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BFI LAUNCHES 2011 STATISTICAL YEARBOOK

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Half year UK Production and Box Office figures for 2011 announced

More people are watching more films across more platforms

Cinema remains robust during difficult economic climate

Inward investment highest ever

UK is the third-largest filmed entertainment market in the world

British stories make up half of the decade's 20 highest grossing films

The BFI today announced the results of its 2011 Statistical Yearbook, the most authoritative and complete snapshot of the film landscape in the UK over the last 12 months. The report reveals that 65 years on from the peak - or 'Golden Age' - of British cinema, which saw 1.6 billion cinema tickets sold throughout 1946, the UK population watched films on a total of 4.6 billion occasions. This represents an average of 81 film viewings per person across all formats including cinema, television, home entertainment and VoD. The full report, 2011 Statistical Yearbook, can be found at <http://statisticalyearbook11.ry.com>

UK cinemas enjoyed another strong year, achieving record box office receipts (£988 million) with UK films attracting a 24% share of the box office, up from 17% in 2009. In total, 355 specialised, or 'non-mainstream', films were released in 2010, representing 64% of the total number of UK theatrical releases. Although grossing £66 million, these titles represent only a 6.5% share of total box office earnings, the majority of which is made up of big budget films such as *Toy Story 3*, the highest grossing release of 2010 followed by *Harry Potter and the Deathly Hallows: Part 1*. The huge critical and financial success of *The King's Speech*, released in January 2011, will be reflected in next year's Statistical Yearbook although the half year box office figures for 2011 released today reveal the multi award winning film earned over £45 million, a record gross for an independent UK film.

Television (terrestrial, subscription and other digital multi-channel) is the most popular viewing medium and accounts for 80% of all films watched in UK. While actual sales of film on video were down 11% on 2009, sell-through DVD and Blu-ray remains the largest single revenue source for film in the UK market, worth £1.3 billion.

The value of UK production (including inward investment feature films, domestic feature films and co-production) in 2010 increased by 7% compared with 2009, making 2010 the highest production year on record. This increase was boosted by a strong level of inward investment - at £935 million this is the highest yet tracked and accounted for 80% of UK spend, demonstrating the value of inward investment to the UK. Some of the big budget films contributing to this figure were *Captain America: The First Avenger*, *The Invention of Hugo Cabret*, *John Carter of Mars*, and *X-Men: First Class*. That said, the number of domestic features being produced is down with 79 being produced in 2010 as opposed to 87 in 2009; the full UK production spend was £175.8 million, a 22% drop on 2009. The number of co-productions that took place was also in decline - with 21 in 2010, falling from 27 in 2009. Acknowledging the decline in the median budget of domestic UK features, the 2011 Yearbook for the first time includes feature films with budgets under £500,000. It reveals a significant amount of activity, with 147 films being produced within this budget bracket in 2010 alone, up from 133 in 2009.

Britain's high calibre of creative talent continues to shine within the international film industry. Of the top 200 grossing films released worldwide between 2001 and 2010, UK originated story material (novels, computer games, musicals, comic book/graphic novels and original screenplays) accounted for 34 films - a feat only bettered by the US - and earning just under \$20 billion at the global box office. 10 of the top 20 grossing films worldwide in the same period, including *Alice in Wonderland*, *Inception* and the Harry Potter franchise, are based on British source material.

Public investment, through the Film Tax Relief, Lottery support and broadcasters remains vitally important to independent film in the UK. 15 of the top 20 highest grossing independent films of all time at the UK box office received support from the Lottery, BBC or Channel 4. Total public funding for film increased slightly in 2009/10 to £266 million from £256 million the previous year. Within this total, tax relief for culturally British film once again made the single biggest contribution, at £95 million.

The UK is the third largest film market in the world, behind the USA and Japan. In 2009, the UK film trade surplus was a record £929 million as the industry exported £1,476 million worth of services, of which £935 million came from royalties and £541 million from film production services. The film and video industries employed 48,500 people in 2010, of whom 30,500 worked in film and video production.

Amanda Nevill, Chief Executive of the BFI said, *"The numbers and trends in this latest Yearbook, brought bang up to date by the half year production and box office figures for 2011 so far, tell a story of mixed fortunes in British film. Overall it is holding up remarkably well, with more people watching more film on more platforms, an increase in inward investment and significant activity in low budget filmmaking. These are all good reasons to be optimistic but there are still challenges, such as the shifting home entertainment platforms for film which are seeing DVD sales fall. It is essential that there is continued invest in innovation, skills and new talent to ensure Britain's position remains competitive, with a focus on education to help grow audiences, instilling a passion for film and encouraging them to be more adventurous.*

"Right from the start when we took on our new responsibilities we recognised the importance and value of the Statistical Yearbook and although ongoing funding for it is no longer available, we are confident that the strength of this year's edition will encourage the creation of new industry partnership models to ensure its continuity."

Ed Vaizey, Minister for Minister for Culture, Communications and Creative Industries, said, *"I welcome the publication by the new BFI of the highly informative Statistics Yearbook for 2011. It is very encouraging to see such great results for UK Film, showing positive trending over the past two years"*.

A rich source of industry data and analysis on film in the UK, the publication of the Statistical Yearbook is one of the ways in which the BFI delivers on its commitment to evidence-based film policy. Research findings give the most authoritative and complete overview of the film landscape in the UK over the last 12 months, including the box office, film on video, TV and Video on Demand, specialised films, UK films internationally, distribution, exhibition, audiences, film production, film education, the UK film economy and more.

HALF YEAR UK BOX OFFICE AND PRODUCTION FIGURES FOR 2011 ANNOUNCED

UK Production in first half year, 2011

There were 46 films with budgets of £500k or more that commenced principal photography in the UK in H1 2011, the lowest first half figure since our records began in 2003. Twenty were domestic UK features, 17 were co-productions and nine were inward investment films. The number of co-productions increased from H1 2010 but the number of domestic and inward investment films declined.

The UK spend of features that commenced principal photography in the first half of 2011 was £771 million, driven mainly by a record level of inward investment (£700 million), which is the responsibility of the British Film Commission, the national body in charge of attracting, encouraging and supporting the production of international feature films in the UK.

UK spend of co-productions (£32.9 million) was the highest for three years but the UK spend of UK domestic productions (made with budgets over £500,000) was the lowest on record (£38.9 million). This continues the divergent trend of the last few years – the UK inward investment sector has been buoyant while the domestic sector has been under financial pressure.

Significant inward investment titles in H1 2011 included *47 Ronin*, *The Dark Knight Rises*, *Dark Shadows*, *Gambit*, *Prometheus* and *World War Z*.

Domestic UK titles in H1 2011 included *The Inbetweeners Movie*, *The Iron Lady*, *Cockneys Vs Zombies*, *Elfie Hopkins*, *Outpost II: Black Sun* and *Whole Lotta Sole* .

Co-productions in H1 2011 included *360*, *1884: Yesterday's Future*, *The Angels' Share* and *Streetdance 2 3D*.

There were 53 films with budgets less than £500,000 that commenced principal photography in the first half of 2011 and the total value of their UK spend was £5.9 million. This lifts the total number of domestic films of all budget levels to 67 and UK spend of domestic productions to £44.3 million.

UK Box Office in first half year, 2011

UK cinema admissions for the first six months of 2011 were 80.7m, up 0.7% on the first half of 2010). This represents the second highest first half admissions of the last five years.

The highest grossing film in H1 2011 was *The King's Speech* (£45.4 million) which boosted independent UK films market share to just under 13%, the highest recorded. UK-qualifying studio-backed titles (i.e. financed by US studios but passing the UK cultural test and featuring UK cast, crew, locations, facilities, post-production and often UK source material) shared 19.5% of the box office. Therefore, total UK share of the UK theatrical market in the first half of 2011 was 32.3%.

ADDITIONAL FACTS AND FIGURES

Box-office.

Although UK cinema admissions were down 2% on 2009 reaching 169.2 million, UK box office receipts this year achieved record levels and numbered £988 million, up 5% on the previous year. This growth was again supported by a strong line up of 3D films which accounted for 24% of UK and Republic of Ireland box office revenues in 2010 (£242 million), up from 16% in 2009 and just 0.4% in 2008

Overall, 557 films were released for a week or more in the UK with the top 100 films earning 90% of the gross box office. UK films, including co-productions, accounted for 21% of releases and 24% of the market by value

Cinema-goers enjoyed a wide choice of styles, genres and subjects throughout the year. Comedy is consistently the UK's favourite genre, taking just under one fifth of the box office in 2010. The fantasy genre, including *Harry Potter and the Deathly Hallows: Part 1*, took more money per site on average than other genres.

More films were classified '15' than any other classification, but '12A' films took the largest single share of the box office.

UK talent and awards

The UK has an astonishing creative record in film. For the past 10 years, UK actors, directors, writers and other film talent have been prominent in the global box office charts and award ceremonies. Story material from UK writers has continued to find enthusiastic audiences and UK talent has transported our culture, values and identity internationally. More than half of the top 200 films released worldwide since 2001 have featured UK actors in lead or prominent supporting roles. UK directors have helmed 21 of the 200 biggest films of the last 10 years with David Yates topping the box office league. UK films and talent won 24 major film awards in 2010, with 12 of these awards being won at the BAFTAs. The 265 awards received from 2001–2010 represented 14% of the total of all major awards

This success is bolstered by the raft of UK films and talent who have collectively won 24 major academy and festival awards in 2010, 12% of the total number presented. *The Hurt Locker* was the most successful film at both the Academy® and the BAFTA awards and, although it is an American film, some UK award winners were associated with it. Ray Becket won the Academy Award® for Sound Mixing and the BAFTA for Sound (both awards were won jointly with Swede Paul NJ Ottosson), and Barry Ackroyd won the BAFTA for Cinematography for the same film. British costume designer Sandy Powell also won both an Academy Award® and a BAFTA for her work

on the British film *The Young Victoria*. The BAFTA awards for Best Actor and Best Actress also went to British talent. Colin Firth won Best Actor for his role in *A Single Man*, and Carey Mulligan won Best Actress for *An Education*. The 261 awards won by UK films and talent between 2001 – 2010 represented 14% of the total of all major international awards including Berlin, Cannes and Venice.

Film production

UK production activity grew by 7% in 2010, from £1,088 million in 2009 to £1,165 million. There were 28 inward investment productions in 2010, with a UK production value of £935 million. Some of the big budget films contributing to this figure were *Captain America: The First Avenger*, *Harry Potter and the Deathly Hallows: Part 2*, *The Invention of Hugo Cabret*, *John Carter of Mars*, *Pirates of the Caribbean: On Stranger Tides*, *Sherlock Holmes 2*, *War Horse* and *X-Men: First Class*. There were 79 UK domestic features in 2010, down from 87 in 2009, with a UK production value of £175.8 million which was 22% down from the 2009 figure. Domestic UK titles in 2010 included *Attack the Block*, *The Deep Blue Sea*, *Horrid Henry: The Movie*, *Jane Eyre*, *Johnny English Reborn*, *Salmon Fishing in the Yemen* and *Tinker, Tailor, Soldier, Spy*. The number of co-productions declined to 21 but their UK spend increased from £36 million to £54 million. Co-productions in 2010 included *Africa United*, *The Lady*, *Singularity*, *The Three Musketeers* and *Will*.

Other headline statistics in the 2010 Statistical Yearbook include:

- 48,500 people work in the UK film and video industries, of whom 30,500 work in film and video production, up on 2009
- 62% of the UK population said they went to the cinema at least once a year, up from 60% in 2009
- Women made up 12% (17% in 2009) of the screenwriters of UK films released in the UK in 2010 and 13% (17% in 2009) of the directors.

- In 2009/10, £21 million was spent on education, young people and lifelong learning by the national and regional screen agencies, up from £19 million in 2007/08.
- There were 4,252 students enrolled in higher education film studies courses in 2009/10, an increase of 273% on 2002/03.
- 392 moving image education providers were operating in the UK in 2011; nearly one quarter were production companies and one-fifth were venues.
- The number of UK screens continues to rise – 3,671 (up by 20 since 2009) across 716 cinemas. The UK now has the second highest number of digital screens in Europe with 1,415 screens (behind France’s 1,910 digital screens). The UK had 1,067 screens capable of screening digital 3D features (75% of all digital screens). The average ticket price was £5.84.
- 355 specialised films were released in the UK in 2010, which was 64% of the total releases. 199 foreign language films in 29 different languages (including English) were released in the UK in 2010 making up 36% of total releases, but sharing just 3% of the UK box office. 47 Hindi films were released in 2010, with *My Name is Khan* and *Dabangg* being the two most popular.
- Film distribution in the UK continues to be dominated by a few very large companies, but a number of smaller companies distribute almost as many titles – the top 10 distributors had a 94% share of the market in 2010, up from 92% in 2009. Estimated total advertising spend was £171 million, a 1.4% increase on 2009.
- In 2009, there were nearly 5,000 film production companies, 2,500 post-production companies, 395 film distributors, and 225 exhibitors in the UK. The majority of companies were small (turnover under £250,000) but more than 70% of turnover was accounted for by the 185 companies with turnover over £5 million

- The combined rental and sales market for video on physical media in 2010 was £2.3 billion, with feature films on video accounting for £1.45 billion. 63 million films were rented on video in 2010 (70 million in 2009) and 160 million films on video were sold (180 million in 2009). Film accounted for 72% of the volume of the video sales market and 61% of the value. UK film had a 20% share.
- Online video rental of feature films accounted for 56% of all rental transactions of feature films in 2010.
- The total Video on Demand and near-Video on Demand (nVoD) film market was estimated to be worth £159 million in 2010, up 22% on 2009. There were 15 million households able to access television based VoD and nVoD in 2010 that spent an estimated £118 million on films. Overall online film revenues increased by 86% to £41.2 million although the nascent market remains a small part of the film value chain. However, it should be noted that title-by-title data are still unavailable for this sector and we are therefore unable to report statistics on the top performing titles or the market share of UK films.

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Notes to Editors

About the BFI

The BFI is the lead body for film in the UK with the ambition to create a flourishing film environment in which innovation, opportunity and creativity can thrive by:

- Connecting audiences to the widest choice of British and World cinema
- Preserving and restoring the most significant film collection in the world for today and future generations
- Championing emerging and world class film makers in the UK
- Investing in creative, distinctive and entertaining work
- Promoting British film and talent to the world
- Growing the next generation of film makers and audiences

About the British Film Commission

The British Film Commission (BFC) is the national body in charge of attracting, encouraging and supporting the production of international feature films in the UK. With offices in the UK and the US, the BFC provides free professional advice to help make productions in the UK a reality.

The British Film Commission is managed by Film London through a public/private partnership which is funded by the Department for Culture, Media and Sport through the BFI.

www.britishfilmcommission.org.uk

www.filmlondon.org.uk