THE UK FILM ECONOMY

The UK film industry is a valuable sector of the British economy; in 2014 its direct contribution to Gross Domestic Product was £4.3 billion, 28% higher than its 2005 contribution in real terms.

FACTS IN FOCUS

- In 2014, the UK film industry had a turnover of £7.7 billion.
- The industry’s direct contribution to Gross Domestic Product (GDP) in 2014 was £4.3 billion.
- The industry exported £1.2 billion worth of services in 2014, made up of £519 million in royalties and £655 million in film production services.
- Exports in 2014 were 21% higher than in 2005.
- The UK film trade surplus in 2014 was £715 million.
**FILM INDUSTRY TURNOVER, 2005-2014**

Figure 1 shows the total turnover of the UK’s three main film industry sectors (film and video production, film and video distribution and film exhibition) for the period 2005-2014 (2014 is the latest year for which data are available.) Each of the three sectors has shown growth over the decade, with total industry turnover increasing from £5.8 billion in 2005 to over £7.7 billion in 2014. However, for 2009, 2011 and 2012 the turnover for film and video distribution includes only film distribution as the data for video distribution are not disclosed to maintain confidentiality.

The chart shows that turnover for film distribution decreased significantly from £2.6 billion in 2011 to £1.7 billion in 2012 but, according to the Office for National Statistics, this is mainly due to the restructuring of some businesses and the resultant changes to their industrial classifications. (For details of the Standard Industrial Classification [SIC] framework, see the notes to Figure 1.) The reclassifications are contained within the SIC code 5913 (film, video and TV programme distribution). The combined turnover for film and video distribution increased from £1.4 billion in 2013 to £2.9 billion in 2014.

**Figure 1 Total turnover of UK film industry by sector, 2005-2014**

<table>
<thead>
<tr>
<th>Year</th>
<th>Film and video production (including post-production)</th>
<th>Film and video distribution</th>
<th>Film exhibition</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>2,280</td>
<td>2,450</td>
<td>1,065</td>
<td>5,795</td>
</tr>
<tr>
<td>2006</td>
<td>3,693</td>
<td>2,125</td>
<td>976</td>
<td>6,794</td>
</tr>
<tr>
<td>2007</td>
<td>2,830</td>
<td>2,105</td>
<td>1,022</td>
<td>5,957</td>
</tr>
<tr>
<td>2008</td>
<td>2,717</td>
<td>2,524</td>
<td>1,141</td>
<td>6,382</td>
</tr>
<tr>
<td>2009</td>
<td>2,889</td>
<td>2,710</td>
<td>1,176</td>
<td>6,775</td>
</tr>
<tr>
<td>2010</td>
<td>2,596</td>
<td>2,950</td>
<td>1,257</td>
<td>6,803</td>
</tr>
<tr>
<td>2011</td>
<td>2,619</td>
<td>2,592</td>
<td>1,270</td>
<td>6,481</td>
</tr>
<tr>
<td>2012</td>
<td>4,238</td>
<td>1,680</td>
<td>1,325</td>
<td>7,243</td>
</tr>
<tr>
<td>2013</td>
<td>3,742</td>
<td>1,425</td>
<td>1,290</td>
<td>6,457</td>
</tr>
<tr>
<td>2014</td>
<td>3,392</td>
<td>2,926</td>
<td>1,394</td>
<td>7,712</td>
</tr>
</tbody>
</table>

% change 2005-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-2014</td>
<td>49</td>
</tr>
<tr>
<td>2014</td>
<td>19</td>
</tr>
<tr>
<td>2013</td>
<td>31</td>
</tr>
<tr>
<td>2012</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics

Notes:

'Total turnover' is expressed in current values, i.e. not adjusted for inflation.

Standard Industrial Classification (SIC) codes are used to classify businesses according to the type of their economic activity. The classifications were last revised in 2003 and 2007. The SIC codes can be found at https://www.gov.uk/government/publications/standard-industrial-classification-of-economic-activities-sic.

For 2005-2007 data are for 2003 SIC codes 9211 (film and video production), 9212 (film and video distribution) and 9213 (film exhibition). From 2008 onwards, we define film and video production as the sum of 2007 SIC codes 59111 (film production), 59112 (video production) and 5912 (film, video and TV post-production), film and video distribution is the sum of 59131 (film distribution) and 59132 (video distribution) and film exhibition is 5914 (film exhibition).

For 2008 both film distribution and video distribution are suppressed by the ONS as confidential. The figure shown for the sum of the two is the four-digit class total (5913) minus TV programme distribution (59133).

For 2009, 2011 and 2012, only film is included in the distribution sector as the data for video distribution are confidential.

The figures for 2012 and 2013 have been revised since publication of the 2015 Statistical Yearbook.
The 2007 SIC codes allow for a more detailed breakdown of industry turnover by sub-sector, as shown in Table 1. This gives an official measure of film production and distribution separate from video production and distribution. The figures reflect the high sunk costs associated with the production and marketing of feature films and highlight the relative importance of the post-production sector (19% of turnover, although this includes activity associated with video and TV as well as film).

Table 1 Total turnover of UK film industry by sub-sector, 2014

<table>
<thead>
<tr>
<th>Sub-sector</th>
<th>Turnover (£ million)</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Film production</td>
<td>1,464</td>
<td>19.0</td>
</tr>
<tr>
<td>Video production</td>
<td>438</td>
<td>5.7</td>
</tr>
<tr>
<td>Film, video and TV post-production</td>
<td>1,490</td>
<td>19.3</td>
</tr>
<tr>
<td>Film distribution</td>
<td>2,615</td>
<td>33.9</td>
</tr>
<tr>
<td>Video distribution</td>
<td>311</td>
<td>4.0</td>
</tr>
<tr>
<td>Film exhibition</td>
<td>1,394</td>
<td>18.1</td>
</tr>
<tr>
<td><strong>Sector total</strong></td>
<td><strong>7,712</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Office for National Statistics Annual Business Survey

Notes:
Companies in the post-production sector usually work on films, commercials, videos and television programmes, and therefore have a combined statistical classification.

Figure 2 shows the turnover for film production, film, video and TV post-production, film distribution and film exhibition from 2010 to 2014. Film distribution has traditionally had the highest turnover of all film industry sub-sectors. This remained true of all years in the period covered in the chart with the exception of 2012 and 2013 when turnover was lower than for most other sub-sectors. This is partly explained by the reclassifications of businesses within the distribution sector. In 2014, the turnover for distribution returned to pre-2012 levels, with an increase of £1.4 billion on the previous year. Turnover for both the post-production and film exhibition sub-sectors increased every year in the period with the exception of 2013.

Figure 2 Total turnover of film sub-sectors, 2010-2014

Source: Office for National Statistics Annual Business Survey

See notes to Table 1.
Total industry turnover between 2005 and 2014, expressed in real terms, i.e. with the effects of inflation removed, is shown in Figure 3. The real increase since 2005 has been 20% for film and video production and 6% for film exhibition.

Conversely, real turnover for film and video distribution appears to have declined by 4% since 2005. Notwithstanding the adjustment to turnover resulting from the reclassifications of businesses within distribution outlined above, the decline in real turnover could be a result of the fall in physical video revenues over the period.

For the film industry as a whole, real turnover was just over £7.7 billion in 2014, the highest figure since 2006 (Figure 1.3). The year with the lowest real turnover of the period was 2013 with a total £6.6 billion in 2014 pounds.

**Figure 3 Inflation-adjusted turnover of UK film industry by sector, 2005-2014**

<table>
<thead>
<tr>
<th>Year</th>
<th>Film and video production (including post-production)</th>
<th>Film and video distribution</th>
<th>Film exhibition</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>2,827</td>
<td>3,037</td>
<td>1,320</td>
<td>7,184</td>
</tr>
<tr>
<td>2006</td>
<td>4,454</td>
<td>2,563</td>
<td>1,177</td>
<td>8,194</td>
</tr>
<tr>
<td>2007</td>
<td>3,323</td>
<td>2,472</td>
<td>1,200</td>
<td>6,995</td>
</tr>
<tr>
<td>2008</td>
<td>3,100</td>
<td>2,879</td>
<td>1,302</td>
<td>7,281</td>
</tr>
<tr>
<td>2009</td>
<td>3,215</td>
<td>3,016</td>
<td>1,309</td>
<td>7,540</td>
</tr>
<tr>
<td>2010</td>
<td>2,816</td>
<td>3,200</td>
<td>1,364</td>
<td>7,380</td>
</tr>
<tr>
<td>2011</td>
<td>2,765</td>
<td>2,736</td>
<td>1,341</td>
<td>6,842</td>
</tr>
<tr>
<td>2012</td>
<td>4,395</td>
<td>1,742</td>
<td>1,374</td>
<td>7,512</td>
</tr>
<tr>
<td>2013</td>
<td>3,819</td>
<td>1,454</td>
<td>1,317</td>
<td>6,590</td>
</tr>
<tr>
<td>2014</td>
<td>3,392</td>
<td>2,926</td>
<td>1,394</td>
<td>7,712</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics Annual Business Inquiry and Annual Business Survey, HM Treasury

Notes:
The deflator used to calculate real values is the UK whole economy deflator, which can be found at https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-march-2016.

Values expressed in constant 2014 pounds.

For sector classifications, see notes to Figure 1.

For 2008 both film distribution and video distribution are suppressed by the ONS as confidential. The figure shown for the sum of the two is the four-digit class total (5913) minus TV distribution (59133).

For 2009, 2011 and 2012, only film is included in the distribution sector as the data for video distribution are confidential.

Figures may not sum to totals due to rounding.
**FILM INDUSTRY CONTRIBUTION TO GDP, 2005-2014**

The direct contribution an industry makes to UK Gross Domestic Product (GDP) is measured by its gross value added (GVA). ‘Value added’ is industry turnover minus the cost of inputs bought from other industries. The main components of value added are wages and salaries, interest and company profits. Value added is therefore a measure of an industry’s ability to generate income for its workers, company owners and investors.

The UK film industry’s GVA in 2014 was £4.3 billion. According to data published by the government in January 2016, the GVA for all UK creative industries in 2014 was £84.1 billion, so film accounted for at least 5% of all creative industries’ value added.

For the film industry as a whole, production accounted for 45% of the industry’s value added, distribution 43% and exhibition 12%. Also, as with turnover (see section above), the value added for film distribution decreased between 2011 and 2012 due to the reclassifications of businesses in the distribution sector.

**Figure 4 UK film industry gross value added, 2005-2014**

<table>
<thead>
<tr>
<th>Year</th>
<th>Film and video production (including post-production)</th>
<th>Film and video distribution</th>
<th>Film exhibition</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,035</td>
<td>1,072</td>
<td>600</td>
<td>2,707</td>
</tr>
<tr>
<td>2006</td>
<td>1,957</td>
<td>2,232</td>
<td>407</td>
<td>3,596</td>
</tr>
<tr>
<td>2007</td>
<td>1,170</td>
<td>964</td>
<td>403</td>
<td>2,537</td>
</tr>
<tr>
<td>2008</td>
<td>1,342</td>
<td>1,317</td>
<td>415</td>
<td>3,074</td>
</tr>
<tr>
<td>2009</td>
<td>1,275</td>
<td>1,517</td>
<td>466</td>
<td>3,258</td>
</tr>
<tr>
<td>2010</td>
<td>1,071</td>
<td>1,706</td>
<td>483</td>
<td>3,260</td>
</tr>
<tr>
<td>2011</td>
<td>1,496</td>
<td>1,442</td>
<td>505</td>
<td>3,442</td>
</tr>
<tr>
<td>2012</td>
<td>1,976</td>
<td>249</td>
<td>567</td>
<td>2,792</td>
</tr>
<tr>
<td>2013</td>
<td>1,671</td>
<td>448</td>
<td>507</td>
<td>2,626</td>
</tr>
<tr>
<td>2014</td>
<td>1,915</td>
<td>1,848</td>
<td>517</td>
<td>4,280</td>
</tr>
</tbody>
</table>

% change 2005-2014: 58

Source: Office for National Statistics Annual Business Inquiry and Annual Business Survey

Notes:

‘Gross value added’ is expressed in actual values, i.e. not adjusted for inflation.

For 2008 both film distribution and video distribution are suppressed by the ONS as confidential. The figure shown for the sum of the two is the 4-digit class total (5913) minus TV distribution (59133).

For 2009, 2011 and 2012, only film is included in the distribution sector as the data for video distribution are confidential.

The figures for 2012 and 2013 have been revised since publication of the 2015 Yearbook.
Table 2 shows the GVA breakdown in 2014 by the 2007 SIC codes. Film distribution was the highest single contributor (£1,670 million; 39% of the total) followed by film, video and TV post-production (£928 million; 22% of the total).

Table 2: UK film industry gross value added, 2014

<table>
<thead>
<tr>
<th>Sub-sector</th>
<th>GVA (£ million)</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Film production</td>
<td>767</td>
<td>17.9</td>
</tr>
<tr>
<td>Video production</td>
<td>220</td>
<td>5.1</td>
</tr>
<tr>
<td>Film, video and TV post-production</td>
<td>928</td>
<td>21.7</td>
</tr>
<tr>
<td>Film distribution</td>
<td>1,670</td>
<td>39.0</td>
</tr>
<tr>
<td>Video distribution</td>
<td>178</td>
<td>4.2</td>
</tr>
<tr>
<td>Film exhibition</td>
<td>517</td>
<td>12.1</td>
</tr>
<tr>
<td>Sector total</td>
<td>4,280</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics Annual Business Survey
Note: Companies in the post-production sector usually work on films, commercials, videos and television programmes, and therefore have a combined statistical classification.

The patterns of GVA by sub-sector from 2010 to 2014 are similar to those for total turnover (Figure 5). As with turnover, film distribution consistently had the highest value added in 2010 and 2011 but, because of the reclassifications of companies within the distribution sector, its contribution to GVA was just £249 million in 2012 and £426 million in 2013. In 2014, film distribution value added recovered to pre-2012 levels, increasing almost four-fold to £1.67 billion. Film, video and TV post-production also saw a substantial increase in value added between 2013 and 2014, while both the film production and film exhibition sectors recorded modest rises.

Figure 5: Gross value added of film sub-sectors, 2010-2014

Source: Office for National Statistics Annual Business Survey
See note to Table 2.
Figure 6 shows the industry’s value added expressed in real terms, ie with the effects of inflation removed. For the four years 2008 to 2011, real GVA was around £3.5 billion (in 2014 pounds) but decreased to £2.9 billion in 2012 and to £2.7 billion in 2013. The decrease was mainly due to the reduction in GVA for film distribution, caused by the reclassifications of companies within the distribution sector. However, the distribution element increased substantially in 2014. In real terms, GVA for the film industry as a whole in 2014 was 28% higher than its value in 2005.

**Figure 6 UK film industry real gross value added, 2005-2014**

<table>
<thead>
<tr>
<th>Year</th>
<th>Film and video production (including post-production)</th>
<th>Film and video distribution</th>
<th>Film exhibition</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,283</td>
<td>1,329</td>
<td>744</td>
<td>3,356</td>
</tr>
<tr>
<td>2006</td>
<td>2,360</td>
<td>1,486</td>
<td>491</td>
<td>4,337</td>
</tr>
<tr>
<td>2007</td>
<td>1,374</td>
<td>1,132</td>
<td>473</td>
<td>2,979</td>
</tr>
<tr>
<td>2008</td>
<td>1,531</td>
<td>1,502</td>
<td>473</td>
<td>3,507</td>
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<td>2009</td>
<td>1,419</td>
<td>1,688</td>
<td>519</td>
<td>3,626</td>
</tr>
<tr>
<td>2010</td>
<td>1,162</td>
<td>1,851</td>
<td>524</td>
<td>3,537</td>
</tr>
<tr>
<td>2011</td>
<td>1,578</td>
<td>1,622</td>
<td>533</td>
<td>3,634</td>
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<tr>
<td>2012</td>
<td>2,049</td>
<td>258</td>
<td>588</td>
<td>2,896</td>
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<tr>
<td>2013</td>
<td>1,705</td>
<td>457</td>
<td>517</td>
<td>2,680</td>
</tr>
<tr>
<td>2014</td>
<td>1,915</td>
<td>1,848</td>
<td>517</td>
<td>4,280</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics Annual Business Inquiry, HM Treasury

Notes:
The deflator used to calculate real values is the UK whole economy deflator which can be found at https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-march-2016.
Values expressed in constant 2014 pounds.
For 2008 both film distribution and video distribution are suppressed by the ONS as confidential. The figure shown for the sum of the two is the 4-digit class total (5913) minus TV distribution (59133).
For 2009, 2011 and 2012, only film is included in the distribution sector as the data for video distribution are confidential.
FILM EXPORTS, 2005-2014

The UK film industry exported £1,174 million worth of services in 2014 (the latest year for which data are available), of which £519 million came from royalties and £655 million from film production services (Figure 7). This is the first time that export revenues for production services have exceeded royalty payments to UK based companies as components of the overall export figure. Royalties fell by 31% compared with 2013, but the export value of film-related services increased by 8%. Total film exports in 2014 were 21% higher than in 2005, but have declined since a peak of £2,106 million in 2010.

Figure 7 UK film industry exports, 2005-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Royalties</th>
<th>Film production services</th>
<th>Total film company exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>660</td>
<td>307</td>
<td>967</td>
</tr>
<tr>
<td>2006</td>
<td>582</td>
<td>330</td>
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<td>2007</td>
<td>646</td>
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</tr>
<tr>
<td>2008</td>
<td>792</td>
<td>549</td>
<td>1,341</td>
</tr>
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<td>2009</td>
<td>935</td>
<td>541</td>
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<td>2011</td>
<td>1,199</td>
<td>540</td>
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<td>2012</td>
<td>792</td>
<td>550</td>
<td>1,342</td>
</tr>
<tr>
<td>2013</td>
<td>756</td>
<td>605</td>
<td>1,361</td>
</tr>
<tr>
<td>2014</td>
<td>519</td>
<td>655</td>
<td>1,174</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics
Notes:
Data for 2015 are expected to be available at the end of January 2017.
This chart shows the results for film companies only. Import and export data to 2008 are derived from the Office for National Statistics (ONS) Film and Television Survey which was a sample survey with a high response rate (87%) of companies in the Inter-Departmental Business Register in the SIC codes relating to film and television. This survey was discontinued and film and television data for 2009 and later were collected in the ONS Annual Survey of International Trade in Services.
FILM IMPORTS, 2005-2014

The UK film industry imported £459 million worth of services in 2014, of which £338 million (74%) comprised royalties and £121 million (26%) film production services.

As Figure 8 shows, in most years royalties make up the vast majority of imports with film production services accounting for only around 15% of the total. However, the production services share was as high as 30% in 2007, 40% in 2008 and 35% in 2013.

The reasons for the increased share in these years are unclear as the reported level of production imports is relatively large in relation to total UK film production for these years. One possible explanation could be the categorisation of the non-UK spend of UK/USA inward investment productions as imports of production services. However, this explanation cannot be confirmed as the survey returns are confidential.

Figure 8 UK film industry imports, 2005-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Royalties</th>
<th>Film production services</th>
<th>Total film company imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>704</td>
<td>100</td>
<td>804</td>
</tr>
<tr>
<td>2006</td>
<td>698</td>
<td>86</td>
<td>784</td>
</tr>
<tr>
<td>2007</td>
<td>573</td>
<td>245</td>
<td>818</td>
</tr>
<tr>
<td>2008</td>
<td>510</td>
<td>336</td>
<td>846</td>
</tr>
<tr>
<td>2009</td>
<td>498</td>
<td>49</td>
<td>547</td>
</tr>
<tr>
<td>2010</td>
<td>463</td>
<td>80</td>
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<td>2011</td>
<td>642</td>
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</tr>
<tr>
<td>2012</td>
<td>445</td>
<td>108</td>
<td>553</td>
</tr>
<tr>
<td>2013</td>
<td>290</td>
<td>155</td>
<td>445</td>
</tr>
<tr>
<td>2014</td>
<td>338</td>
<td>121</td>
<td>459</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics
See notes to Figure 7.
THE UK FILM ECONOMY

THE FILM TRADE BALANCE, 2005-2014

The film industry has made a continuous positive contribution to the UK balance of payments since 2005, as Figure 9 shows. The trade surplus (positive balance of exports over imports) in 2014 was £715 million. As with exports, the balance of payments has decreased since a peak in 2010 (£1,564 million).

Figure 9 Trade surplus of UK film industry, 2005-2014

<table>
<thead>
<tr>
<th>£ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
</tr>
<tr>
<td>2006</td>
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<td>2007</td>
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<td>2008</td>
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<td>2014</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics

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

FILM EXPORT MARKETS

Figure 10 shows the geographic distribution of UK film exports for the years 2010-2014. In the previous five-year period (2009-2013) covered in the 2015 Statistical Yearbook, exports to the European Union (EU) surpassed the USA for the first time since our records began. For the current five-year period, the USA is once again the primary export destination for UK film with a 44% share of exports compared with the EU’s 38%. However, taken together, EU and non-EU European countries are slightly ahead of the USA with a 44.3% share of all UK film exports. Asia and ‘rest of the world’ both took around 6% of the total, which is unchanged from the previous five-year period.

Figure 10 Destination of UK film exports as percentage of the total, 2010-2014

<table>
<thead>
<tr>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
</tr>
<tr>
<td>Other Europe</td>
</tr>
<tr>
<td>USA</td>
</tr>
<tr>
<td>Asia</td>
</tr>
<tr>
<td>Rest of the world</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics

Note: ‘Rest of the world’ cannot be disaggregated due to sampling variation and disclosive data.
A useful comparison can be made between UK film export shares and the geographical distribution of the global market for filmed entertainment (Figure 11). For the EU, USA and ‘other Europe’ the shares of UK exports are higher than the shares of the ex-UK global filmed entertainment market in each of those regions, whereas the reverse is true for Asia and ‘rest of the world’. The differences that stand out are:

- The higher proportion of UK exports to Europe (38% of the UK’s film exports are to the EU compared with the EU’s 20% share of the ex-UK global filmed entertainment market, and 6% of film exports are to ‘other Europe’ compared with a 4% ex-UK global market share);
- The lower proportion of UK exports to Asia (6%) compared with the Asian countries’ share of the ex-UK global market (25%).

The latter discrepancy reflects the strength of the main Asian countries (China, India, Japan and South Korea) in their own markets, and the consequent lower market shares for UK (and USA) films. There are also export restrictions in the Chinese market.

Figure 11 UK export shares, 2010-2014, compared with the ex-UK global market for filmed entertainment, 2014

Source: Office for National Statistics, PricewaterhouseCoopers
THE GEOGRAPHICAL DISTRIBUTION OF THE UK’S FILM TRADE SURPLUS

The geographical distribution of the UK’s film trade surplus showed a similar pattern to that of exports, except that there was a trade deficit, amounting to 5% of the film trade balance, with ‘rest of the world’, as shown in Table 3. In contrast with some earlier years, the UK ran large film trade surpluses with the USA in the years 2010-2014. During the period, the USA accounted for just over half of the UK’s film trade surplus, while EU countries other than the UK accounted for two fifths of the surplus.

Table 3 International transactions of the UK film industry by geographical area, annual average, 2010-2014

<table>
<thead>
<tr>
<th></th>
<th>Exports (£ million)</th>
<th>Imports (£ million)</th>
<th>Balance (£ million)</th>
<th>% balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>587.6</td>
<td>188.0</td>
<td>399.6</td>
<td>40.1</td>
</tr>
<tr>
<td>Other Europe</td>
<td>95.6</td>
<td>30.0</td>
<td>65.6</td>
<td>6.6</td>
</tr>
<tr>
<td>USA</td>
<td>680.0</td>
<td>152.2</td>
<td>527.8</td>
<td>53.0</td>
</tr>
<tr>
<td>Asia</td>
<td>88.4</td>
<td>33.4</td>
<td>55.0</td>
<td>5.5</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>92.6</td>
<td>144.4</td>
<td>-51.8</td>
<td>-5.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,544.2</strong></td>
<td><strong>548.0</strong></td>
<td><strong>996.2</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Office for National Statistics