles*.
- Online DVD rental accounted for 17% of rental transactions in 2005.
- 9.9 million DVD players and 3 million video cassette recorders were sold in 2005.
- Over 70% of households now own a DVD player compared to only 45% in 2003.

9.1 Film in the rental video market

137 million videos and DVDs were rented in 2005 (including over-the-counter and online rentals) with an average value of £2.95. Film represented 99% of all rental transactions and UK films accounted for 22% of all transactions on video and DVD (up from 16% in 2004). Renting DVD online (for postal delivery) is a major growth area and accounted for 17% of rental transactions in 2005. VHS accounted for only 5% of the total rental market, both in volume and value terms.

Figure 9.1 shows that the number of transactions fell by 16 million from 2004, to its lowest level over the last 20 years. The value of the rental market fell to £404 million from a peak of £476 million in 2002.

Layer Cake courtesy of Sony Pictures

Figure 9.1 Rental video market, 1996 – 2005

Source: BVA

The 10 most rented over-the-counter DVD titles of 2005 are shown in Table 9.1. Given the low numbers of VHS titles now rented and sold, we have decided to focus solely on the DVD charts this year. Action/adventure, thriller and comedy titles dominated the top 10. As the table makes clear, it is not always the biggest box office successes that dominate the rental charts. Films that may have performed quite modestly on theatrical release (for example, *Man on Fire* and *The Terminal*) can perform much better in the rental charts. A similar pattern emerges in the top 10 most rented online titles (Table 9.2).

Table 9.1 Top 10 over-the-counter rental DVD titles, 2005

	Title	Country of origin	Distributor
1	Collateral	USA	Paramount
2	Meet the Fockers	USA	Universal
3	Hitch	USA	Sony
4	Man on Fire	USA	20th Century Fox
5	National Treasure	USA	Buena Vista
6	The Bourne Supremacy	USA/Ger	Universal
7	Dodgeball: A True Underdog Story	USA/Ger	20th Century Fox
8	The Terminal	USA	Universal
9	Layer Cake	UK	Sony
10	Saw	USA	Entertainment

Source: MRIB, BVA

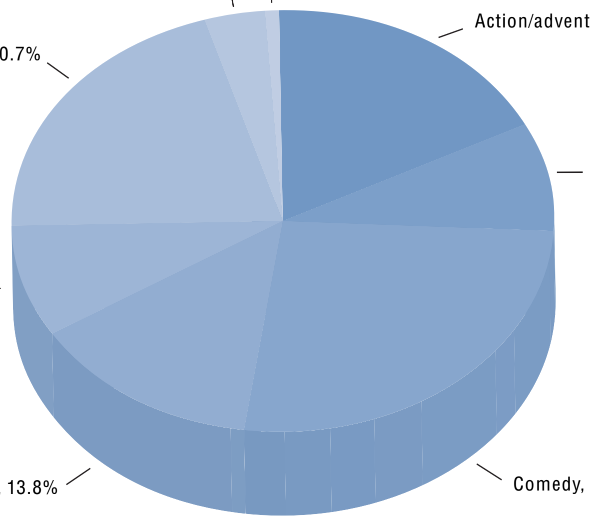
Table 9.2 Top 10 online rental DVD titles, 2005

	Title	Country of origin	Distributor
1	Collateral	USA	Paramount
2	The Bourne Supremacy	USA/Ger	Universal
3	The Terminal	USA	Universal
4	Layer Cake	UK	Sony
5	The Incredibles	USA	Buena Vista
6	Bridget Jones: The Edge of Reason	UK/USA	Universal
7	Saw	USA	Entertainment
8	Finding Neverland	UK/USA	Buena Vista
9	National Treasure	USA	Buena Vista
10	Meet the Fockers	USA	Universal

Source: MRIB, BVA

Figure 9.2 shows the genre split of all titles rented in 2005. The most popular genre was comedy which accounted for over one in four rentals, closely followed by thriller and action/adventure titles. Please note that these categories, as defined by MRIB, differ from the genre categories assigned to the theatrical market by the RSU in Chapter 5.

Figure 9.2 Video rental share by genre, 2005 (%)



Source: MRIB Rental Monitor, BVA

The top UK-originated titles in the DVD rental video market are shown in Table 9.3. The top film was crime thriller *Layer Cake*, followed by romantic comedy *Bridget Jones: The Edge of Reason*.

Alien Vs Predator courtesy of Twentieth Century Fox

Table 9.3 Top 10 UK-originated DVD rental titles, 2005

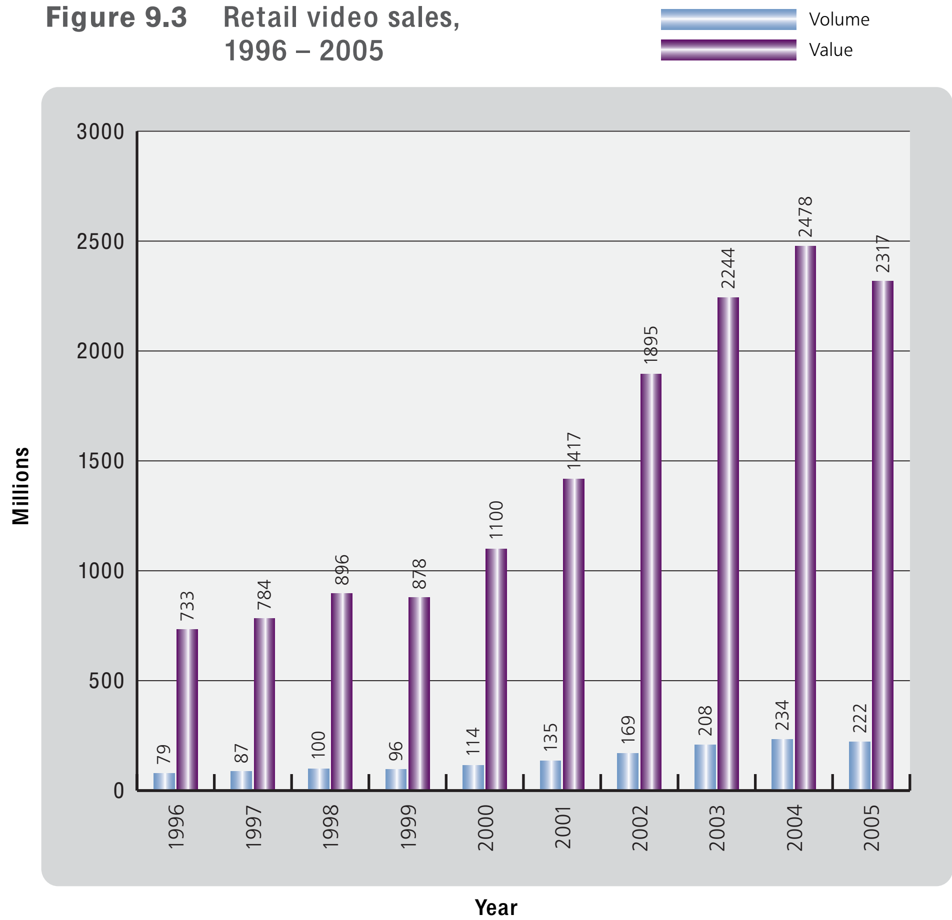
	Title	Country of origin	Distributor
1	Layer Cake	UK	Sony
2	Bridget Jones: The Edge of Reason	UK/USA	Universal
3	Batman Begins	UK/USA	Warner Bros
4	White Noise	UK/Can/USA	Entertainment in Video
5	Creep	UK	20th Century Fox
6	Alien Vs Predator	UK/Cze/Ger/Can	20th Century Fox
7	Sahara	UK/USA/Spa	Paramount
8	Wimbledon	UK/USA	Universal
9	Kingdom of Heaven	UK/USA/Spa/Ger	20th Century Fox
10	Alfie	UK/USA	Paramount

Source: MRIB, RSU analysis

9.2 Film in the retail video market

In total, 222 million VHS and DVD videos were sold in 2005, with a total market value of £2,317 million. Feature films represented approximately 77% of this total (£1,784 million) and UK films accounted for around 21% of DVD film sales. Figure 9.3 demonstrates the rapid growth in the retail video sector, led by the high rate of increase in DVD sales. In 2005, the volume of DVD sales increased by 11%, a slower rate of growth than in the immediately preceding years. The value of sales overall dropped significantly, reflecting lower DVD prices and the collapse of the VHS market for film (down to 5% of the market by volume and just 3% by value from 100% in 1998).

Figure 9.3 Retail video sales, 1996 – 2005



Source: Official UK Charts Company, BVA

Table 9.4 shows the top selling films on DVD in 2005. As with last year's chart it reflects the top grossing box office films of the last two years. Please note that this table includes theatrically released films listed in the 'children's' genre category by the Official UK Charts Company.

Table 9.4 Top 10 DVD retail sales, 2005

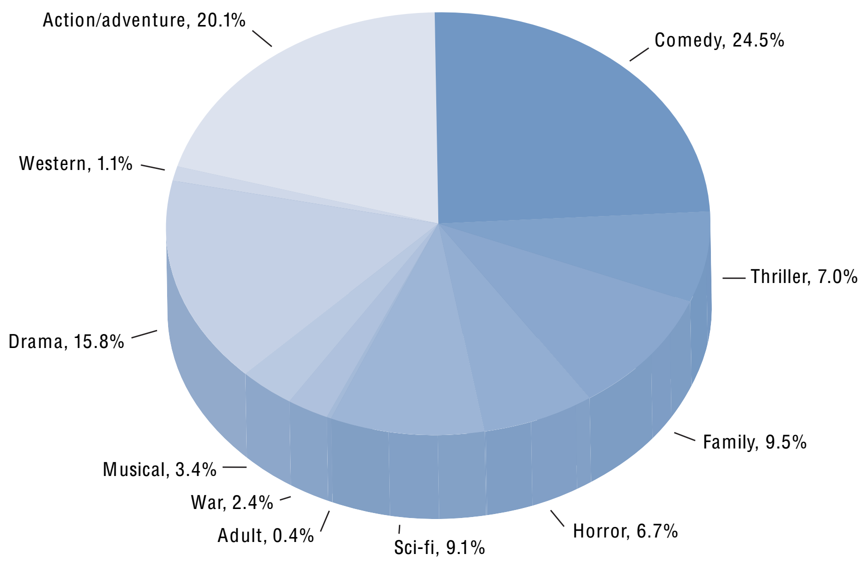
	Title	Country of origin	Distributor
1	The Incredibles	USA	Buena Vista
2	Bridget Jones: The Edge of Reason	UK/USA	Universal
3	Madagascar	USA	Universal
4	Star Wars: Episode III – Revenge of the Sith	USA	20th Century Fox
5	War of the Worlds	USA	Paramount
6	Charlie and the Chocolate Factory	UK/USA	Warner Bros
7	Shark Tale	USA	Universal
8	Meet the Fockers	USA	Universal
9	The Bourne Supremacy	USA	Universal
10	Dodgeball: A True Underdog Story	USA	20th Century Fox

Source: Official UK Charts Company, BVA

Shark Tale courtesy of UIP

Comedy was the dominant genre of films sold on video in 2005, accounting for almost a quarter of the market as Figure 9.4 shows. Action/adventure was the next most popular with one-fifth of all sales.

Figure 9.4 Sales breakdown by film genre, 2005 (%)



Source: Official UK Charts Company

The top 10 UK performers on sell-through DVD in 2005 are highlighted in Table 9.5. The popularity of recent theatrical releases is clear with *Bridget Jones: The Edge of Reason, Charlie and the Chocolate Factory* and *Batman Begins* among the popular titles released theatrically in 2004/5.

Table 9.5 Top 10 UK-originated DVD retail titles, 2005

	Title	Country of origin	Distributor
1	Bridget Jones: The Edge of Reason	UK/USA	Universal
2	Charlie and the Chocolate Factory	UK/USA	Warner Bros
3	Alien Vs Predator	UK/Cze/ Ger/Can	20th Century Fox
4	Batman Begins	UK/USA	Warner Bros
5	The Phantom of the Opera	UK/USA	Entertainment
6	Layer Cake	UK	Sony
7	Love Actually	UK/USA	Universal
8	Troy	UK/USA/ Malta	Warner Bros
9	Kingdom of Heaven	UK/USA/Spa	20th Century Fox
10	Ladies in Lavender	UK	Entertainment

Source: Official UK Charts Company, RSU analysis

9.3 Hardware

As in 2004, there was a large increase in the ownership of DVD players in 2005. In the course of the year, 9.88 million DVD players were sold and it is estimated that 72% of households owned a DVD player, up from around 45% in 2003.

Sales of video cassette recorders (VCRs) fell in 2005 for the second year running. 85% of households in the UK own a VCR, sales of which fell to three million in 2005, down 19% on 2004.

See also

- For more information about top films at the UK box office see chapter 2 (p.15)

Chapter 10
Film production

The UK film production sector fulfils two roles: it creates feature films and provides production services to the international film industry. In 2005, UK production activity cooled significantly compared with 2003 and 2004 but still reached a level of £569 million. This chapter looks at trends since 1992, based on the production statistics collected by UK Film Council International.

Pride and Prejudice courtesy of UIP

Facts in focus

- 2005 saw a fall in UK production activity to £569 million from £812 million in 2004.
- The number and value of domestic features increased significantly from 2004 levels, while the volume of inward investment fell, reflecting uncertainty over the tax regime and the lower value of the US dollar.
- The number and value of UK co-productions continued to fall, reflecting tighter certification rules and tax uncertainty.
- Budgets for individual films fell slightly overall, with the largest falls for inward investment films, reflecting the smaller number of big-budget studio films made in the UK in 2005.
- Most UK co-productions continued to be shot in the UK or Western Europe, though there was an increase in Eastern European shoots, particularly in Romania and Hungary.
- UK film production was dispersed over many production companies, with only a small minority being involved with more than one feature.

10.1 The value of UK production in 2005

UK production activity fell to £569 million in 2005 from £812 million in 2004 and 2003's particularly high level of £1,158 million.

There were 25 inward investment productions in 2005, with a UK production value of £312 million (see Table 10.1 for definitions). Big-budget films contributing to this figure were: *The Da Vinci Code, Basic Instinct 2: Risk Addiction, V for Vendetta*, *The Children of Men* and *Young Hannibal: Behind the Mask* The high international visibility of these titles illustrates the continuing importance of UK film production in the global film industry.

There were 37 domestic features in 2005 with a value of £166 million, a significant increase on 2004. Larger-budget films contributing to this total included: *Sunshine, Stormbreaker, Breaking and Entering* and *United 93*.

UK co-productions (other than inward) fell from 86 to 62, with UK spend dropping from £146 million to £91 million, in part reflecting a tightening in certification requirements. (To qualify for tax incentives, co-productions need to be certified as British under the terms of the UK's official co-production treaties). UK co-productions in 2005 included: *The Queen, Love and Other Disasters, The Last King of Scotland* and *The Wind that Shakes the Barley.*

Production levels in 2005 were affected by uncertainty over future tax incentives for film, prior to the Government's announcement of the new system on 5 December 2005. Levels of inward investment were additionally affected by the low value of the US dollar relative to sterling in 2005, which made film production in the USA relatively more competitive, and the competitiveness of newly-emerging production destinations.

Young Hannibal: Behind the Mask courtesy of The Weinstein Company

Table 10.1 Feature film production activity, 2004 – 2005

	No. of productions 2004	Value (£m) 2004	No. of productions 2005	Value (£m) 2005
Inward feature films (single country)	17	476.9	19	240.8
Inward feature films (co-productions)	3	71.6	6	71.2
Total inward investment	**20**	**548.5**	**25**	**312.0**
Domestic UK feature films	27	117.8	37	166.3
UK co-productions (other than inward)	86	145.6	62	90.5
Total production investment	**133**	**811.9**	**124**	**568.8**

Source: UK Film Council International

Definitions
1. An inward feature is defined as a feature film more than 50% financed from outside the UK where the production is location non-specific or is attracted to the UK because of its infrastructure
2. 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 its infrastructure
3. A domestic UK feature is a feature made by a UK production company that is shot wholly or partly in the UK
4. A UK co-production is a co-production (other than an inward co-production) involving the UK and other country partners under the terms of a bilateral co-production agreement or the European Co-production Convention

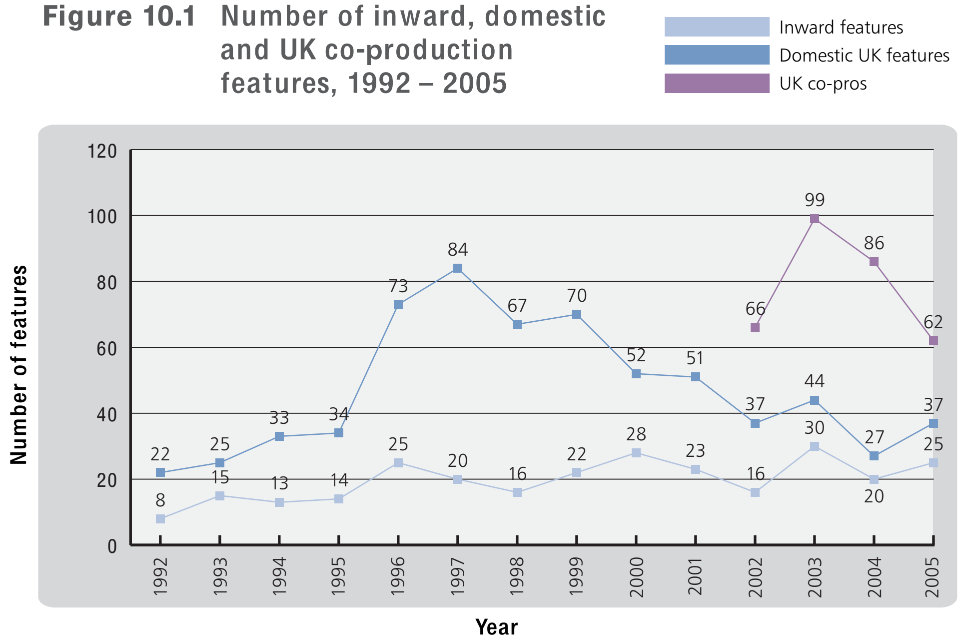
Measurement
5. The total budget is counted for all productions which are likely to qualify as British under Schedule 1 of the Films Act 1985
6. Only UK spend is counted for co-productions
7. Spend is allocated to the year in which principal photography started

Exclusions
8. The provision of UK production and post-production services to films other than those counted in Table 10.1 is not included
9. Spending on films with budgets under £500,000 is not included

10.2 Inward, domestic and UK co-production features 1992 – 2005

Figure 10.1 puts the 2005 figures in a longer time perspective. The decline in domestic features since 1997 has occurred alongside a substantial growth in co-production activity, suggesting it has been easier to make films as official co-productions than as stand-alone UK productions. With the change in tax rules, commencing in 2006, we may see a stronger growth in domestic productions compared to co-productions. Despite a lower production value in 2005, the number of inward features shows a 13-year upward trend. Despite a small overall fall compared with 2004, production numbers overall continued at a high level in 2005 compared with the low levels of the early 1990s, before the introduction of tax relief and Lottery support for UK film.

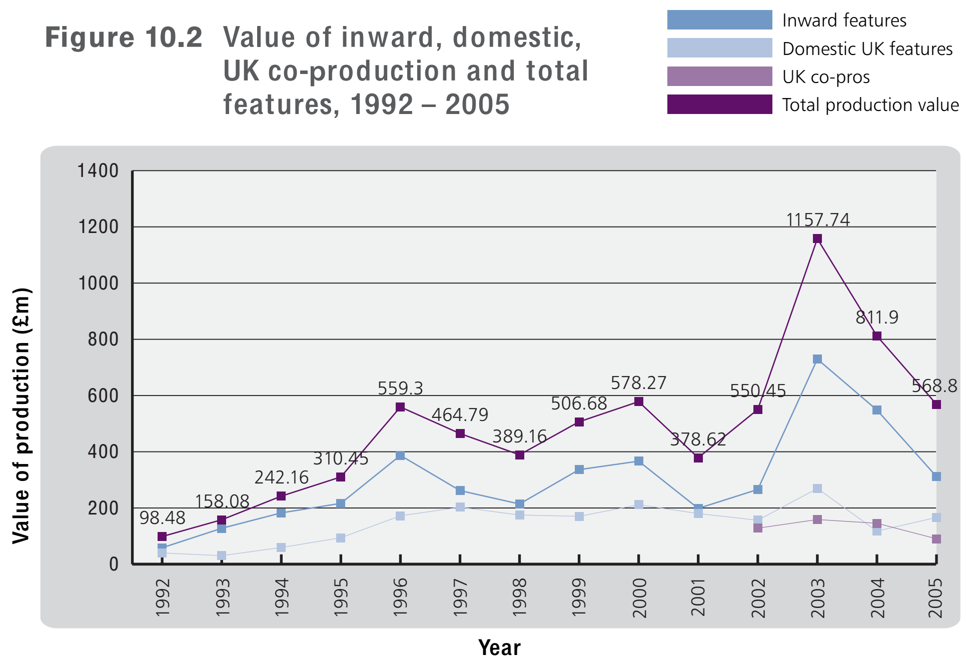
Figure 10.1 Number of inward, domestic and UK co-production features, 1992 – 2005



Source: UK Film Council International
Note: 'Inward features' includes inward investment co-productions from 2002

The value of UK production in 2005 was significantly lower than in 2003 and 2004, returning to the levels of 2000 and 2002 (Figure 10.2). Since 1997, the fluctuation in production value has principally been driven by inward features. However the value of domestic and UK co-productions also slipped in the last two years, reflecting uncertainties in the funding environment.

Figure 10.2 Value of inward, domestic, UK co-production and total features, 1992 – 2005



Source: UK Film Council International
Note: 'Inward features' includes inward investment co-productions from 2002
For co-productions (inward and UK) only the UK spend is included in the above chart (not the total budget)

10.3 Budget trends

In 2005 budgets for individual films shot partly or wholly in the UK decreased. The falls were particularly notable for inward features, measured both by median and average budgets. The only budget measure which increased (slightly) was the average for domestic UK productions, which went up from £4.4m to £4.5m, reflecting a number of higher-budget domestic films such as *Stormbreaker, Sunshine* and *United 93*.

Table 10.2 Comparison of median and average budgets, 2003 – 2005

Production category	Median budget (£m) 2003	2004	2005	Average budget (£m) 2003	2004	2005
Inward features (single country)	12.1	16.5	12.8	26.5	36.0	20.1
Inward features (co-productions)	46.6	38.1	33.6	51.6	47.4	30.7
Domestic UK productions	3.0	2.9	2.3	6.1	4.4	4.5
Co-productions (other than inward)	3.5	4.4	4.3	5.5	5.4	4.6

Source: UK Film Council International, RSU analysis
Notes: 'Average budget' is the arithmetical mean (ie total budget divided by total number of films in the category, for which budgets were available)
'Median budget' is the middle value (ie there are equal numbers of films above and below the median budget). Where the average is higher than the median (as it is with all the categories in Table 10.2) this indicates that the average has been skewed upwards by a relatively small number of high budget films

10.4 Size distribution of budgets

The size distribution of the budgets in 2005 for the four categories of film is shown in Tables 10.3 to 10.6. Four features with budgets of over £30 million accounted for 59.4% of the aggregate budget for inward features (single country). Nine out of 19 features had budgets of less than £10 million.

Table 10.3 Size distribution of budgets, inward features (single country), 2005

Budget band (£m)	Number	Total budget in band (£m)	% of total budget
£30m+	4	214.5	59.4
£10 – £30m	6	115.8	32.1
Under £10m	9	31.0	8.6
Total	**19**	**361.3**	**100.0**

Source: UK Film Council International, RSU analysis

Four inward features (co-productions) had budgets of £30 million or more. Two had budgets in the £10 – £30 million range and none had budgets under £10 million.

Table 10.4 Size distribution of budgets, inward features (co-productions), 2005

Budget band (£m)	Number	Total budget in band (£m)	% of total budget
£30m +	4	149.2	81.0
£10 – £30m	2	35.1	19.0
Under £10m	0	0.0	0.0
Total	**6**	**184.3**	**100.0**

Source: UK Film Council International, RSU analysis

As in 2004, there were no domestic UK features in 2005 with budgets over £30 million. Most domestic UK features had budgets under £5 million, though the 10 films in the £5 – £30 million budget range accounted for two-thirds of the combined budget.

Table 10.5 Size distribution of budgets, domestic UK features, 2005

Budget band (£m)	Number	Total budget in band (£m)	% of total budget
£30m +	0	0.0	0.0
£10 – £30m	3	58.5	35.2
£5 – £10m	7	52.9	31.8
£2 – £5m	15	42.7	25.7
£0.5 – £2m	12	12.3	7.4
Total	**37**	**166.4**	**100.0**

Source: UK Film Council International, RSU analysis

Most co-productions (other than inward) were in the budget range £2 – £10 million (44 out of 62) accounting for 84% of the combined budget. Compared with 2004, there were fewer films and a lower budget share in the £10 – £30 million budget range.

Table 10.6 Size distribution of budgets, UK co-productions (other than inward), 2005

Budget band (£m)	Number	Total budget in band (£m)	% of total budget
£30m +	0	0.0	0.0
£10 – £30m	2	23.7	8.4
£5 – £10m	19	140.3	49.7
£2 – £5m	25	96.6	34.2
£0.5 – £2m	16	21.7	7.7
Total	**62**	**282.3**	**100.0**

Source: UK Film Council International, RSU analysis

10.5 Big-budget productions, 2002 – 2005

The importance to UK spend of a small number of big-budget productions – most of which are inward investment films – is demonstrated in Table 10.7. In 2005, the eight films with budgets of £30 million or more accounted for 63.9% of total UK production spend.

Table 10.7 Big budget films' contribution to UK spend, 2002 – 2005

	2002	2003	2004	2005
Number of films with budgets >£30m	5	15	8	8
Value of associated UK spend (m)	196.6	671.6	432.4	363.7
Total UK spend (m)	550.5	1157.7	811.9	568.8
Big budget film share of UK spend	35.7%	58.0%	53.3%	63.9%

Source: UK Film Council International, RSU analysis

10.6 UK share of expenditure

Table 10.8 shows the UK expenditure shares for inward investment films, inward co-productions and co-productions (other than inward). Inward investment films had the highest UK expenditure share (66.6%). This is because most inward investment films qualified as British under Schedule 1 of the Films Act 1985, which required a 70% UK spend for certification. Inward co-productions had a UK expenditure share of 38.6% and co-productions (other than inward), 32.1%.

Table 10.8 UK expenditure shares, 2005

Inward investment films	66.6%
Inward co-productions	38.6%
Co-productions (other than inward)	32.1%

Source: UK Film Council International, RSU analysis

10.7 UK co-productions by country of shoot

Table 10.9 shows the shoot locations for UK co-productions (not including inward investment) in 2005. The most frequent locations were the UK (15 productions) and Germany, Italy, Luxembourg, Romania and Spain with six each. Although the ranking was slightly different, these countries were also popular shoot locations in 2004. Canada (with two) and France (zero) were notably less popular in 2005 than in 2004, when they provided shoot locations for five and eight UK co-productions respectively. This reflects lower UK-Canada and UK-France co-production activity as efforts have been made by the UK Government to balance the number of majority Canadian and French co-productions with majority UK productions.

Table 10.9 UK co-productions, country of shoot, 2005

Country	No. of productions
UK	15
Germany	6
Italy	6
Luxembourg	6
Romania	6
Spain	6
Ireland	5
Hungary	4
Belgium	3
The Netherlands	3
Austria	2
Canada	2
Isle of Man	2
Sweden	2
USA	2
Others	21

Source: UK Film Council International
Note: Some productions were shot in more than one country, hence the total in Table 10.9 is greater than the number of UK co-productions


The Wind that Shakes the Barley courtesy of Pathé Pictures International

The shoot locations by region for UK co-productions shot abroad between 2003 and 2005 are shown in Table 10.10. Western Europe (not including the UK) was once again the most frequent destination. Shoots in Eastern Europe and Russia (mainly Romania and Hungary) increased again, after dropping in 2004. Elsewhere, numbers were relatively small in 2005.

Table 10.10 Location of shoot by region, UK co-productions shot abroad, 2003 – 2005

Region	Shot abroad in 2003	Shot abroad in 2004	Shot abroad in 2005
Not available	33	19	2
Western Europe	42	49	48
North America	8	7	4
South & Central America, Caribbean	0	4	1
Eastern Europe and Russia	16	8	16
Australia and New Zealand	4	7	1
Asia	3	0	0
Africa & Indian Ocean	5	4	4

Source: UK Film Council International, RSU analysis
Note: Of the co-productions in 2003 and 2004 for which location information was not available, some may have been shot in the UK

10.8 Production company activity levels

UK film production in 2005 was, as usual, dispersed over a large number of production companies, as shown in Table 10.11. UK Film Council International recorded 217 production companies associated with films shot in the UK or co-productions involving the UK in 2005. Of these, 186 companies were associated with a single feature. Many such companies are likely to have been single-purpose vehicles (that is, companies set up to make a single film). The two most prolific production companies were associated with seven features each, followed by one company with five features, one with four features, seven with three features and 20 with two features.

United 93 courtesy of UIP

Table 10.11 Film production company activity, 2005

No. of features per company	No. of companies
7	2
5	1
4	1
3	7
2	20
1	186

Source: UK Film Council International, RSU analysis
Notes: Includes all types of films involving the UK. Films frequently have several production companies associated with them, so the sum of (number of features) x number of companies) is substantially greater than the total number of features involving the UK in 2005

10.9 US studios' involvement in inward features

US studios were prominent in inward film investment into the UK in 2005, though not to the same extent as in previous years. This was the result of uncertainty over the tax regime prior to the Government's announcement on 5 December 2005, the lower value of the US dollar and the emergence of other competitive international production locations. US studios accounted for 7 out 25 inward features (single country and co-productions) and £164 million out of £312 million UK spend (53% of UK spend associated with inward features) (Table 10.12).

Table 10.12 US studios' involvement in inward features and inward co-productions, 2005

Studio	No. of inward features in 2005
Warner Bros	1
20th Century Fox	1
Universal	3
Sony	2
Total	**7**

Source: UK Film Council International

The Da Vinci Code courtesy of Sony Pictures Entertainment

See also

- For more information about film companies see chapter 11 (p.77)
- For details about employment in the film production sector see chapter 13 (p.91)
- For more information about the UK film economy see chapter 12 (p.84)
- For a summary of UK Film Council production funds' activity in 2005 see the UK Film Council *Annual Review 2005/06* (p.45)

Chapter 11
Film companies

The number of film production companies has grown rapidly since 1996. Many of these companies are small in size but there has also been expansion of bigger companies. Most of the leading film companies in Europe are of US, French or UK origin.

King Kong courtesy of UIP

Facts in focus

- The number of film production companies grew by 231% between 1996 and 2005.
- The number of small production companies grew the most, but the largest turnover size group also grew.
- In the distribution and exhibition sectors, numbers grew in the larger turnover brackets.
- US majors, video distributors and exhibitors were prominent in the top 14 UK film companies in 2003.
- The top five UK film production companies had a turnover in 2003 of €108 million.
- Across Europe, French companies were prominent in addition to the US majors.
- French companies were also prominent in the top 15 European film production companies.
- Only five non-single-purpose vehicle UK companies could be identified in the top 100 European film production companies in 2003.

11.1 Number of companies in the film and video industries

The number of companies involved in the film and video industries has grown rapidly in the last nine years, particularly in the production sector where the number of companies has grown by 231%, compared with the UK average of 18.2% (Table 11.1).

Millions courtesy of Pathé Pictures International

Table 11.1 Number of companies registered for VAT by industry group

Year	Film and video production	Film and video distribution	Film exhibition	UK all industries
1996	1,745	355	155	1,380,695
1997	2,460	360	160	1,547,175
1998	3,065	370	160	1,573,935
1999	3,460	380	165	1,595,705
2000	3,900	425	165	1,616,835
2001	4,185	485	190	1,623,025
2002	4,605	515	195	1,619,195
2003	5,065	530	205	1,623,715
2004	5,275	455	200	1,611,535
2005	5,785	445	200	1,631,540
Percentage growth 1996 – 2005	231%	25.4%	29%	18.2%

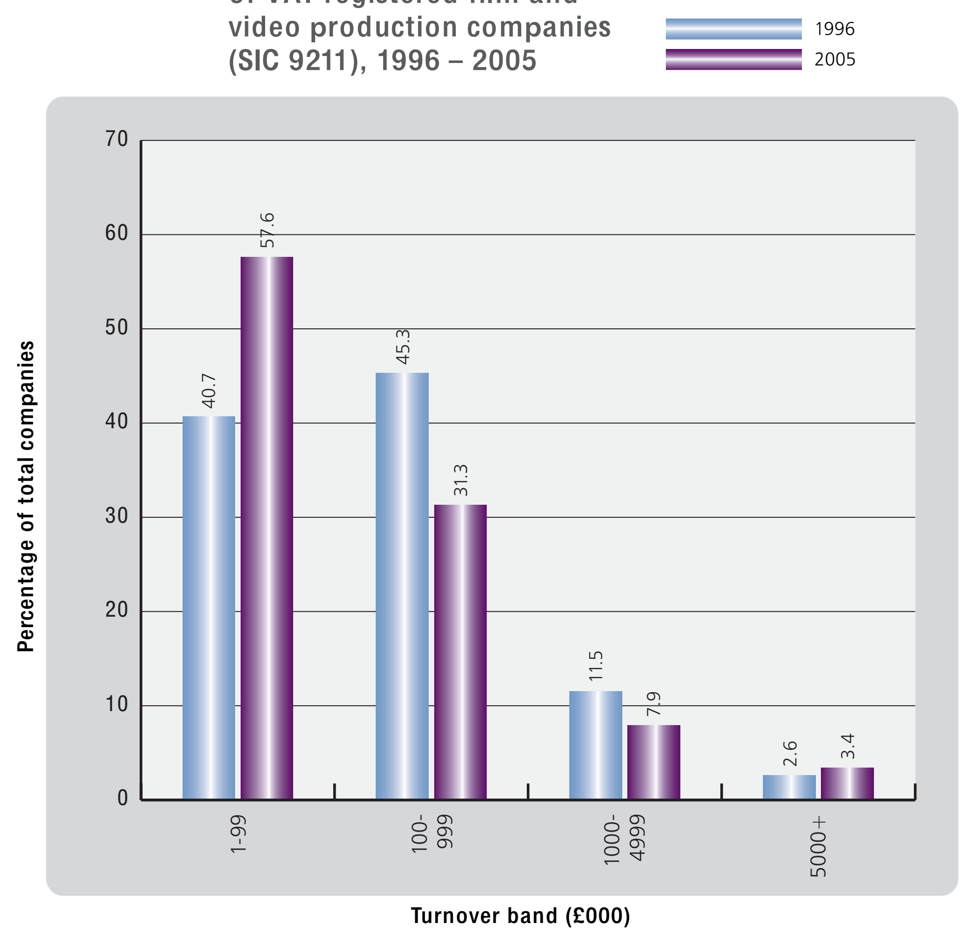
Source: Office of National Statistics

Part of the growth in film and video production companies is attributable to the practice of forming single-purpose vehicles (SPVs) for individual film productions. For tax reasons, SPVs must be kept alive legally for a number of years after completion of the production. Assuming every UK film involved an SPV, approximately 1,000 SPVs would have been formed since 1996. This still leaves a net growth in film and video production companies of over 3,000 companies (175%) between 1996 and 2005.

11.2 Changing size distribution of film companies

The growth in the number of film and video production companies has been particularly concentrated in the smaller turnover size bands, the opposite of the UK all-industries trend. The proportion of film and video production companies in the £1,000 – £99,000 turnover band increased from 41% to 58% of the total (Figure 11.1), compared with a reduction from 53% to 44% for the same turnover band for UK all industries (Figure 11.4). Interestingly, there was also a significant increase in the number and proportion of large film and video production companies. In 2005 there were 195 film and video production companies with a turnover of £5 million or more, compared with only 45 in 1996.

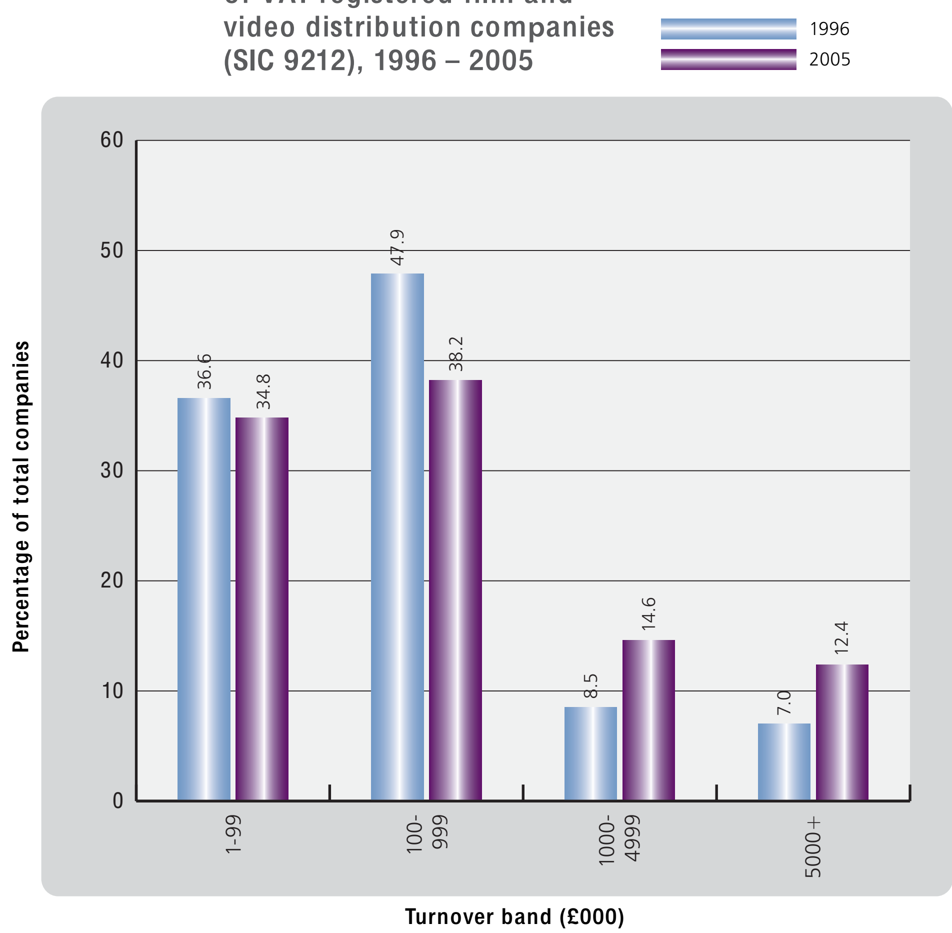
Figure 11.1 The changing size distribution of VAT-registered film and video production companies (SIC 9211), 1996 – 2005



Source: Office of National Statistics, RSU analysis

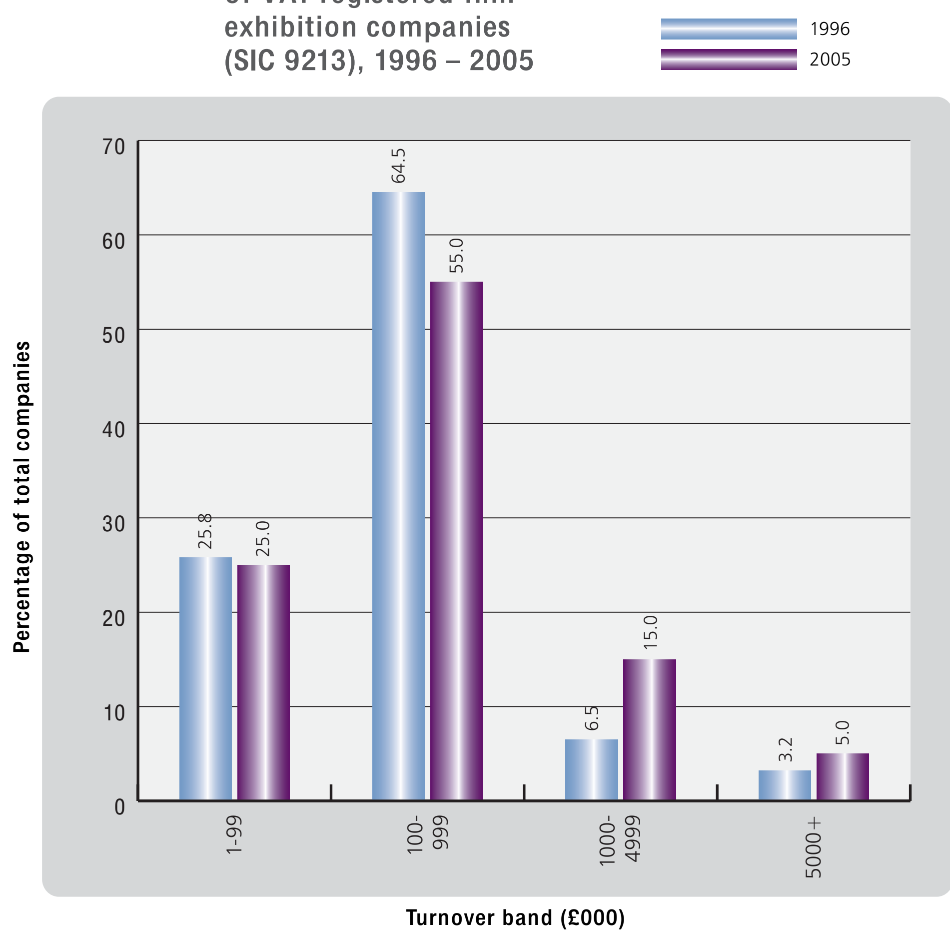
For the film distribution and exhibition sectors (Figures 11.2 and 11.3) the growth has been in the larger turnover size brackets, above £1 million per year.

Figure 11.2 The changing size distribution of VAT-registered film and video distribution companies (SIC 9212), 1996 – 2005



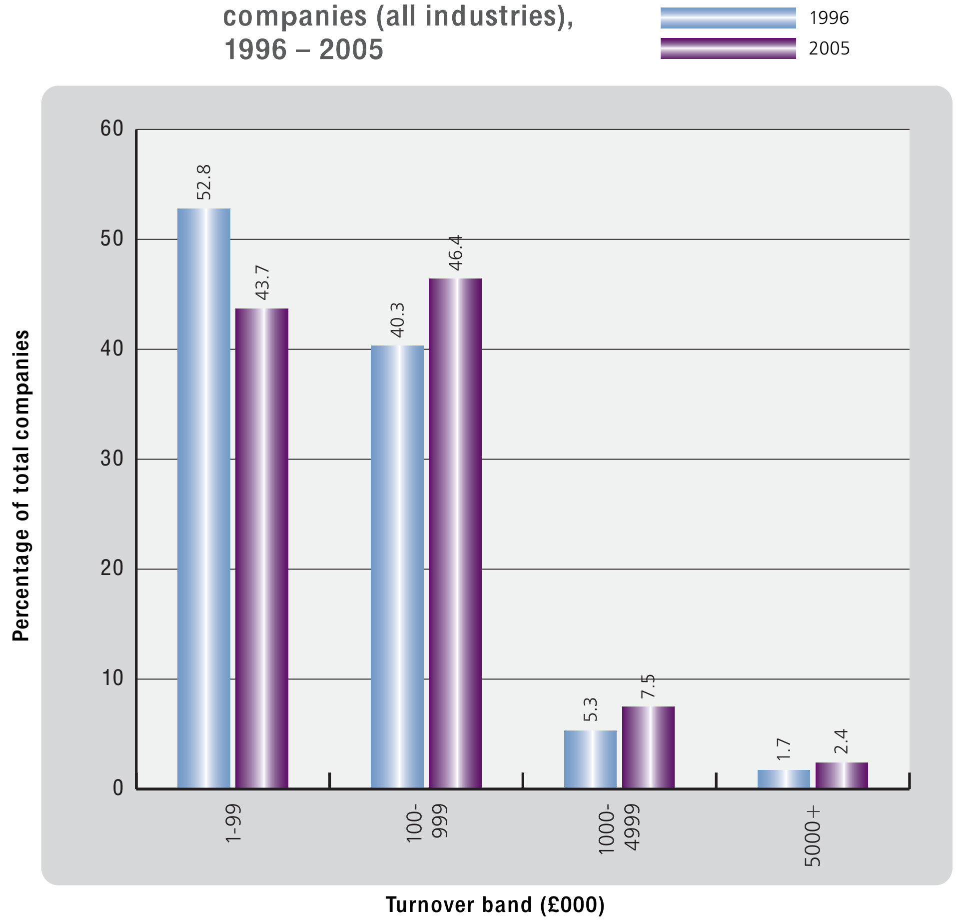
Source: Office of National Statistics, RSU analysis

Figure 11.3 The changing size distribution of VAT-registered film exhibition companies (SIC 9213), 1996 – 2005



Source: Office of National Statistics, RSU analysis

Figure 11.4 The changing size distribution of UK VAT-registered companies (all industries), 1996 – 2005



Source: Office of National Statistics, RSU analysis

11.3 Leading film companies in the UK and Europe

Table 11.2 shows the top 14 film companies in the UK in 2003 as identified by the European Audiovisual Observatory. Several interesting features stand out: the prominence of the US majors, the importance of undertaking multiple activities (production, distribution, television, rights, video), the relatively high position of three companies specialising in video, the presence of four exhibitors in the list, only one UK distributor (Entertainment) and the absence of any UK-owned production companies.

Table 11.2 Top 14 film companies in the UK, 2003

	Company	Activities	Operating revenues € 000
1	Walt Disney International	DISFILM, DISTV, RIGHTS, VID	1,162,078
2	Warner Bros (UK)	DISFILM	625,851
3	Terra Firma Investments (Odeon & UCI-UK)	EXH	*402,454
4	Cineworld Cinemas	EXH	*340,000
5	Warner Home Video (UK)	VID	338,385
6	The Entertainment Group of Companies	DISFILM, VID	251,289
7	20TH Century Fox Home Entertainment	VID	246,979
8	Sony Pictures Home Entertainment	VID	227,080
9	Universal Pictures Productions	RIGHTS, DISFILM, PRODFILM	213,345
10	2 Entertain Video	VID	*183,345
11	Vue Cinemas (UK)	EXH	*140,321
12	Paramount Home Entertainment	VID	129,828
13	National Amusements (UK)	EXH	103,244
14	Columbia Pictures Corporation	PRODFILM, DISFILM, VID	89,016

Source: European Audiovisual Observatory, 2005 Yearbook
* indicates 2004 revenues
Definitions: DISFILM = film distribution; DISTV = television distribution; RIGHTS = trade in television rights; VID = video; EXH = exhibition; PRODFILM = film production; PRODTV = television production

Across Europe, the US majors were prominent but were joined by four French companies, Pathé, Europalaces, Canal+ and UGC, indicating the continued corporate strength of the French film industry. Five exhibitors appeared. Terra Firma Investments (owner of Odeon and UCI) was the only non-US-owned British-based company in the top 14.

Table 11.3 Top 14 film companies in Europe, 2004

	Company	Activities	Country	Operating revenues € 000
1	Walt Disney International	DISFILM, DISTV, RIGHTS, VID	UK	*1,162,078
2	Groupe Pathé	EXH, DISFILM, VID, RIGHTS, TV, PRODFILM	FR	763,000
3	United International Pictures BV	DISFILM	NL	634,938
4	Warner Bros Entertainment UK	DISFILM	UK	*625,851
5	Embassy Eagle Holdings	PRODFILM, DISFILM	NL	*501,377
6	Europalaces	EXH	FR	407,728
7	Terra Firma Investments (Odeon & UCI)	EXH	UK	402,454
8	Warner Bros France	DISFILM	FR	396,149
9	Groupe Canal+ (Cinéma)	PRODFILM, DISFILM, RIGHTS, VID	FR	394,000
10	UGC	EXH, DISFILM, VID, RIGHTS, PRODFILM	FR	351,058
11	Cineworld Cinemas	EXH	UK	340,000
12	Warner Home Video (UK)	VID	UK	*338,385
13	RAI Cinema	PRODFILM, RIGHTS	IT	298,546
14	Egmont Nordisk Film	DISFILM, VID	SWED	289,000

Source: European Audiovisual Observatory, 2005 Yearbook
* indicates 2003 revenues
Definitions: DISFILM = film distribution; DISTV = television distribution; RIGHTS = trade in television rights; VID = video; EXH = exhibition; PRODFILM = film production; PRODTV = television production

11.4 Leading film production companies in the UK and Europe

Looking at film production only, 10 out of the top 15 European production companies in 2004 were French and three were Italian. Only one UK company made the top 15 – Tiger Aspect Productions.

Table 11.4 Top 15 film production companies in Europe, 2004

	Company	Country	Operating revenues € 000
1	Pathé Renn Production	FR	186,038
2	Europa Corp	FR	*96,940
3	AB Svensk Filmindustri	SWED	94,183
4	Gaumont	FR	88,600
5	UGC Images	FR	73,925
6	Tiger Aspect Productions	UK	55,287
7	Filmauro	IT	53,659
8	Telema	FR	50,593
9	Fidélité	FR	43,672
10	Cattleya	IT	*38,476
11	MK2 S.A.	FR	*38,176
12	Hirsh	FR	32,191
13	Fandango	IT	*30,636
14	Studiolegende	FR	*30,469
15	Galatée	FR	27,829

Source: European Audiovisual Observatory, 2005 Yearbook
* indicates 2003 revenues

For the UK, the picture is blurred by the frequent use of single-purpose vehicles (SPVs). Only five non-SPV UK film companies appear in the European Audiovisual Observatory's list of the top 100 European film production companies in 2003.

Table 11.5 Top five UK film production companies, 2003, excluding single-purpose vehicles

	Company	Operating revenues € 000
1	Tiger Aspect Productions	*52,287
2	Aardman Holdings	21,564
3	Working Title Films	15,558
4	Intermedia Film Equities	11,783
5	Ska Films	7,257

Source: European Audiovisual Observatory, 2005 Yearbook
* indicates 2004 revenues
Notes: (1) There were 21 British single-purpose vehicles in the EAO's list of the top 100 European film production companies
(2) EON Productions Ltd (makers of the *Bond* movies) and DNA Films are candidates for this list, but EAO did not have sufficient information to rank them

While partly an artefact of the use of single-purpose vehicles, the shortness of the above list underlines the corporately-dispersed nature of the UK film production industry.

Madagascar courtesy of UIP

See also

- For film production company activity levels in 2005 see chapter 10 (p.69)
- For US studio involvement in UK film production in 2005 see chapter 10 (p.69)
- For leading film distributors in the UK in 2005 see chapter 6 (p.40)
- For leading film exhibitors in the UK in 2005 see chapter 7 (p.44)
- For numbers and size distribution of film workplaces in 2004 see chapter 13 (p.91)

Chapter 12
The UK film economy

The film industry is a large and profitable business in the UK, making a substantial contribution to UK GDP and the UK balance of payments. During 2005/06 significant progress was made in understanding the economic shape of the British film industry through a range of studies, the results of which are summarised in this chapter.

Oliver Twist courtesy of Pathé Pictures International

Facts in focus

- Total film industry turnover in 2002 was £3.5 billion, excluding television and video/DVD retail margins.
- Film accounted for 18% of the total revenues of all the UK screen industries.
- Distribution and exhibition accounted for the largest proportion of the value chain.
- The production, distribution and exhibition of UK films directly employed 31,000 people in 2004 and, including multiplier effects, contributed £850 million to the Exchequer.
- UK films boost the total UK box office 5% above what it would be if overseas films only were available.
- UK films promote tourism to an estimated value of £800 million per year.
- The UK post-production and visual effects industry is one of the three largest in the world with sales of £370 million and direct employment of 4,400 full-time equivalents in 2004.
- The UK film sales industry was the second largest in the world in 2005 after Los Angeles.
- In 2005, the 28 UK-owned sales companies had sales of £189 million, handled 203 films and contributed £139 million in production finance for UK films.
- The UK film industry exported £843 million worth of services in 2004, made up of £399 million in royalties and £444 million in film production services.
- The 2004 trade surplus for film was £91 million. Film made a positive contribution to the UK balance of payments every year from 1995 to 2004.
- The USA was the largest market for UK film exports, taking almost half of total exports in 2004.
- Europe was our second largest market, taking 31% of UK film exports.

12.1 The economic impact of the UK screen industries

In 2004, the UK Film Council, in partnership with most of the UK's national and regional screen and development agencies, commissioned a report into the economic impact of the UK screen industries. The study was conducted by a consortium consisting of Cambridge Econometrics and Optima (David Graham and Associates and Oliver & Ohlbaum and Associates). It covered five screen industry sectors – film, TV, corporate video, advertising and interactive, and was completed in April 2005. The reference year for the study was 2002.

12.2 Turnover by screen industry sector

The study found that the total turnover of the film, TV, commercials and corporate video sectors in 2002 was £19.7 billion, of which film accounted for £3.5 billion (Table 12.1).

Table 12.1 Turnover of UK screen industries by sector, 2002

Sector	Turnover (£bn)	% of total
Television	13.4	68.0
Film	3.5	17.8
Commercials	1.9	9.6
Corporate	0.9	4.6
Total (4 sectors)	**19.7**	**100.0**

Source: Cambridge Econometrics/Optima
Note: Film turnover includes the film exhibitor margin, but excludes the television transmission margin (which is part of television turnover) and the retail margin on DVD/video rental and retail (which, following the conventions of the Standard Industrial Classifications, is attributed to the UK retail sector rather than the screen industries)

12.3 Film sales to industry by nation and region

Of the £3.5 billion in film industry turnover, £2.3 billion is estimated to have consisted of sales to industry (that is, to other firms in the value chain[1]). Table 12.2 shows the regional breakdown of film sales to industry. London had the largest share, at £1.6 billion (69%), followed by the South East (£227 million, 10%) and the North West (£123 million, 5%).

[1]The remaining £1.2 billion consists of retail sales and 'other' sales, the main component of which is sales to central and local government

Table 12.2 Film sales to industry by nation and region, 2002

Nation or region	Turnover (£m)	% of total
Scotland	60	2.6
Wales	20	0.9
Northern Ireland	25	1.1
North West	123	5.3
North East	26	1.1
Yorkshire and the Humber	38	1.6
West Midlands	55	2.4
East Midlands	31	1.3
East of England	52	2.2
South West	56	2.4
South East	227	9.8
London	1,613	69.3
Total	**2,326**	**100.0**

Source: Cambridge Econometrics/Optima

12.4 Film industry turnover by value chain activity

Distribution and exhibition was the largest component of the film industry value chain (£2.4 billion, 67%), followed by production (£890 million, 25%), post-production and pre-production as Table 12.3 shows.

Table 12.3 Film industry turnover by value chain activity, 2002

Value chain activity	Turnover (£m)	% of total
Distribution and exhibition	2,363	66.6
Production	890	25.1
Post-production	153	4.3
Pre-production	140	3.9
Total	**3,546**	**100.0**

Source: Cambridge Econometrics/Optima

For further information, including the multipliers applicable to increased exports earned by the screen industries, see Chapter 14 of the UK Film Council Statistical Yearbook 2004/05 or download *The Economic Impact of the UK Screen Industries* from www.ukfilmcouncil.org.uk/information/downloads

12.5 The economic contribution of the UK film industry

2005 saw the publication of a report jointly commissioned by Pinewood Shepperton plc and the UK Film Council from Oxford Economic Forecasting into the economic contribution of the UK film industry. For the purposes of this study, the UK film industry was defined as that part of the film value chain (from pre-production to retail) relating to the production and delivery to the public of UK films only. The impact of the production, distribution and exhibition of overseas films was excluded. The study also looked at the ancillary economic impacts of UK film such as the effect of UK film on tourism and UK culture.

The study found that in 2004 UK film (as defined above):

- directly employed 31,000 people and supported a total of 97,500 jobs;
- contributed £3.1 billion to UK GDP and around £850 million to the Exchequer;
- increased the UK box office 5% above what it would have been if cinemas had to rely completely on imported films;
- contributed £800 million to the UK economy via the boost to tourism;
- added over £300 million to the turnover of the video/DVD retail and rental sectors.

For further information, download a copy of *The Economic Contribution of the UK Film Industry* from www.ukfilmcouncil.org.uk/information/downloads

12.6 The economic contribution of the UK film post-production and visual effects industry

A further report from Oxford Economic Forecasting was commissioned in 2005 by UK Post, the trade association representing the UK's post-production and visual effects industry, into the economic contribution of that industry. This study found that:

- the UK film post-production industry is one of the three largest in the world, along with the USA and New Zealand, with sales of £370 million in 2004. It accounted for 14% of the overall UK post-production sector and 16% of the UK film industry;
- the sector quadrupled its turnover and employment between 1997 and 2004;
- spending on film post-production accounted for around a quarter of all film production spend, up from 13% in 2001 and still rising;
- the sector directly employed around 4,400 full time equivalents, including self-employed workers, in 2004;
- the workforce is highly skilled, with 66% educated to degree level, compared with 16% of the UK working-age population as a whole;
- including multiplier effects, the film post-production industry contributed £300 million to UK GDP, supported a total of 8,800 jobs and contributed around £80 million to the Exchequer;

- the sector invests heavily in research and development and is estimated to have invested £100 million in fixed capital assets in the period 2000 – 2004.

For further information, a full copy of the report can be obtained from info@ukpost.org.uk

12.7 The UK film sales sector

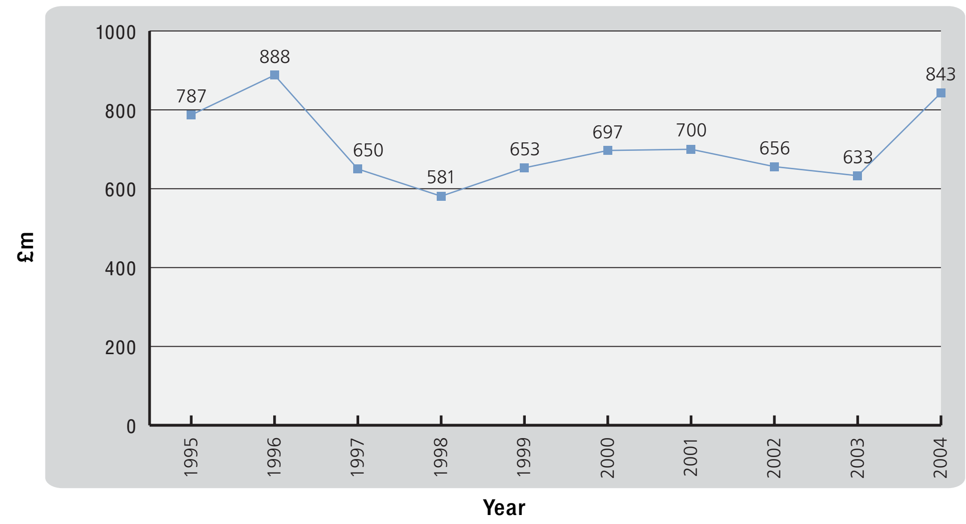
The sales sector is a key part of the film industry for independent UK filmmakers. Sales companies market films within the UK and particularly to overseas territories, forming a vital link between filmmakers, distributors and the international audience. In late 2005, the UK Film Council commissioned a report on the UK sales sector from Olsberg SPI and TBR Economics. This report found that:

- the UK sales sector consists of 35 companies employing 198 full-time equivalent staff. Of the companies, seven were overseas-owned and 28 were UK-owned. Twelve of the UK firms were characterised as large, employing on average 12 staff, and 16 as small, employing on average three staff;
- sales by UK-owned companies in 2005 were estimated at £189 million, up from £125 million in 2004;
- UK-owned companies handled 136 films in 2004 and 203 films in 2005. To expand, companies do not restrict themselves to UK product but handle overseas films as well;
- many firms were young, over 50% having been established in 2000 or later;
- overall the sector increased its profits but the larger firms were much more financially sound than the smaller ones. The larger firms accounted for 87% of turnover;
- for the large UK firms, average marketing expenditure per UK film in 2005 was around £80,000;
- the principal film markets attended by sales companies included Cannes, the American Film Market and the Berlinale. The most important festivals were Toronto, Sundance and Venice;
- in addition to their sales role, the companies also made a significant contribution to production finance for UK films, raising £51 million in 2004 and £139 million in 2005;
- the UK sales industry was the second largest in the world after Los Angeles.

12.8 UK film exports, 1995 – 2004

The UK film industry exported £843 million worth of services in 2004 (the latest year for which data are available), £399 million of which came from royalties and £444 million from film production services. Film exports have fluctuated between £581 million and £888 million over the period 1995 to 2004, as shown in Figure 12.1.

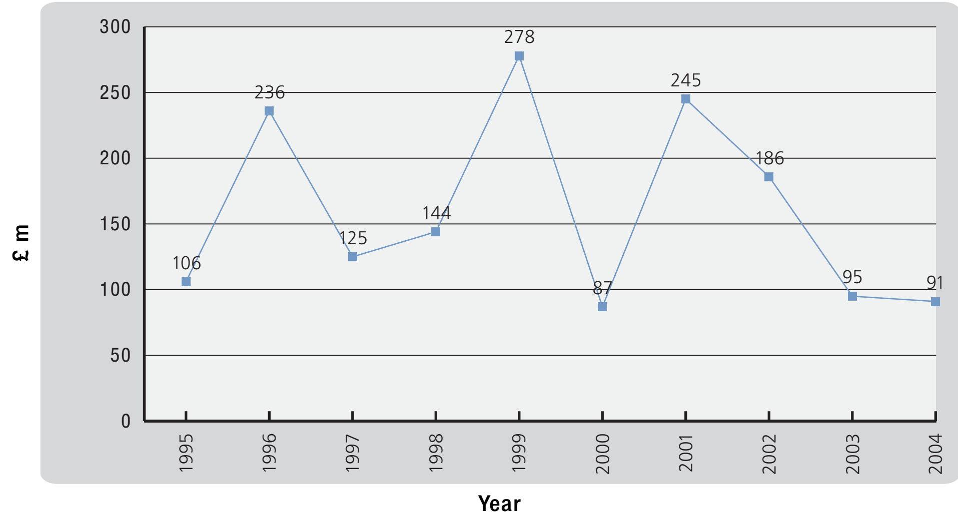
Figure 12.1 Exports of the UK film industry, 1995 – 2004



Source: Office of National Statistics (ONS)
Data for 2005 will be available in October 2006

The film industry has made a continuous positive contribution to the UK balance of payments since 1995, with a trade surplus (positive balance of exports over imports) in 2004 of £91 million, as Figure 12.2 shows.

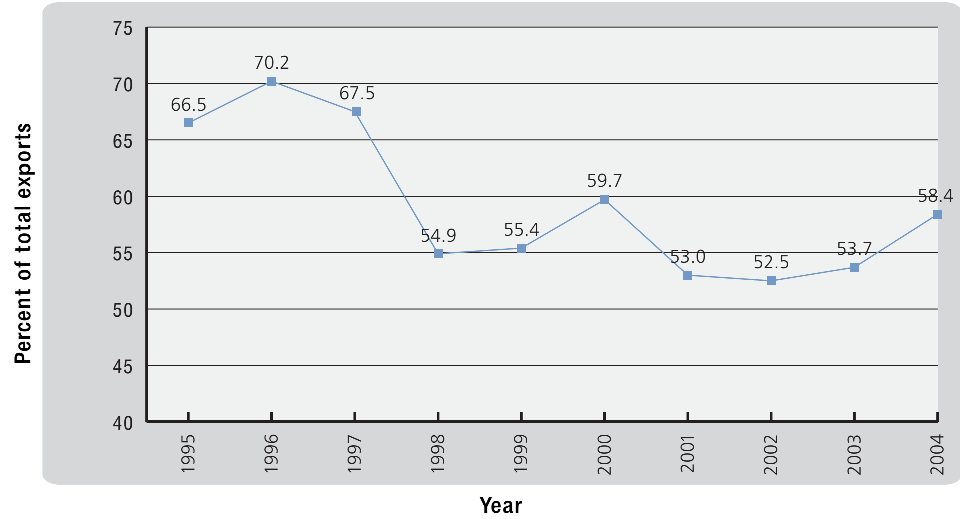
Figure 12.2 Trade surplus of UK film industry, 1995 – 2004



Source: ONS
Note: 'Trade surplus' equals exports minus imports. Where a company (e.g. the UK subsidiary of a USA major) receives income from overseas on behalf of its parent company and subsequently passes it on to its parent company, this is recorded both as a receipt and as a payment, leaving the measure of the trade surplus unaffected

The share of UK film exports accounted for by the UK subsidiaries of major USA film companies declined from 70% in 1996 to 53% in 2001, then rose to 58% in 2004 as shown in Figure 12.3.

Figure 12.3 Exports by UK subsidiaries of major USA film companies as a percentage of total UK film exports

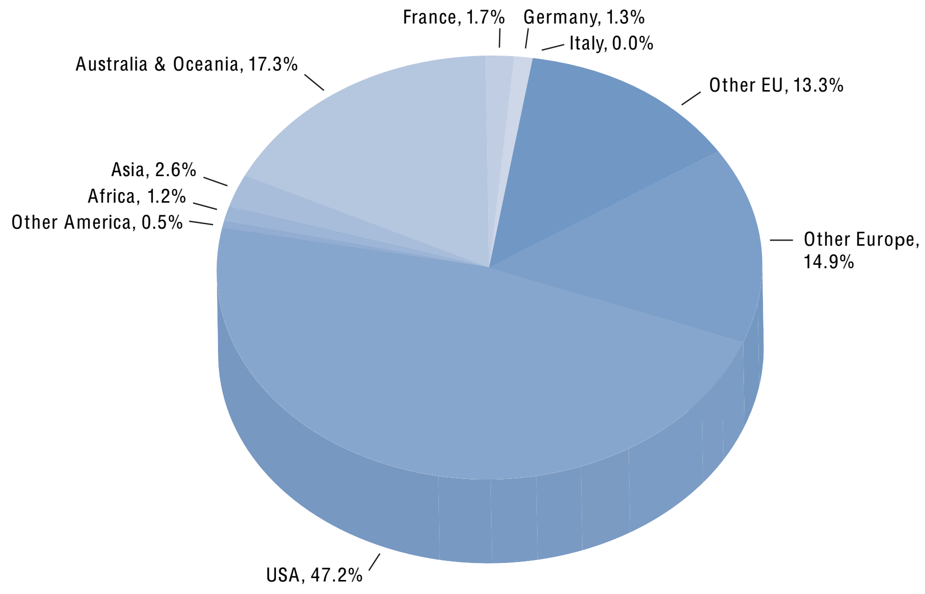


Source: ONS

12.9 Film export markets

The USA was the largest market for UK film exports, taking 47.2% of total exports in 2004, as shown in Figure 12.4. Europe was the second largest market, taking 31.2%. Compared with 2003, the share for Australia and Oceania increased significantly and that for France, Germany and Italy dropped substantially. However, the latter is believed to reflect a change in the way exporters designated their revenues from Europe rather than a change in the export flows themselves.

Figure 12.4 Destination of UK film exports as percentage of the total, 2004 (%)



Source: ONS

The geographical distribution of the UK's film trade surplus was different from the export pattern, as shown in Table 12.4. The UK ran a substantial trade deficit with the USA (£218m) but surpluses with all other regions of the world except for 'other America'. The largest surpluses were with 'other Europe' (£119 million) and Australia and Oceania (£144 million). This pattern reflects low UK film imports from most territories other than the USA to which the UK pays substantial royalties arising from the distribution of US films in the UK.

Table 12.4 International transactions of the UK film industry by geographical area, 2004

	(£m)			% of total		
	Export	Imports	Balance	Exports	Imports	Balance
France	14	5	9	1.7	0.7	9.9
Germany	11	5	6	1.3	0.7	6.6
Italy	0	0	0	<0.1	<0.1	<0.1
Other EU	112	108	3	13.3	14.4	3.3
Other Europe	126	8	119	14.9	1.1	130.8
USA	398	616	-218	47.2	81.9	-239.6
Other America	4	5	-1	0.5	0.7	-1.1
Africa	10	0	10	1.2	<0.1	11.0
Asia	22	3	19	2.6	0.4	20.9
Australia and Oceania	146	2	144	17.3	0.3	158.2
World total	**843**	**752**	**91**	**100.0**	**100.0**	**100.0**

Source: ONS

See also

- For information about the UK Film Council's film export strategy see the UK Film Council Annual Review (p.56)

Chapter 13
Employment in the film and video industries

The film and video industries provide employment for a substantial number of highly skilled workers, many of whom in the production sector work on a freelance basis. Employment levels tend to fluctuate, reflecting the variable level of demand for the sector's services, but overall employment in the sector has grown by 28% over the past decade.

Kinky Boots courtesy of BVI

Facts in focus

- 41,562 people worked in the film and video industry in 2004/05, of whom around 24,000 worked in film and video production. This was a decrease on 2004, reflecting lower reported employment in the exhibition sector.
- The film and video industry workforce was 28% higher in 2005 than in 1994, compared with an increase in the overall UK workforce of 11%.
- 40% of people in film and video production were freelance.
- According to the Skillset Equity performing arts survey, 18% of performers worked in film in 2005.
- 46% of film performers were women and the age distribution, ethnicity and disability status of film performers was closer to the national averages than for film production workers.
- Most film performers lived in London and the South East.
- Most film performers had incomes from all types of performance of under £12,000 per year.
- Production and distribution were concentrated in London and the South East, with 70% and 76% respectively of the workforce.
- Most businesses in the sector were small scale. For example, 58% of employees in film and video production were in workplaces with 10 or fewer people.

13.1 The workforce

According to the Labour Force Survey, a total of 41,562 people worked in the film and video production, and distribution and film exhibition sectors in the autumn year 2005 ('autumn year' means the average of the four quarters to autumn 2005). Table 13.1 shows the breakdown.

Table 13.1 Film and video industry workforce, autumn year, 2005

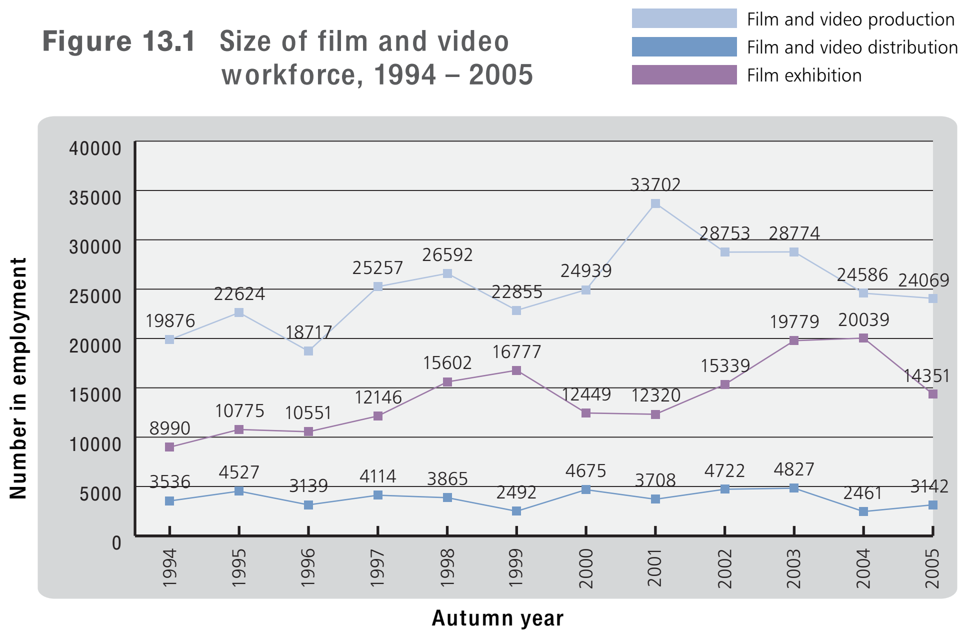
Sector	SIC	No. in employment
Film and video production	9211	24,069
Film and video distribution	9212	3,142
Film exhibition	9213	14,351
Total		**41,562**

Source: Labour Force Survey, Office of National Statistics
Notes: (1) SIC = Standard Industrial Classification
(2) ONS does not separate video production and distribution from film production and distribution

The 2005 figure was significantly lower than 2004, reflecting a lower reported employment figure in the film exhibition sector. Overall, the film and video industry workforce was 28% larger in 2005 than in 1994, against an increase in the overall UK workforce of 11% over the same period. Figure 13.1 shows the growth of the three film-related sectors.

Employment in the film production sector has shrunk considerably since the peak of 2001, reflecting the lower production levels in the last two years. Distribution is fairly constant, while exhibition has been on a fluctuating upward trend. A sharp fall in exhibition employment was recorded in 2005, though this may be in part a sampling variation. The position should become clearer when the results for 2006 become available.

Figure 13.1 Size of film and video workforce, 1994 – 2005



Source: Labour Force Survey

Most people working in the film distribution and exhibition sectors were employees, but the film production sector had a higher proportion of freelance workers. In 2005, 40% of those engaged in film and video production (SIC 9211), a total of 9,718 people, were self-employed (Table 13.2). Both the number and proportion of self-employed workers appears to have shrunk in the last two years, reflecting lower UK production levels.

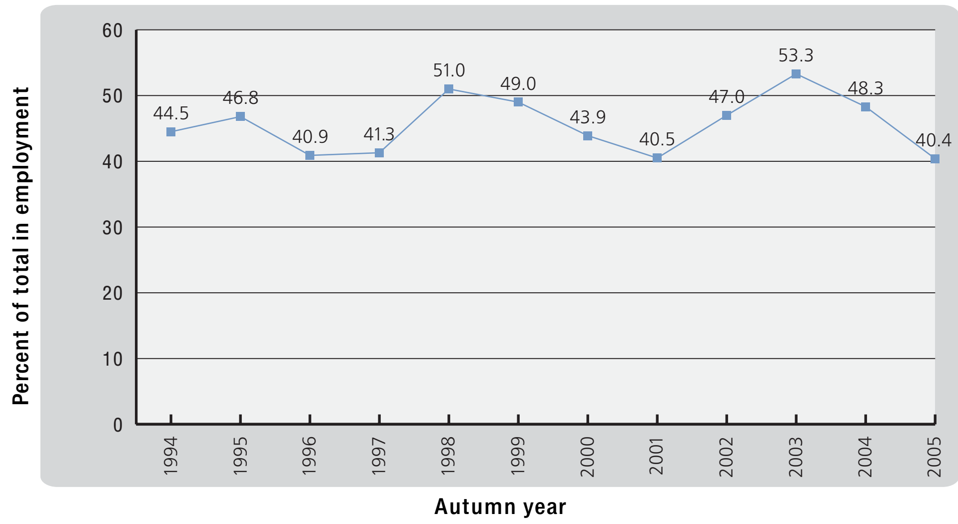
Table 13.2 Film and video production workforce (SIC 9211), 1994 – 2005

Autumn year	Total in employment	Self-employed	Self-employed as % of total
1994	19,876	8,851	44.5
1995	22,624	10,596	46.8
1996	18,717	7,654	40.9
1997	25,257	10,435	41.3
1998	26,592	13,564	51.0
1999	22,855	11,192	49.0
2000	24,939	10,944	43.9
2001	33,702	13,652	40.5
2002	28,753	13,513	47.0
2003	28,774	15,347	53.3
2004	24,586	11,863	48.3
2005	24,069	9,718	40.4

Source: Labour Force Survey

The proportion of self-employed people in film and video production has fluctuated in the 40 – 50% band since 1994. In comparison, the self-employed percentage of the total UK workforce is around 13%.

Figure 13.2 Self-employed as proportion of total workforce, film and video production (SIC 9211), 1994 – 2005



Source: ONS Labour Force Survey

13.2 The Skillset UK Film Council film production workforce survey

The results of the first Skillset UK Film Council film production workforce survey were published at the beginning of 2005. A summary appeared in Chapter 15 of the 2004/05 Statistical Yearbook, which can be found on the UK Film Council website. The next production workforce survey will take place during 2006 and the results will be published in 2007.

13.3 The Skillset performers survey

In 2005, Skillset with Equity, the performers union, conducted its first survey of the performing arts industry and published the results in February 2006. At the request of the UK Film Council, Skillset analysed the data for film performers as a discrete group. This section gives the key findings.

Of 6,849 respondents, 18% (1,239) had worked in film in the past year. Of these, only 11% (136 respondents) had worked exclusively in film, the rest having worked in other performance activities during the year.

Among the film performers 54% were men and 46% women compared with 51% men and 49% women in all performance sectors. This is a much more equal gender split than in most other branches of the film industry (see Table 15.3, UK Film Council Statistical Yearbook 2004/05).

The age distribution of film performers was similar to that of other performers, but was more evenly distributed than the film production workforce (Table 13.3).

Table 13.3 Age distribution of film performers

Age group	All performers	Film performers	Film production workforce
16 – 24	9%	9%	3%
25 – 34	26%	29%	31%
35 – 49	32%	32%	45%
50 +	33%	30%	21%

Sources: Skillset Equity Performing Arts Industry Survey 2005; Skillset UKFC Film Production Workforce Survey 2002

The proportion of minority ethnic film performers was slightly higher than for performers overall and the film production workforce (Table 13.4). Nine per cent of film performers classified themselves as belonging to a minority ethnic group.

Table 13.4 Ethnicity of film performers

Ethnicity	All performers	Film performers	Film production workforce
White	94%	91%	94%
Mixed	2%	2%	3%
Black or black British	2%	2%	1%
Asian or Asian British	1%	2%	1%
Chinese	-	1%	-
Other	1%	1%	1%

Sources: Skillset Equity Performing Arts Industry Survey 2005; Skillset UKFC Film Production Workforce Survey 2002

8% of film performers stated that they had a disability (using the Disability Discrimination Act definition of disability). This was the same as for other performers and substantially greater than for the film production workforce (Table 13.5).

Table 13.5 Disability status of film performers

Disability status	All performers	Film performers	Film production workforce
Yes	8%	8%	2%
No	92%	92%	98%

Sources: Skillset Equity Performing Arts Industry Survey 2005; Skillset UKFC Film Production Workforce Survey 2002

Film performers were more likely to live in London and the South East than all performers, reflecting the greater London-centricity of the film industry. However, film performers were not as concentrated in London and the South East as the film production workforce (Table 13.6).

Table 13.6 Nation/region of residence of film performers

Nation/region	All performers	Film performers	Film production workforce
Wales	4%	2%	1%
Scotland	5%	5%	9%
Northern Ireland	1%	1%	1%
London	43%	55%	58%
South East	14%	13%	20%
South West	7%	7%	5%
West Midlands	5%	5%	1%
East Midlands	3%	1%	-
North East	2%	2%	-
Yorkshire & the Humber	5%	3%	1%
East	3%	1%	1%
North West	7%	3%	1%

Sources: Skillset Equity Performing Arts Industry Survey 2005; Skillset UKFC Film Production Workforce Survey 2002. Percentages do not sum to 100% due to rounding

The incomes of film performers were extraordinarily low, with 59% earning £6,000 or less from the performance industry (Table 13.7). Despite these low figures, 35% of film performers said they earned 75% or more of their income from performance, and a further 15% said they earned between 50% and 74% of their income from performance. The remaining film performers relied on earnings from other industries for the majority of their income.

Table 13.7 Income of film performers from the performance industry

<table>
<tr><th>Income band</th><th>All performers</th><th>Film performers</th><th>Film production workforce</th></tr>
<tr><td>No income</td><td>4%</td><td>5%</td><td>2%</td></tr>
<tr><td>£1 – £6,000</td><td>48%</td><td>54%</td><td rowspan="3">21%</td></tr>
<tr><td>£6,000 – £11,999</td><td>19%</td><td>17%</td></tr>
<tr><td>£12,000 – £19,999</td><td>13%</td><td>10%</td></tr>
<tr><td>£20,000 – £29,999</td><td>7%</td><td>6%</td><td>19%</td></tr>
<tr><td>£30,000 – £49,999</td><td>4%</td><td>3%</td><td>33%</td></tr>
<tr><td>£50,000 – £74,999</td><td>1%</td><td>1%</td><td>14%</td></tr>
<tr><td>£75,000 or more</td><td>1%</td><td>2%</td><td>11%</td></tr>
<tr><td>No response</td><td>1%</td><td>1%</td><td>-</td></tr>
</table>

Sources: Skillset Equity Performing Arts Industry Survey 2005; Skillset UKFC Film Production Workforce Survey 2002. Percentages do not sum to 100% due to rounding. Income of the film production workforce includes all income earned in the audio-visual industries

Most film performers had qualifications in the performing arts (post-graduate, undergraduate, technical or A/AS level). Many also had qualifications in other subjects. Only 15% of film performers described themselves as having no formal qualifications.

A wide variety of training needs were identified by film performers (a full breakdown is available from Skillset or the UK Film Council's Research and Statistics Unit). Many identified performance-related training needs (acting, voice, singing, dance and so on) but a large number also identified generic skills such as IT (25%), languages (25%) and business skills (10%).

13.4 The workplace location

The film production and distribution sectors are concentrated in London and the South East, as shown in Table 13.8. In contrast, the London and South East share of the exhibition sector workforce is closer to the UK average.

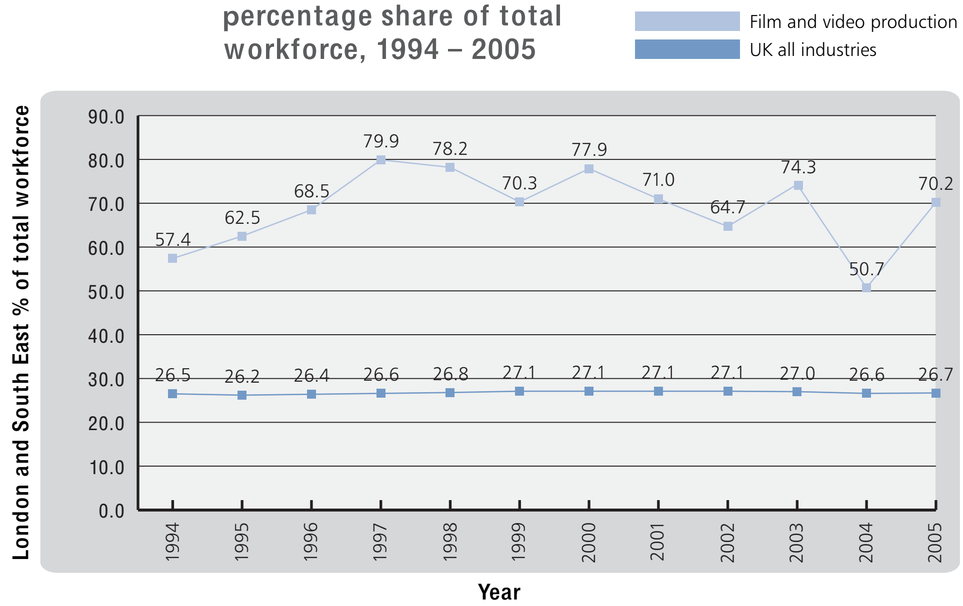
Table 13.8 London and South East employment as percentage of total, autumn year, 2005

Sector	SIC	Total UK employment	London and South East employment	London & SE as % of UK total
UK all industries	All	28,051,406	7,495,152	26.7
Film and video production	9211	23,947	16,814	70.2
Film and video distribution	9212	3,142	2,398	76.3
Film exhibition	9213	14,351	5,410	37.7

Source: Labour Force Survey. The South East region wraps around London to include the major studios to the west of London

The London and South East share of the film and video production workforce (SIC 9211) was 70.2% in the year to autumn 2005, closer to its long-term average than the low 2004 figure of 50.7% which may have been due in part to statistical error arising from the small size of the Labour Force Survey sample at industry sub-sector level. There is some evidence in Figure 13.3 of an increase in the share of the film production workforce of regions outside London and the South East since 1997, reversing the rise experienced by London and the South East in the mid-1990s.

Figure 13.3 London and South East percentage share of total workforce, 1994 – 2005



Source: Labour Force Survey

The peaks and troughs in the London and South East share of the film and video production workforce appear to coincide with the peaks and troughs in film production in the UK (see Figure 10.2). This suggests the variability in UK film production is absorbed more by London and the South East than by other nations and regions of the UK.

13.5 The scale of the workplace

Each year, the Office of National Statistics conducts a survey of businesses, called the Annual Business Inquiry (ABI), which provides information on the number of employees in each workplace, by industrial sector. The latest available year is 2004. The data relating to the film industry are shown in Tables 13.9, 13.10 and 13.11. The different characteristics of the three sectors stand out clearly in these tables.

The film and video production sector had an exceptionally high number of small workplaces (96.6% in the 1 – 10 band), accounting for a majority of the sector's total workforce (58.4%). At the other end of the scale, there was a small number of large workplaces. The 35 workplaces with 50 or more employees accounted for 4,097 employees, an average of 117 each.

Table 13.9 Film and video production (SIC 9211) workplace size distribution (employees), 2004

Workplace size band	No. of workplaces in band	% total workplaces	No. of employees in band	% total employees
1 – 10	6,384	96.6	11,195	58.4
11 – 49	190	2.9	3,893	20.3
50+	35	0.5	4,097	21.4
Total	**6,609**	**100.0**	**19,185**	**100.0**

Source: ONS ABI

The distribution sector was not as concentrated in small workplaces as the production sector, with three-quarters of employees working in workplaces with 11 or more employees.

Table 13.10 Film and video distribution (SIC 9212) workplace size distribution (employees), 2004

Workplace size band	No. of workplaces in band	% total workplaces	No. of employees in band	% total employees
1 – 10	462	89.0	1,184	25.2
11+	57	11.0	3,522	74.8
Total	**519**	**100.0**	**4,706**	**100.0**

Source: ONS ABI

Workplace numbers for bands above 11 employees cannot be published for confidentiality reasons (too few workplaces in the bands). 53% of distribution employees worked in workplaces of 50 employees or more. There was a small number of workplaces in the 200-plus employee size range.

The exhibition sector had a concentration that was the reverse of the production sector. 64% of exhibition employees worked in workplaces of 50 or more employees, and only 4% in workplaces in the 1 – 10 employee band.

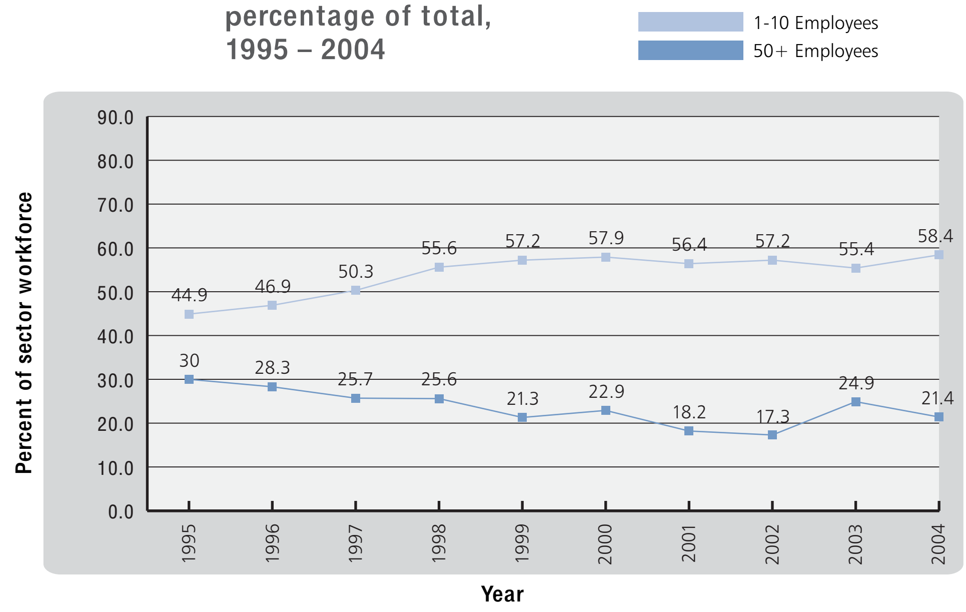
Table 13.11 Film exhibition (SIC 9213) workplace size distribution (employees), 2004

Workplace size band	No. of workplaces in band	% total workplaces	No. of employees in band	% total employees
1 – 10	191	34.3	725	4.0
11 – 49	201	36.1	5,805	32.1
50+	165	29.6	11,534	63.9
Total	**557**	**100.0**	**18,064**	**100.0**

Source: ONS ABI

Over the 1995 to 2004 period, there has been a decline in the proportion of employment attributable to workplaces with 50 or more employees in the film and video production sector (SIC 9211) and a corresponding rise in the proportion associated with workplaces with 1 – 10 employees. This reflects the continued growth in the number of small companies in the sector.

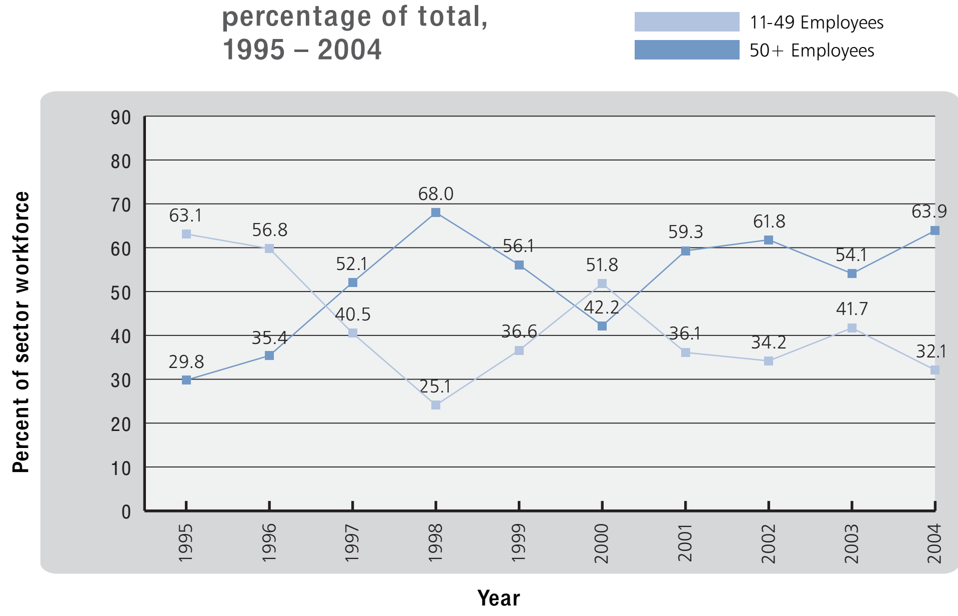
Figure 13.4 Film and video production sector (SIC 9211) employees by workplace size band, percentage of total, 1995 – 2004



Source: ONS ABI

In the exhibition sector the proportion of employees in the 50 plus category has been increasing, while the proportion in the 11- 49 category has been falling, as shown in Figure 13.5. This reflects a growth in the number of larger units.

Figure 13.5 Film exhibition sector (SIC 9213): employees by workplace size band, percentage of total, 1995 – 2004



King Kong courtesy of UIP

See also

- For more details on the film distribution sector in 2005 see chapter 6 (p.40)
- For more information about the exhibition sector in 2005 see chapter 7 (p.44)
- For more background on film production in 2005 see chapter 10 (p.69)
- For an insight into what the UK Film Council is doing to support film industry training see the UK Film Council Annual Review (p.35)

Asian programming
Films originating from South Asia, for example Bollywood, and generally, though not exclusively, aimed at a South Asian audience and in a South Asian language

BARB
Broadcasters' Audience Research Board Ltd. The company that compiles audience figures for UK television (www.barb.co.uk)

BBFC
British Board of Film Classification. Independent body responsible for classifying films and video (see Film certificate) (www.bbfc.co.uk)

Box office
Total value of ticket sales for a film screened commercially at cinemas

Box office gross
Box office takings before deduction of Value Added Tax (VAT)

BVA
British Video Association. The trade body representing the interests of publishers and rights owners of pre-recorded home entertainment on video (www.bva.org.uk)

CAA
Cinema Advertising Association. The trade association of cinema advertising contractors operating in the UK and Eire

Certification (as a British film)
A process whereby the Secretary of State for Culture, Media and Sport certifies a film as British when it complies with the criteria set out in Schedule 1 of the Films Act 1985, which include complying with the terms of one of the UK's official international co-production agreements or conventions

Concession revenue
Revenue from sales of food, drink and merchandise at cinemas

Co-production
A film made by companies from more than one country, often under the terms of a bilateral co-production treaty or the European Co-production Convention

Country of origin
The nationality of a film. In the case of co-productions, this may include more than one country

DCMS
Department for Culture, Media and Sport. The UK Film Council's sponsoring government department (www.culture.gov.uk)

Digital projection
The projection of a film onto a cinema screen using a digital master and a digital projector, that is, using electronic signals to direct light onto the screen rather than passing light through a celluloid strip

Distributor
A person or company that acquires the right to exploit the commercial and creative values of a film in the theatrical, video and TV market. Also conducts the promotional and marketing activities necessary to win audiences for the film (see www.launchingfilms.com)

DVD
Digital Versatile Disc

Exhibitor
A cinema operator that rents a film from a distributor to show to a cinema audience

Feature film
A full-length film made for cinema release, as opposed to a film made for television

Film certificate
Classification given to a film by the British Board of Film Classification. Indicates the film's suitability for audiences according to their age

Film rental
The sum of money paid to the distributor by the exhibitor in return for the right to show a particular film. Usually calculated as a percentage of net box office

Franchise
A film series such as *Harry Potter and the Philosopher's Stone* and its sequels

Genre
A style or category of film defined on the basis of common story and cinematic conventions (for example action, crime, romantic comedy, drama etc). See www.ukfilmcouncil.org.uk/information/statistics/genre-titles/

Government Office Regions
Classification of English regions used to establish the boundaries of the Regional Development Agencies and the Regional Screen Agencies

Inward features
A term used by the UK Film Council to denote a film where more than 50% of the total financing is from outside the UK and/or where the production is attracted to the UK by the UK's filmmaking infrastructure

ISBA TV Regions
System for classifying regions developed by the Incorporated Society of British Advertisers for use by the advertising industry

Mainstream programming
Category of films aimed at the general audience

Megaplex site
Defined by Dodona Research as a purpose-built cinema with 20 or more screens

Multiplex site
Dodona Research defines a multiplex as a purpose-built cinema with five or more screens

Net box office
Box office takings after deduction of VAT

Non-terrestrial television
In this case, digital television programming carried by satellite, cable or Freeview delivery systems

Online rental
Selecting and renting DVDs via a website for postal delivery

Out of town cinema
Cinema located on the outskirts of a town, typically in a large shopping development

Sites
Individual cinema premises

Socio-economic group
Section of the population defined by employment status

Specialised programming
Generally, non-mainstream films. This category includes foreign-language and subtitled films, arthouse productions, film classics and films aimed at niche audiences

Standard Industrial Classification (SIC)
A numbering system used by the Office for National Statistics to identify different industries in the UK's official statistics

Terrestrial television
The five main analogue free-to-air channels: BBC1, BBC2, ITV1, Channel 4 and Five

Traditional cinema
A cinema generally with fewer than five screens and that shows more mainstream product. Often an older building located in city centres or suburbs

Acknowledgements

We would like to thank the following organisations for kindly allowing us to reproduce their data:

British Board of Film Classification (BBFC)
British Market Research Bureau (BMRB)
British Video Association (BVA)
Cinema Advertising Association (CAA)
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European Audiovisual Observatory
Motion Picture Association of America (MPAA)
MRIB
Nielsen EDI
Nielsen Media Research
Office for National Statistics (ONS)
Official UK Charts Company
Skillset
TNS

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