

Film production in the UK – Q1 2011

BFI Research and Statistics Unit

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1. Film production in the UK in Q1 2011

There were 24 films with budgets of £500k or more that commenced principal photography in the UK in Q1 2011, almost the same number as the first quarter of 2010. Ten were co-productions, 11 were domestic UK features and 3 were inward investment films. The number of co-productions is more than twice the number recorded in the first quarter of 2010, reversing a four year decline (Table 1).

Table 1: Number of features produced in the UK in Q1 2003–Q1 2011

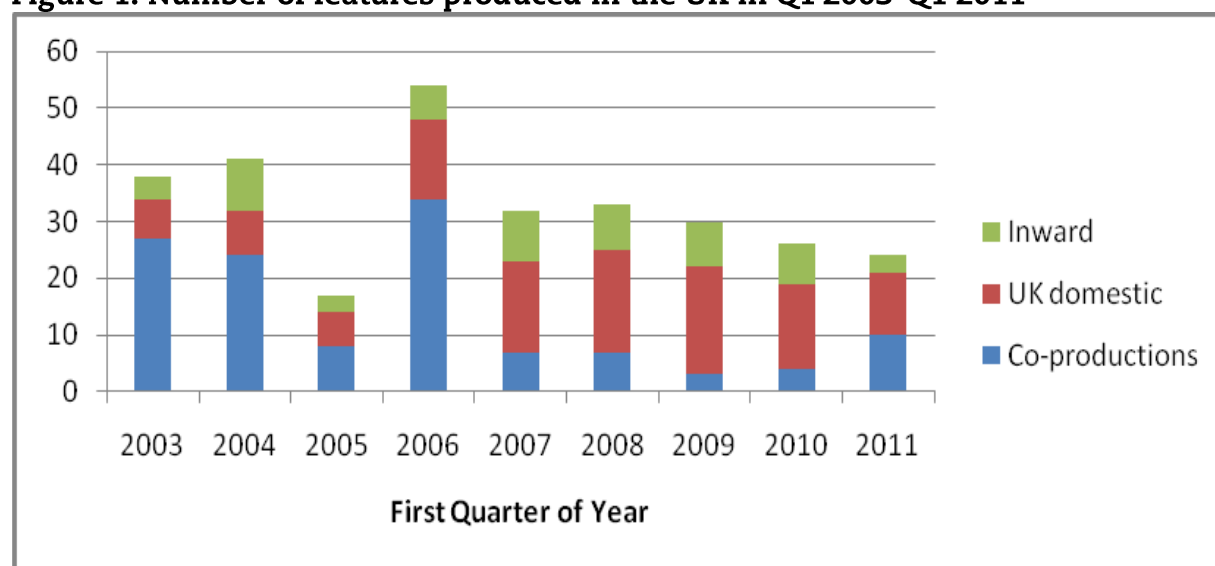
	Q1 2003	Q1 2004	Q1 2005	Q1 2006	Q1 2007	Q1 2008	Q1 2009	Q1 2010	Q1 2011
Co-productions	27	24	8	34	7	7	3	4	10
UK domestic features	7	8	6	14	16	18	19	15	11
Inward investment feature films	4	9	3	6	9	8	8	7	3
Total	38	41	17	54	32	33	30	26	24

Source: BFI, UK Film Council

Data for films with budgets >= £500,000

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

Figure 1: Number of features produced in the UK in Q1 2003–Q1 2011



Source: BFI, UK Film Council

Data for films with budgets >= £500,000

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

Domestic UK titles in Q1 2011 included *The Iron Lady*, *The Inbetweeners*, *Outpost: Black Sun* and *Cockneys vs Zombies*.

Co-productions in Q1 2011 included *360*, *Shame* and *I, Anna*.

The UK spend of features that commenced principal photography in the first quarter of 2011 was £323.2 million, down from £442.9 million in Q1 2010. UK spend of co-productions (£14.8 million) increased to its highest level since Q1 2008, but UK spend of UK domestic productions (£28.4 million) fell to its lowest level in four years. Inward investment films made up the bulk of UK spend with £280 million, down from £391 million in the first quarter of 2010 (Table 2 and Figure 2).

Table 2: UK spend of features produced in the UK in Q1 2003–Q1 2011, £ millions

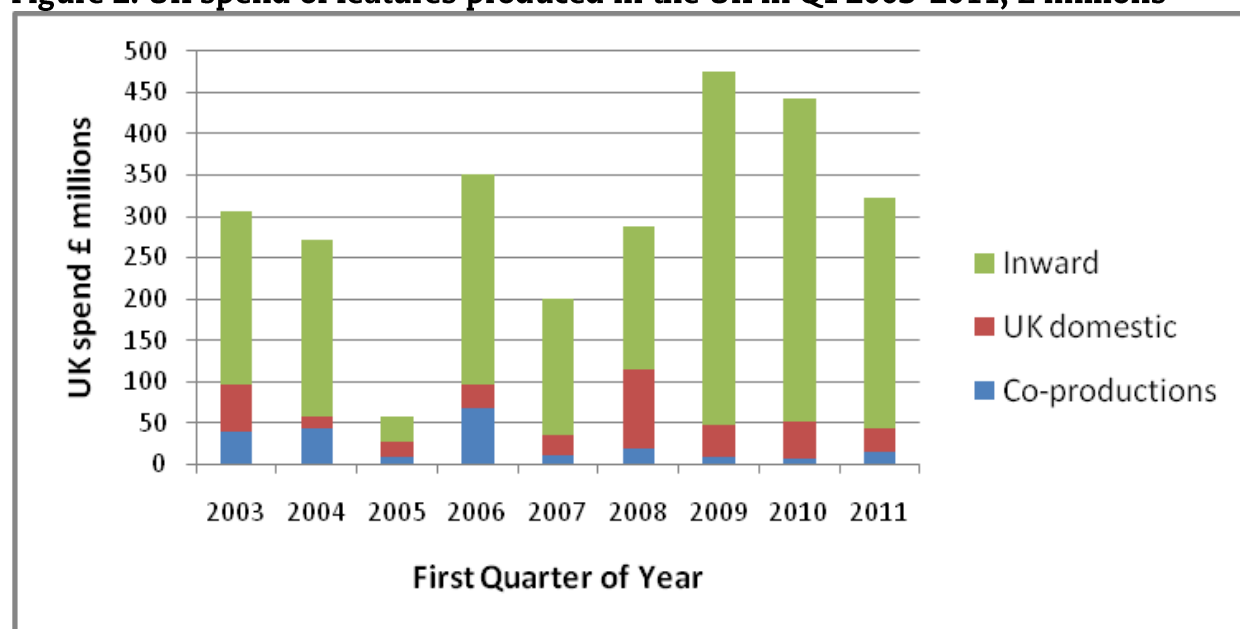
	Q1 2003	Q1 2004	Q1 2005	Q1 2006	Q1 2007	Q1 2008	Q1 2009	Q1 2010	Q1 2011
Co-productions	38.7	44.2	8.7	68.3	10.1	18.8	8.9	6.5	14.8
UK domestic features	57.8	13.1	18.9	28.5	25.9	95.8	39.3	45.2	28.4
Inward investment	209.6	214.7	30.9	253.6	164.5	172.6	426.7	390.8	280.0
Total	306.1	272.0	58.5	350.4	200.5	287.2	474.9	442.4	323.2

Source: BFI, UK Film Council

Data for films with budgets >= £500,000

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

Figure 2: UK spend of features produced in the UK in Q1 2003–2011, £ millions



Source: BFI, UK Film Council

Data for films with budgets >= £500,000

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

2. Low budget films in Q1 2011

Until now we have applied a minimum budget of £500,000 to our production tracking, but we know from a variety of sources¹ that there is a substantial number of films made below this level. Furthermore, we have seen a large fall in the median budget of UK films (to £1.2 million for 2010 interim Cultural Test certifications) which suggests that the £500,000 limit is now too high. Therefore, we have now extended the scope of production tracking to include feature films with budgets under £500,000.

There were 21 films with budgets less than £500,000 that commenced principal photography in the first quarter of 2011 and the total value of their UK spend was £2.9 million. Twenty of the films were domestic productions, which if added to the number of films listed in section 1 above would boost the total number of domestic films of all budget levels to 31 and UK spend of domestic productions to £31.3 million.

A full analysis of lower budget films from 2008-2010 will appear in the forthcoming BFI Statistical Yearbook 2010/11.

3. Q1 results as a predictor of full year results

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

Looking at all films, we find that total Q1 UK spend varied between 10% and 44% of the full year total over the years 2003-2010 (Table 3). On the basis of these numbers, the lowest likely value for full year 2011 UK spend would be £734 million (treating Q1 UK spend as 44% of the full year).

Table 3: Q1 UK spend as a percentage of full year UK spend (all categories of film)

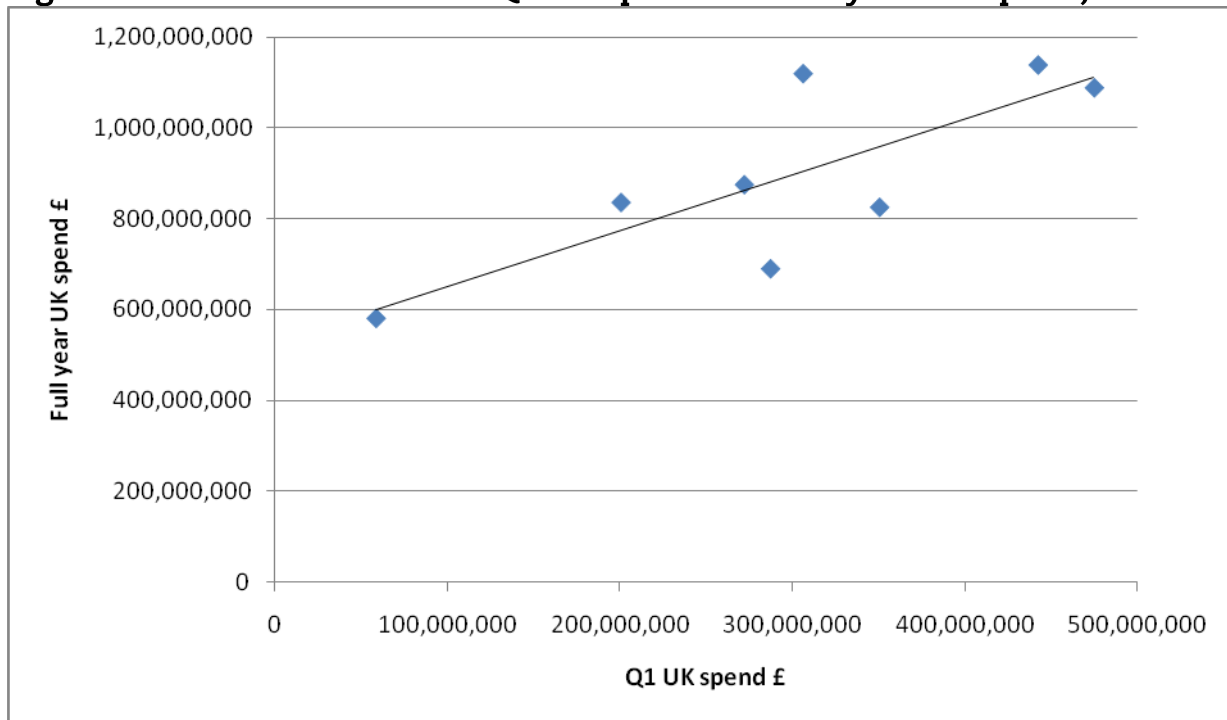
Calendar year	Q1 UK spend as percentage of full year UK spend
2003	27.4
2004	31.1
2005	10.1
2006	42.4
2007	24.0
2008	41.6
2009	43.7
2010	38.9

Source: BFI, UK Film Council

There does appear to be a strong statistical relationship between Q1 UK spend and the full year result as Figure 3 suggests.

¹ British film certification statistics 1998-2011 and the report *Low and Micro-Budget Film Production in the UK*, UK Film Council, 2008.

Figure 3: Correlation between Q1 UK spend and full year UK spend, 2003-2010



Source: BFI, UK Film Council

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

Correlation = 0.79; p value 0.0197

Positive correlation is measured in a range from 0 to 1, with 1 being a perfect match. The correlation in this case is 0.79 which is a high value. The p value of 0.0197 means there is a less than 2% chance of observing this result if there were no correlation at all between the Q1 UK spend and the full year UK spend.

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Notes

1. BFI Research and Statistics Unit production tracking

The Research and Statistics Unit production tracking system attempts to track all films produced in whole or part in the UK (i.e. it is a census, not a sample).

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

We do not have comprehensive coverage of very low budget films before 2011 so we publish data only for films with budgets of £500k+.

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

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

2. Revisions

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

3. Definitions

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

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

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

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

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

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

A **UK film** is a film that has been certified as British by the DCMS or by the Certification Unit of the British Film Institute (acting on the authority of the Secretary of State for Culture, Olympics, Media and

Sport) or which is a *de facto* UK film by virtue of being made in whole or part in the UK by a UK production company.

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

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

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

4. Disclosing individual film information

Individual film titles are not disclosed when the number of productions (co-production, domestic or inward) is low.

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