

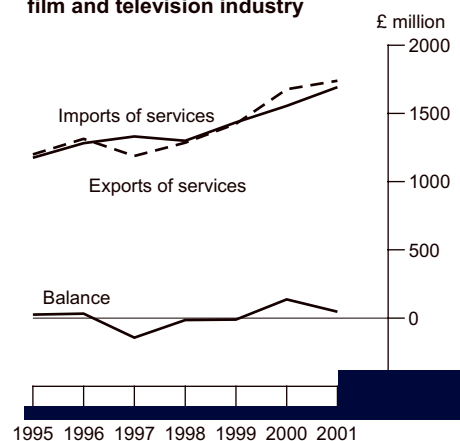
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Coverage  
United Kingdom  
Theme  
Economy

# UK film and TV industry 2001 – import and export of services

Exports of services by the film and TV industry were £1,739 million in 2001 – a 4 per cent increase on 2000<sup>1</sup> while imports of services increased by 9 per cent on 2000<sup>1</sup> to £1,693 million. This gave a credit balance in 2001 of £46 million – a £76 million decrease on the balance in 2000<sup>1</sup>.

International transactions of the film and television industry



This year's survey also indicated that:

- The film industry showed a net surplus of £244 million – a similar figure to 1999 following the decrease in 2000<sup>1</sup>.
- The TV industry showed a net deficit of £334 million – the second largest deficit since 1995.
- Net earnings for 'other services' (for example, merchandising) fell by 46 per cent in 2001 to £135 million – a return to the level recorded in 1999 following an increase in 2000<sup>1</sup>.

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## UK film and TV industry

	1995	1996	1997	1998	1999	2000 <sup>1</sup>	2001
<i>£ million</i>							
Exports of services	1200	1314	1188	1286	1424	1677	1739
Imports of services	1175	1282	1331	1300	1435	1555	1693
Balance	25	32	-143	-14	-11	122	46

<sup>1</sup> Data for 2000 has been revised due to late returned company data.

## Film companies

At £700 million exports by film companies remained at a similar level to 2000<sup>1</sup> while imports dropped from £610 million in 2000<sup>1</sup> to £456 million in 2001 (Table 1). As a result the film industry surplus increased to £244 million in 2001 – a similar level to 1999 following the fall in 2000<sup>1</sup>.

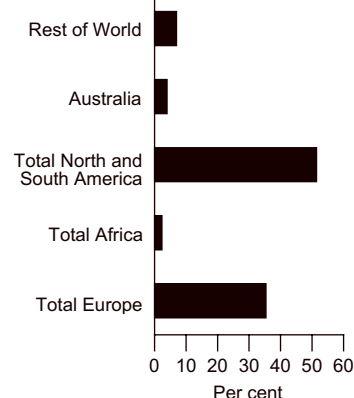
Table 2 shows the split between production and royalties such as transmission rights and licences. Royalties received fell by 4 per cent to £468 million in 2001 while royalties paid out fell by 18.5 per cent to £405 million in 2001 after rising in 2000<sup>1</sup>.

Money received from abroad for the provision of production facilities rose in 2001 for the second year running to £232 million – an increase of 10 per cent on 2000<sup>1</sup>. Payments by UK companies for production work abroad fell to £50 million in 2001 – a similar level to 1999 after increasing in 2000<sup>1</sup>.

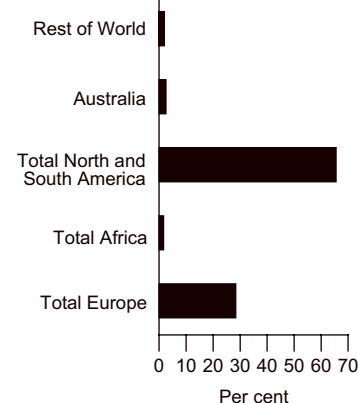
The contribution made to the film industry by subsidiaries of the major US film companies that are based in the UK are illustrated in Table 3. In 2001 exports and imports decreased by 11 per cent and 43 per cent respectively from 2000<sup>1</sup>. Other companies, those that are not subsidiaries of major US film companies, show increases for both exports and imports. Compared with 2000<sup>1</sup>, exports in 2001 have increased by 17 per cent and imports by 1 per cent.

Table 4 contains a geographical analysis of production and royalty transactions by film companies. Some 48 per cent of film industry exports were to the USA – a slight decrease from 50 per cent in 2000<sup>1</sup>, while 64 per cent of imports were also from the USA – an increase from 42 per cent in 2000<sup>1</sup>. By comparison, 35 per cent of exports and 28 per cent of imports were to and from Europe. European exports show a slight increase compared with 2000<sup>1</sup> but the percentage of European imports has nearly halved during the same period.

Film industry: 2001 exports



Film industry: 2001 imports



<sup>1</sup> Data for 2000 has been revised due to late returned company data.

## Television companies

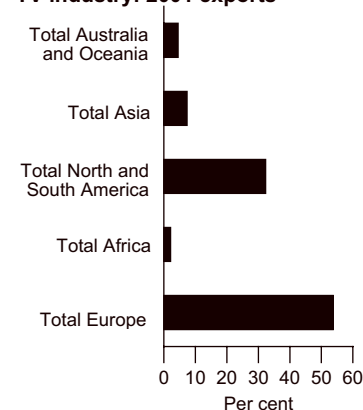
In 2001, TV companies consisted of terrestrial broadcasters as well as satellite and cable companies who were concerned with television functions other than simply transmitting channels. Table 1 shows that international receipts again increased. Between 2000<sup>1</sup> and 2001 receipts rose from £551 million to £673 million – an increase of 22 per cent. International payments have also shown an increase from £767 million in 2000<sup>1</sup> to £1,007 million in 2001 – an increase of 31 per cent and the largest figure since 1995. The negative balance for imports and exports by the TV industry increased from £216 million in 2000<sup>1</sup> to £334 million in 2001 – the second highest deficit since 1995.

Table 5 gives a geographical analysis of the imports and exports of TV companies'. As in 2000<sup>1</sup>, the largest share of exports (54 per cent) was to Europe, amounting to £360 million, followed by exports to the USA of £170 million (25 per cent of total exports). TV industry imports from the USA were estimated at £586 million in 2001 and £357 million from Europe.

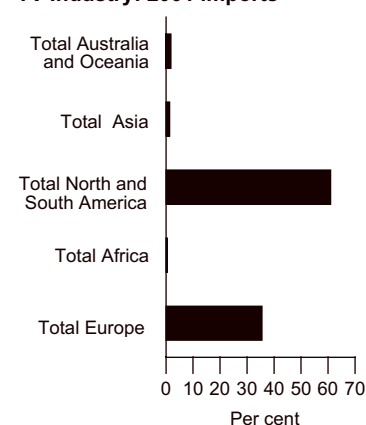
## Other transactions in services

In 2001 exports of other services by the film and television industries fell by 15 per cent to £365 million and imports grew by 28 per cent to £230 million (Table 6). The balance therefore has fallen to £135 million, returning to a level similar to that in 1999 following the rise in 2000<sup>1</sup>.

TV industry: 2001 exports



TV Industry: 2001 imports



<sup>1</sup> Data for 2000 has been revised due to late returned company data.

## BACKGROUND NOTES

1. A total of 643 film and television companies were approached for the Film and Television Survey 2001. Apart from a fixed panel of the largest companies, businesses were randomly sampled, stratified by employment and taken from the Inter Departmental Business Register (IDBR). Of those approached, 173 (27 per cent) reported international transactions. Companies were asked to provide figures for the calendar year 2001 where possible, although some firms provided figures for their nearest accounting year.
2. Amounts are shown against the geographical area from which they were received – irrespective of where they were first earned.

## International transactions

3. The statistics on film companies cover the value of transactions between the UK and residents in other countries in respect of the production of films of any width and also recordings on tape, disc or any other media. Performance in cinemas or on television is also covered. Performances in cinemas or on television include the outright sale or purchase of films as well as receipts or payment for rentals.
4. Production of films includes international receipts or payments for film processing, printing, editing, etc. as well as amounts for work done on location. The returns from film companies include their international transactions on behalf of another producer, distributor or agent in the UK.
5. Receipts for production work in the UK are comprised of funds from abroad or from amounts held in the UK on behalf of residents in other countries, and sums applied to the repayment of loans raised in the UK. Amounts for film production, including location work abroad, remitted from the UK or from amounts held abroad on behalf of UK residents are included as debits (imports).
6. The statistics include transactions by film and television companies for “other international services transactions”. These include items such as management fees, merchandising and agency fees. These services are included in the headline figures and are shown separately in Table 6.

7. Not all of the international transactions of film and television companies that affect the UK's Balance of Payments are included in these statistics. Excluded are the profits of UK subsidiaries and branches attributable to the parent companies in other countries and also those profits due to the UK from subsidiaries and branches of UK companies operating in other countries. However, these amounts are included under "Investment Income" in the Balance of Payments.
8. The figures reported by companies in this survey include some imports and exports of exposed cinematographic film, which has also been recorded in the overseas visible trade accounts. However, the trade account figures for exposed cinematographic film include a number of elements not covered by this survey: items such as film flown in for processing and immediate return to the location abroad, and films imported and prints exported for and after processing by specialist laboratories on behalf of international customers. It is not possible to state the exact extent of the overlap but the survey results probably include about half of the export figure in the overseas trade account and a higher proportion of the import figure.

### General

9. The tables give information in as much detail as is practicable without disclosing the details of individual firms.
10. Because the sample is selected randomly from the IDBR, it is possible to give an indication of the possible error in the estimates due to the sampling process. These errors have been estimated as follows:

(£ million)	estimate	standard deviation
Exports of services	1,739	52
Imports of services	1,693	18

It is normally assumed that 95 per cent of values will lie within two standard deviations of the estimate. In other words, ONS is 95 per cent confident that the true value of exports lies between £1,635 million and £1,843 million. Also that the value of imports lies between £1,657 million and £1,729 million. However, there are other sources of possible errors, such as misreporting by contributors to the survey.

11. The sum of constituent items in tables may not always agree exactly with the totals shown due to rounding.
12. The following symbols have been used throughout:

.. disclosive data.



13. Details of the policy governing the release of new data are available from the Press Office.
14. **National Statistics** are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown Copyright 2001.

TABLE 1 INTERNATIONAL TRANSACTIONS:  
FILM AND TELEVISION MATERIAL

	£ million						
	1995	1996	1997	1998	1999	2000 [r]	2001
<u>Exports (1)</u>							
Film companies (2)	787	888	650	581	653	698	700
Television companies	245	234	313	444	440	551	673
Total	1032	1122	963	1025	1093	1249	1373
<u>Imports (3)</u>							
Film companies	681	652	525	437	375	610	456
Television companies	400	516	606	692	843	767	1007
Total	1081	1168	1131	1129	1219	1377	1463
<u>Exports less imports</u>							
Film companies	106	236	125	144	278	88	244
Television companies	-155	-282	-293	-248	-403	-216	-334
Total	-49	-46	-168	-104	-126	-128	-90

1. Sums receivable from residents in other countries
2. Includes transactions by film companies in respect of rights restricted to television
3. Sums payable to residents in other countries
4. [r] 2000 data revised due to late returned contributor data

TABLE 2 INTERNATIONAL TRANSACTIONS OF FILM COMPANIES:  
ANALYSIS BY TYPE OF TRANSACTION

	£ million						
	1995	1996	1997	1998	1999	2000 [r]	2001
<u>Exports (1)</u>							
Royalties	560	686	438	427	508	487	468
Production of films	227	202	212	154	145	210	232
Total	787	888	650	581	653	697	700
<u>Imports (2)</u>							
Royalties	489	507	419	374	317	497	405
Production of films	192	145	106	63	58	113	50
Total	681	652	525	437	375	610	456

1. [r] 2000 data revised due to late returned contributor data
2. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables

TABLE 3 INTERNATIONAL TRANSACTIONS OF FILM COMPANIES:  
ANALYSIS BY TYPE OF TRANSACTION AND CATEGORY OF COMPANY

	£ million						
	1995	1996	1997	1998	1999	2000 [r]	2001
<u>Exports (1)</u>							
UK subsidiaries of major US film companies	523	623	439	319	362	416	371
Other	264	265	211	262	291	281	329
Total	787	888	650	581	653	697	700
<u>Imports (2)</u>							
UK subsidiaries of major US film companies	490	456	415	214	233	366	209
Other	191	196	110	223	142	244	246
Total	681	652	525	437	375	610	456

1. Sums receivable from residents in other countries, excluding "other services"
2. Sums payable to residents in other countries, excluding "other services"
3. [r] 2000 data revised due to late returned contributor data
4. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables

TABLE 4 INTERNATIONAL TRANSACTIONS:  
ANALYSIS OF THE FILM COMPANIES BY GEOGRAPHICAL AREA: 2001

	£ million		
	<b>Exports (1)</b>	<b>Imports (2)</b>	<b>Net</b>
<b>EUROPEAN UNION</b>			
Austria	..	..	0
Belgium/Luxembourg	7	0	7
Denmark	15	2	13
Finland	..	..	..
France	48	29	19
Germany	62	23	39
Greece	..	..	8
Irish Republic	17	5	12
Italy	28	2	26
Netherlands	9	..	..
Portugal	3	..	..
Spain	7	4	4
Sweden	1	..	..
<b>Total European Union</b>	<b>206</b>	<b>119</b>	<b>87</b>
<b>Other European Countries of which:</b>			
Russia	2	0	2
Turkey	2	0	2
Rest of Europe	6	0	6
Europe Unallocated	19	0	18
<b>Total Other European Countries</b>	<b>41</b>	<b>10</b>	<b>31</b>
<b>Total Europe</b>	<b>248</b>	<b>129</b>	<b>118</b>
<b>Total Africa</b>	<b>16</b>	<b>8</b>	<b>9</b>
<b>North and South America of which:</b>			
USA	335	290	45
Rest of America / America unallocated	24	9	16
<b>Total America</b>	<b>360</b>	<b>299</b>	<b>61</b>
<b>Total Asia</b>	<b>49</b>	<b>8</b>	<b>40</b>
<b>Total Australia and Oceania</b>	<b>28</b>	<b>12</b>	<b>16</b>
<b>WORLD TOTAL</b>	<b>700</b>	<b>456</b>	<b>245</b>

.. Denotes disclosive data

1. Sums receivable from residents in other countries, excluding "other services"
2. Sums payable to residents in other countries, excluding "other services"

TABLE 5 INTERNATIONAL TRANSACTIONS:  
ANALYSIS OF THE TELEVISION COMPANIES BY GEOGRAPHICAL AREA: 2001

	£ million		
	Exports (1)	Imports (2)	Net
<b>EUROPEAN UNION</b>			
Austria	1	0	1
Belgium/Luxembourg	8	9	-1
Denmark	19	..	..
Finland	3	0	3
France	25	39	-14
Germany	44	11	33
Greece	2	0	2
Irish Republic	12	10	2
Italy	23	4	19
Netherlands	23	94	-71
Portugal	15	0	15
Spain	14	4	10
Sweden	42	..	..
<b>Total European Union</b>	<b>232</b>	<b>247</b>	<b>-15</b>
<b>Total EFTA</b>	<b>33</b>	<b>92</b>	<b>-59</b>
<b>Other European Countries of which:</b>			
Czech Republic	2	0	2
Poland	23	5	18
Russia	4	1	3
The Channel Islands	0	0	0
The Isle of Man	3	0	3
Turkey	1	0	1
Rest of Europe/Europe Unallocated	62	12	50
<b>Total Europe</b>	<b>360</b>	<b>357</b>	<b>3</b>
<b>Africa of which:</b>			
South Africa	7	3	4
Rest of Africa / Africa Unallocated	7	1	6
<b>Total Africa</b>	<b>14</b>	<b>4</b>	<b>10</b>
<b>North and South America of which:</b>			
Canada	9	8	2
USA	170	586	-417
Rest of America / America Unallocated	38	18	19
<b>Total America</b>	<b>217</b>	<b>612</b>	<b>-396</b>
<b>Asia</b>			
China	0	1	-1
Hong Kong	5	1	4
Israel	4	2	2
Japan	14	2	12
South Korea	1	0	1
Taiwan	0	0	0
Thailand	0	0	0
Rest of Asia	11	7	4
Asia Unallocated	14	0	13
<b>Total Asia</b>	<b>49</b>	<b>13</b>	<b>36</b>
<b>Australia and Oceania</b>			
Australia	22	17	5
Rest of Australia and Oceania / Unallocated	8	1	7
<b>Total Australia and Oceania</b>	<b>30</b>	<b>18</b>	<b>12</b>
<b>WORLD TOTAL</b>	<b>671</b>	<b>1005</b>	<b>-334</b>

.. Denotes disclosive data

1. Sums receivable from residents in other countries, excluding "other services"
2. Sums payable to residents in other countries, excluding "other services"

TABLE 6 OTHER INTERNATIONAL SERVICE TRANSACTIONS BY THE FILM AND TELEVISION INDUSTRY

	£ million						
	1995	1996	1997	1998	1999	2000[r]	2001
Exports (1)	168	192	225	261	330	431	365
Imports (2)	94	114	200	171	216	180	230
Net	74	78	25	90	114	251	135

See background notes for definition of Other services

1. Sums receivable from residents in other countries
2. Sums payable to residents in other countries
3. [r] 2000 data revised due to late returned contributor data