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About the Research and Statistics Unit (RSU)

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Introduction

UK production recovery best news in the first six months of 2006

The best news for the UK film industry in the first six months of 2006 was the recovery in UK production (see Section 3 of this Bulletin), with both domestic and inward investment films showing strong gains. Inward investment was up from £179.4 million for the first half of 2005 to £306.7 million for the same period this year.

In contrast, UK admissions and box office were subdued in the first seven months of the year, with admissions down by 2.4% on the same period last year. By contrast, in the first six months of the year, admissions increased by 19% in France and 8% in Germany. However, these territories suffered markedly in the global admissions downturn last year, while the UK experienced relatively healthy box office returns fuelled by a clutch of major UK/USA collaborations. Now, stronger domestic product is boosting ticket sales in these other European territories, bringing audiences back to pre-2005 levels. The best performing title of the year to date has been *Pirates of the Caribbean 2: Dead Man's Chest*, with a gross box office of £51.48 million at the end of August.

The best performing UK title was *The Da Vinci Code* (a UK/USA collaboration) with a box office of £30.4 million at the end of August. Other prominent UK performers have been *Stormbreaker*, *The Wind that Shakes the Barley* (which also took the Palme D'Or at Cannes), *V for Vendetta* and *United 93*.

In Section 2 we take a look at UK story material for the period 2001 to 2005. The picture here is excellent, with films based on UK story material (such as the Harry Potter movies, the Lord of the Rings trilogy, James Bond, Bridget Jones and Wallace and Gromit) achieving huge international success. Nineteen of the top 100 films at the world box office 2001–2005, and six of the top 10, were based on stories and characters created by UK writers, a feat only bettered by stories originated in the USA.

Turning to audience tastes, we see in Section 4 that, as usual, films differed significantly in their appeal along the lines of gender, age, social class and region. For women, the most popular of the top movies so far in 2006 (for which data are available) were *Memoirs of a Geisha* and *Brokeback Mountain*. Men, on the other hand, went for *United 93* and *V for Vendetta*.

Older audiences went for *Walk the Line* and *Brokeback Mountain*, while 15–24 year olds preferred *Final Destination 3*, *V for Vendetta* and *Confetti*.

In genre terms an interesting feature of the year to date is how well biopics (led by *Walk the Line* and *Capote*) have worked. Comparing their box office revenues to their site numbers, it would appear the full potential of these movies at the box office may not have been captured, underlining the UK Film Council's strategy to support the industry in growing the audience for specialised films.

Finally, in Section 5, we look forward to 2010 with the help of the PricewaterhouseCoopers Global and Media Entertainment Outlook 2006-2010, which was published in June. Despite intense competition for the entertainment pound from multi-channel TV, the internet and gambling, PwC forecasts a recovery for filmed entertainment from the unexpected drop in 2005, with steady single digit growth for the balance of the decade.

These forecasts are encouraging, but also underline the need for the film industry to adapt rapidly to changing consumer tastes and the spread of new digital and mobile entertainment platforms.

David Steele, Head of Research and Statistics Unit
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About the UK Film Council

The UK Film Council was established by the Government in 2000 as the lead agency for film in the UK ensuring that the economic, cultural and educational aspects of film are effectively represented at home and abroad.

We support:

Creativity — encouraging the development of new talent, skills and creative and technological innovation in UK film, and assisting new and established filmmakers to produce successful and distinctive British films.

Enterprise — supporting the creation and growth of sustainable businesses in the film sector, providing access to finance and helping the UK film industry compete successfully in the domestic and global marketplace.

Imagination — promoting education and an appreciation and enjoyment of cinema by giving UK audiences access to the widest range of UK and international cinema, and by supporting film culture and heritage.

1. Theatrical market in 2006 — the story so far

Admissions for the first seven months of 2006 were down slightly (-2.4%) on the same period in 2005. However, as table 1.1 shows, there were significant month-to-month fluctuations in ticket sales. The year began slowly, with admissions in March slipping below the 10 million mark for only the second time since June 2003. Two award-winning dramas, *Brokeback Mountain* and *Walk the Line*, prevented ticket sales slipping further at this time, as did the family film *Chicken Little*. It took another animated family film, *Ice Age II* to really kick-start the year's box office on its release in April. May heralded the start of the summer blockbuster season with a raft of thrillers and action films — *The Da Vinci Code*, *X-Men 3* and *Mission: Impossible III* — but the box office took a further hit in June as potential

cinema-goers were distracted by the combination of hot weather and the World Cup. In fact, distributors largely avoided this period, waiting until July to unleash such major films as *The Pirates of the Caribbean 2: Dead Man's Chest*, *Cars* and *Superman Returns*. Admissions increased by 87% June to July, boosted by these high-profile releases, and *The Pirates of the Caribbean* sequel became the biggest film of the year from the first three weeks of ticket sales alone.

Table 1.1: Monthly admissions, January – July

Month	2005 (m)	2006 (m)	% +/- on 2005
January	13.4	14.0	+4.5
February	14.8	12.8	-13.5
March	12.3	9.9	-19.5
April	10.6	13.6	+28.3
May	13.1	13.2	+0.8
June	10.5	8.7	-17.1
July	16.0	16.3	+1.9
Total	90.9	88.7	-2.4

Source: CAA, Nielsen EDI

Table 1.2: Average weekly admissions, January – July

Month	2005 weekly average (m)	2006 weekly average (m)
January	3.0	3.2
February	3.7	3.2
March	2.8	2.2
April	2.5	3.2
May	3.0	3.0
June	2.5	2.0
July	3.6	3.7

Source: CAA, Nielsen EDI

Table 1.3: Monthly admissions, 2002 – 2006

Month	2002 (m)	2003 (m)	2004 (m)	2005 (m)	2006 (m)
January	15.0	16.3	15.3	13.4	14.0
February	19.0	15.0	13.3	14.8	12.8
March	14.3	10.4	10.7	12.3	9.9
April	13.2	12.4	14.5	10.6	13.6
May	14.0	13.8	13.1	13.1	13.2
June	12.2	9.4	14.7	10.5	8.7
July	15.0	12.4	18.4	16.0	16.3

Source: CAA, Nielsen EDI

To date, 344 films have been released theatrically in the UK, earning £526 million, but one film alone accounts for almost 10% of this. *The Pirates of the Caribbean 2: Dead Man's Chest* became only the ninth film released in the UK to break the £50 million mark. It has now grossed \$1 billion worldwide, and sits behind *Titanic* and *The Lord of the Rings: The Return of the King* as the third highest grossing film of all time globally.

Table 1.4: Box office results for the top 20 films released in the UK, January–August 2006

Rank	Title	Country of origin	Gross box office (£m)	Opening cinemas	Opening weekend gross (£m)	Distributor
1	Pirates of the Caribbean 2: Dead Man's Chest*	USA	51.48	514	13.74	Buena Vista
2	The Da Vinci Code*	UK/USA	30.40	523	9.50	Sony
3	Ice Age II	USA	29.45	502	9.78	20th Century Fox
4	X-Men 3	USA	19.13	446	7.09	20th Century Fox
5	Superman Returns*	USA	16.01	477	4.34	Warner Bros.
6	Cars*	USA	15.79	513	2.67	Buena Vista
7	Mission: Impossible III	USA	15.45	512	5.38	UIP
8	Chicken Little	USA	13.51	511	3.17	Buena Vista
9	Over the Hedge*	USA	12.95	504	3.59	UIP
10	The Break Up*	USA	10.25	373	2.41	UIP
11	Walk the Line	USA	10.14	198	1.11	20th Century Fox
12	Brokeback Mountain	USA	10.08	125	0.99	Entertainment
13	Big Momma's House 2	USA	9.19	309	1.74	20th Century Fox
14	Final Destination 3	USA	9.01	322	2.22	Entertainment
15	The Inside Man	USA	8.15	355	1.81	UIP
16	Miami Vice*	USA	7.33	408	2.23	UIP
17	Memoirs of a Geisha	USA	7.13	241	1.15	Buena Vista
18	Fun with Dick and Jane	USA	7.02	422	1.96	Sony
19	Stormbreaker*	UK/Ger/USA	6.62	370	1.24	Entertainment
20	Garfield 2*	USA	6.14	327	0.74	20th Century Fox

Source: Nielsen EDI, RSU analysis

Gross box office gross = cumulative total up to 10 September 2006

Films with an asterisk (*) were still being exhibited on 10 September 2006

The top 20 UK films released in the first eight months of the year are shown in table 1.5. So far, *The Da Vinci Code* and *Stormbreaker* are the only UK collaborations to have grossed more than £5 million. By the end of August 2005, eight UK titles had achieved this figure. The UK's share of the theatrical market in the year to date stands at 13%, due mainly to the decline in mainstream UK/USA collaborations at the UK box office, itself a reflection of the production downturn that occurred in the last 18 months due to uncertainty around the UK film tax system. However, UK studios appear to be much busier — see section 3 of this bulletin — and in terms of this year's market share, the return of Bond in *Casino Royale* is certain to boost this figure.

Table 1.5: Top 20 UK films released in the UK, January–August 2006

Rank	Title	Country of origin	Gross box office (£m)	Opening cinemas	Distributor
1	The Da Vinci Code*	UK/USA	30.40	523	Sony
2	Stormbreaker**	UK/Ger/USA	6.62	370	Entertainment
3	The Wind that Shakes the Barley**†	UK/Ger/Ita/Spa/Ire/Fra	3.65	105	Pathé
4	V for Vendetta	UK/USA/Ger	3.58	410	Warner Bros
5	United 93*	UK/Fra/USA	2.83	276	UIP
6	Match Point	UK/USA/Lux	2.47	130	Icon
7	Derailed	UK/USA	2.30	316	Buena Vista
8	Alien Autopsy	UK	2.18	417	Warner Bros
9	Confetti	UK	2.04	300	20th Century Fox
10	An American Haunting	UK/Can/USA	1.81	269	Lions Gate
11	Severance**†	UK/Hun/IoM	1.59	302	Pathé
12	Basic Instinct 2: Risk Addiction	UK/USA/Ger	1.16	290	Entertainment
13	A Cock and Bull Story†	UK	1.05	131	Redbus
14	Breakfast on Pluto†	UK/Ire	0.85	95	Pathé
15	The Proposition†	UK/Aus	0.67	118	Tartan
16	Tristan and Isolde	UK/Ger/USA	0.61	245	20th Century Fox
17	The Dark	UK/Ger	0.61	191	Momentum
18	Kidulthood†	UK	0.45	41	Revolver
19	The Adventures of Greyfriars Bobby	UK	0.39	82	The Works
20	Proof	UK/USA	0.30	25	Buena Vista

Source: Nielsen EDI, RSU analysis

Gross box office = cumulative total up to 10 September 2006

Films with an asterisk (*) were still being exhibited on 10 September 2006

Films with (†) have been supported by National Lottery money through the UK Film Council

The most successful foreign language films so far this year have been *Kabhi Alvida Na Kehna* (grossing almost £2 million), *Volver* (grossing £1.7 million in just three weeks) and *Hidden (Caché)*, which spent over six months in UK cinemas (table 1.6).

Table 1.6: Top 20 foreign language films released in the UK, January–August 2006

Rank	Title	Country of origin	Gross box office (£m)	Opening cinemas	Distributor	Language
1	Kabhi Alvida Na Kehna*	Ind	1.96	60	Yash Raj	Hindi
2	Volver*	Spa	1.74	87	Pathé	Spanish
3	Hidden (Caché)	Fra/Aut/Ger/Ita	1.45	26	Artificial Eye	French
4	Fanaa	Ind	1.18	37	Yash Raj	Hindi
5	Fearless	HK/USA	1.12	250	UIP	Japanese
6	Rang de Basanti	Ind	0.83	38	UTV Comms	Hindi
7	Tsotsi	S Africa	0.78	86	Momentum	Zulu/Xhosa/ Afrikaans
8	Krrish	Ind	0.68	46	Adlabs	Hindi
9	The Little Polar Bear 2	Ger	0.53	226	Warner Bros	German
10	Lage Raho Munnabhai*	Ind	0.50	38	Eros	Hindi
11	Humko Deewana Kar Gaye	Ind	0.48	38	UTV Comms	Hindi
12	Phir Hera Pheri	Ind	0.48	36	Tip Top Ent	Hindi
13	Chup Chup Ke	Ind	0.34	28	UTV Comms	Hindi
14	Malamaal Weekly	Ind	0.33	14	Tip Top Ent	Hindi
15	Mere Jeevan Saathi	Ind	0.32	35	Tip Top Ent	Hindi
16	36 China Town	Ind	0.31	34	Tip Top Ent	Hindi
17	Omkara	Ind	0.28	30	Eros	Hindi
18	District 13	Fra	0.27	71	Momentum	French
19	Humko Tumse Pyaar Hai	Ind	0.23	29	Tip Top Ent	Hindi
20	Lemming	Fra	0.22	25	Artificial Eye	French

Source: Nielsen EDI, RSU analysis

Gross box office = cumulative total up to 10 September 2006

Films with an asterisk (*) were still being exhibited on 10 September 2006

2. UK story material at the worldwide box office 2001–2005

Film is an immensely powerful medium, with the ability to project stories and images globally across cultural and national boundaries. Stories created by UK writers have been adapted into films which have dominated the global box office over the last five years. They have been enjoyed by millions of cinema-goers, entertaining those new to the story material as well as those familiar with the original works. Not only do the films reflect the wealth of UK writing talent, but they also project strong images of cultural and national identity, updating classics of earlier generations such as *Mary Poppins* and *Sherlock Holmes*.

The subsequent analysis focuses on the top films released worldwide between 2001 and 2005 (table 2.1). The *Harry Potter* and *Lord of the Rings* films (based on novels by JK Rowling and JRR Tolkien respectively) made up seven of the top 20 films worldwide 2001-2005. Together with *The Chronicles of Narnia*, written by CS Lewis, and *War of the Worlds*, based on the original HG Wells story, films adapted from stories created by UK writers accounted for nine of the most-watched films of the last five years, grossing \$7.8 billion in total.

Table 2.1: Top 20 grossing films worldwide 2001–2005

Rank	Title	Country of origin	Gross box office (\$m)	US Distributor	Source material
1	The Lord of the Rings: The Return of the King	USA/NZ	1,119	New Line	Novel by JRR Tolkein
2	Harry Potter and the Philosopher's Stone	UK/USA	967	Warner Bros	Novel by JK Rowling
3	The Lord of the Rings: The Two Towers	USA/NZ	923	New Line	Novel by JRR Tolkein
4	Shrek 2	USA	915	Dreamworks SKG	Book by Willaim Steig
5	Harry Potter and the Goblet of Fire	UK/USA	892	Warner Bros	Novel by JK Rowling
6	The Lord of the Rings: The Fellowship of the Ring	USA/NZ	868	New Line	Novel by JRR Tolkein
7	Harry Potter and the Chamber of Secrets	UK/USA	866	Warner Bros	Novel by JK Rowling
8	Finding Nemo	USA	853	Buena Vista	Original screenplay
9	Star Wars Episode III: Revenge of the Sith	USA	850	20th Century Fox	Original screenplay
10	Spider-Man	USA	822	Sony Pictures	Comic book by Stan Lee and Steve Ditko
11	Harry Potter and the Prisoner of Azkaban	UK/USA	790	Warner Bros.	Novel by JK Rowling
12	Spider-Man 2	USA	784	Sony	Comic book by Stan Lee and Steve Ditko
13	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	USA/NZ	749	Buena Vista	Novel by CS Lewis
14	The Matrix Reloaded	USA	739	Warner Bros.	Original screenplay
15	The Pirates of the Caribbean: The Curse of the Black Pearl	USA	653	Buena Vista	Original screenplay
16	Star Wars Episode II: Attack of the Clones	USA	650	20th Century Fox	Original screenplay
17	The Incredibles	USA	632	Buena Vista	Original screenplay
18	The Day after Tomorrow	USA	629	20th Century Fox	Original screenplay
19	The Passion of the Christ	USA	610	Newmarket Films	Based on Bible stories
20	The War of the Worlds	USA	596	Paramount	Novel by HG Wells

Source: Variety, RSU analysis

The top 20 grossing films adapted from stories or characters created by UK writers is listed in table 2.2. Fifteen of the titles are adapted from novels and short stories written by UK authors, two are original screenplays, one based on a graphic novel, one on situations and characters from a best-selling computer game, and one based on characters and situations as told in various British myths and legends. To date, these films have grossed almost \$11 billion.

Table 2.2 Top 20 grossing films worldwide based on stories and characters created by UK writers 2001–2005

Rank	Title	Country of origin	Gross box office (\$m)	US Distributor	UK story material
1	The Lord of the Rings: The Return of the King	USA/NZ	1,119	New Line	Novel by JRR Tolkein
2	Harry Potter and the Philosopher's Stone	UK/USA	967	Warner Bros.	Novel by JK Rowling
3	The Lord of the Rings: The Two Towers	USA/NZ	923	New Line	Novel by JRR Tolkein
4	Harry Potter and the Goblet of Fire	UK/USA	892	Warner Bros.	Novel by JK Rowling
5	The Lord of the Rings: The Fellowship of the Ring	USA/NZ	868	New Line	Novel by JRR Tolkein
6	Harry Potter and the Chamber of Secrets	UK/USA	866	Warner Bros.	Novel by JK Rowling
7	Harry Potter and the Prisoner of Azkaban	UK/USA	790	Warner Bros.	Novel by JK Rowling
8	The Chronicles of Narnia: The Lion, the Witch and the Wardrobe	USA/NZ	749	Buena Vista	Novel by CS Lewis
9	The War of the Worlds	USA	596	Paramount	Novel by HG Wells
10	Charlie and the Chocolate Factory	UK/USA	473	Warner Bros.	Novel by Roald Dahl
11	Die Another Day	UK/USA	415	MGM/UA	Based on Ian Fleming novels
12	Bridget Jones: The Edge of Reason	UK/USA	255	Universal	Novel by Helen Fielding
13	Bridget Jones's Diary	UK/USA	254	Miramax	Novel by Helen Fielding
14	Lara Croft: Tomb Raider	UK/USA/Jap/Ger	251	Paramount	Computer game character created by Toby Gard
15	Love Actually	UK/USA	245	Universal	Original screenplay by Richard Curtis
16	A.I. Artificial Intelligence	USA	237	Warner Bros.	Based on a short story by Brian Aldiss
17	Constantine	USA	230	Warner Bros.	Based on graphic novel by Garth Ennis and Jamie Delano
18	Master and Commander: The Far Side of the World	USA	210	20th Century Fox	Novel by Patrick O'Brian
19	King Arthur	UK/USA/Ire	201	Buena Vista	Character and stories based on British myths and legends
20	Wallace and Gromit: The Curse of the Were-Rabbit	UK/USA	184	Dreamworks SKG	Original screenplay by Aardman Animations

Source: Variety, RSU analysis

Films adapted from stories told by UK writers have dominated the global box office for the past five years. Fifteen of the top 100 grossing films worldwide were made in the UK and were certified British by the Department of Culture Media and Sport, but UK-originated story material played an even more significant role. Nineteen of the top 100 films, and six of the top 10, were based on stories and characters created by UK writers, a feat only bettered by stories originated in the USA.

Finally, as well as promoting the UK externally, there is evidence that films depicting the UK act as a powerful draw to inbound tourists. The forthcoming results of a UK Film Council and regional screen and tourism agencies study into the tourism impacts of film and TV suggest that classic films can continue to attract tourists to the UK decades after their first release. The results of this study will be published later this year.

3. UK film production January–June 2006

UK production activity bounced back in the first half of 2006. Increases were evident across all categories of films with the total number increasing from 60 to 70 and the total UK spend increasing from £276.0 million to £486.3 million. The US studios were ‘back in town’ and the UK production studios (Pinewood, Shepperton, Ealing, Leavesden, Elstree and Three Mills) were buzzing.

Table 3.1 Feature film production activity, H1 2005 and H1 2006

	Number of Productions H1 2005	UK spend £m H1 2005	Total budget £m H1 2005	Number of products H1 2006	UK spend £m H1 2006	Total Budget £m H1 2006
Total inward investment (single country and co-productions)	12	179.4	266.3	11	306.7	469.2
Domestic UK feature films	16	55.3	55.3	23	98.5	113.3
UK co-productions (other than inward)	32	41.3	142.5	36	81.2	224.0
Total production investment	60	276.0	464.1	70	486.3	806.6

Source: UK Film Council

Notes: Due to the small number of inward co-productions in H1 2006, only total inward investment has been shown to avoid identifying the budgets of individual projects.

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. Except where we have specific knowledge to the contrary, the total budget is counted as UK spend for productions classified as domestic.
6. Only UK spend is counted for co-productions and inward investment films.
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 3.1 is not included.
9. Spending on films with budgets under £500,000 is not included.

The total budget associated with the above films also increased, from £464.1 million in H1 2005 to £806.6 million in the first half of 2006. The fact that the total budget increased much more than the total number of films is an outcome of the return of bigger budget US-financed films to UK studios.

Inward investment was up from £179.4 million to £306.7 million. Significant inward investment titles in H1 2006 were *Casino Royale*, *Harry Potter and the Order of the Phoenix*, *10,000 BC*, *Stardust* and *The Holiday*.

Domestic UK features increased from 16 to 23, with UK spend rising from £55.3 million to £98.5 million. Prominent amongst the domestic UK titles were the Working Title films *Bean 2*, *The Golden Age*, *Hot Fuzz* and *Atonement*, and Kenneth Branagh's adaptation of *The Magic Flute*.

With co-productions, the picture was mixed. The numbers and value were up indicating the rush to begin principal photography before 1 April, in order to qualify for the old tax incentive (based on the total budget) rather than the new tax incentive (based on a proportion of UK spend). Thirty co-productions began shooting in the first quarter of 2006 (with a UK spend of £72.6 million), but only six in the second quarter (UK spend £8.5 million). Some sizable co-productions were *La Vie en Rose* (Olivier Dahan), *The Flood* (Tony Mitchell), *Treasure Island* (Alain Berbian) and *Closing the Ring* (Richard Attenborough).

Co-production activity is likely to remain subdued in the second half of 2006, reflecting the reform of the incentive regime towards films with high UK spend and demonstrative UK characteristics.

4. Audience update, January–August 2006

Of the top 20 films and top 20 UK films released in the UK between January and August 2006 (see Tables 1.4 and 1.5), cinema audience data is available from CAVIAR for eighteen.

4.1 Film preferences by gender

Overall, there was a roughly even gender split (male 53%: female 47%). The titles with large female majority audience were led by drama and comedy such as *Memoirs of a Geisha*, *Brokeback Mountain* and *Confetti*; whereas those with a male majority were led by a mixture of drama and action films such as *United 93*, *V for Vendetta* and *Match Point*. Table 4.1

shows the gender split of the top films released in the UK since January 2006, for which data are available.

In 2005, there was a clear female skewed audience profile for the top 20 UK films. This trend had been somewhat reversed in the first eight months of 2006. This was mainly due to a shift of the genres of the top UK films to a mixture of drama, action and thriller from drama and romance over this period. This was coupled with the success of two highly female skewed dramas neither of which was a UK film. Whether this shift will make a lasting contrast between this and last year remains to be seen.

Table 4.1 Audience gender split of top titles, January–August 2006

Title	Primary Genre	Male %	Female %	
Memoirs of a Geisha	Drama	28	72	Female majority
Brokeback Mountain	Drama	34	66	
Confetti (UK)	Comedy	40	60	
Title	Primary Genre	Male %	Female %	
United 93 (UK)	Drama	89	11	Male majority
V for Vendetta (UK)	Action	82	18	
Match Point (UK)	Drama	71	29	
X-Men 3	Action	65	35	
The Inside Man	Crime	64	36	
Basic Instinct 2 (UK)	Thriller	64	36	
Mission Impossible III	Action	62	38	
Final Destination 3	Horror	61	39	
Title	Primary Genre	Male %	Female %	
Chicken Little	Animation	42	58	No clear majority
Big Momma's House 2	Comedy	56	44	
Alien Autopsy (UK)	Comedy	53	47	
Ice Age 2	Animation	48	52	
The Da Vinci Code (UK)	Thriller	51	49	
Walk the Line	Biopic	50	50	
Fun with Dick & Jane	Comedy	50	50	

Source: CAVIAR Quarterly Reports, RSU analysis

Notes: 1. This table and the others that follow cover the 18 titles for which audience data are available out of the top 20 films at the UK box office and the top 20 UK films at the UK box office.

2. In the absence of the raw data we have not been able to perform a formal statistical test so we have set the 20% difference as a guide to the existence of a clear male or female majority in this table.

3. The titles in this table are ranked in descending order of the absolute difference between male and female percentages within each sub-section.

4.2 Film preference by age

Different films appeal to different age groups. Tables 4.2 to 4.5 show the preference of films by different age groups. Unsurprisingly, the age group of 7-14 favoured animations and comedies (Table 4.2). Horror, action and comedy were favoured by the 15–24 age group (Table 4.3). The 25–34 age group favoured drama, crime and action (Table 4.4) and the 35+ group favoured drama, biopic and thriller (Table 4.5).

Table 4.2 Five top films with highest 7-14 age group audience skew, January–August, 2006

Title	Age 7–14 %
Ice Age 2	31
Chicken Little	28
Alien Autopsy (UK)	26
Big Momma's House 2	26
Fun with Dick & Jane	22
<i>Average share</i>	<i>15</i>

Table 4.3 Five top films with highest 15-24 age group audience skew, January–August, 2006

Title	Age 15–24 %
Final Destination 3	61
V for Vendetta (UK)	51
Confetti (UK)	46
Fun with Dick & Jane	41
Alien Autopsy (UK)	40
<i>Average share</i>	<i>29</i>

Table 4.4 Five top films with highest 25-34 age group audience skew, January–August, 2006

Title	Age 25–34 %
United 93 (UK)	40
The Inside Man	34
Mission Impossible III	27
Match Point (UK)	26
Walk the Line	25
<i>Average share</i>	<i>21</i>

Table 4.5 Five top films with highest 35+ age group audience skew, January–August, 2006

Title	Age 35+ %
Brokeback Mountain	60
Walk the Line	56
Memoirs of a Geisha	53
The Da Vinci Code (UK)	47
Basic Instinct 2 (UK)	46
<i>Average share</i>	<i>35</i>

Source: CAVIAR Quarterly Reports, RSU analysis

4.3 Film preference by social group

Similar to age preference some films appeal more to one social group than another. Tables 4.6 to 4.9 give a flavour of the film preferences among different social groups. While dramas and thrillers appealed more to the AB audience, comedies and thrillers did so for the DE audience. It is interesting to note that the most appealing titles to the AB audience were the least favoured ones for the DE audience (*The Inside Man* 12%, *Brokeback Mountain* 12% and *Memoirs of a Geisha* 8%). In contrast, the most popular films among the DE audience were the least popular choice among the AB audience (*Fun with Dick & Jane* 25%, *Basic Instinct 2 (UK)* 25% and *Big Momma’s House 2* 18%). This shows that some films have a clear gradient of preference across social classes. C1 audience favoured action and drama while C2 favoured horror, animation and comedy (Tables 4.8 and 4.9).

Table 4.6 Three top films with highest AB audience skew, January–August 2006

Title	AB %
The Inside Man	46
Brokeback Mountain	40
Memoirs of a Geisha	38
<i>Average share</i>	<i>30</i>

Table 4.7 Three top films with highest C1 audience skew, January–August 2006

Title	C1 %
Mission Impossible III	41
United 93 (UK)	38
Memoirs of a Geisha	38
<i>Average share</i>	<i>33</i>

Table 4.8 Three top films with highest C2 audience skew, January–August 2006

Title	C2 %
Final Destination 3	25
Chicken Little	24
Basic Instinct 2 (UK)	24
<i>Average share</i>	<i>19</i>

Table 4.9 Three top films with highest DE audience skew, January–August 2006

Title	DE %
Big Momma's House 2	30
Basic Instinct 2 (UK)	29
Fun with Dick & Jane	23
<i>Average share</i>	<i>17</i>

Source: CAVIAR Quarterly Reports, RSU analysis

4.4 Film preferences by region

In this section we look at a number of films that held more appeal for certain regions than others. Tables 4.10 to 4.13 show the 3 most regionally skewed films among the 18 of the top 20 and top 20 UK films released in the first eight months in 2006 for which audience data are available. Little conclusion can be drawn from these tables but some interesting observations can be made. While *Match Point* (UK) had a higher appeal to the London audience; it had the least appeal among its audience in the North West (4%) (Tables 4.10 and 4.13). *Final Destination 3* had strong appeal to its Midlands (24%, see Table 4.12) and North West (19%, see Table 4.13) audience.

Table 4.10 Three top films with highest London audience skew, January–August 2006

Title	London %
Match Point (UK)	38
Memoirs of a Geisha	34
Basic Instinct 2 (UK)	33
<i>Average share</i>	<i>26</i>

Table 4.11 Three top films with highest South and East England audience skew, January–August 2006

Title	S & E England %
Alien Autopsy (UK)	33
Confetti (UK)	30
V for Vendetta (UK)	28
<i>Average share</i>	<i>18</i>

Table 4.12 Three top films with highest Midlands audience skew, January–August 2006

Title	Midlands %
Final Destination 3	24
Brokeback Mountain	23
Basic Instinct 2 (UK)	18
<i>Average share</i>	<i>15</i>

Table 4.13 Three top films with highest North West audience skew, January–August 2006

Title	North West %
Final Destination 3	19
United 93 (UK)	19
Fun with Dick & Jane	17
<i>Average share</i>	<i>14</i>

Source: CAVIAR Quarterly Reports, RSU analysis

4.5 Genre

The Research and Statistics Unit allocated a primary genre to every film released in the UK in 2006. The list of genres is based on conventions commonly used within the industry and by published sources. The full list of genres is available on our website (<http://www.ukfilmcouncil.org.uk/information/statistics/genre-titles/>).

Table 4.14 shows the relative performance of different genres at the UK box office in the first 8 months of 2006. Comedy was, as in 2004 and 2005, again the top-grossing genre (earning £99.2million), followed by action (£96.7 million) and animation (£83.1million). The fantasy genre slid from its second place in 2005 (led by the blockbuster *Harry Potter and the Goblet of Fire*) to nearly the bottom of the list.

The performance of drama films improved from last year with 97 releases accounting for 11.6% of the total UK box office by the end of August 2006 (compared with 181 releases totalling 7.8% of the box office in 2005). Adventure films more than doubled their percentage share from last year (11.4% of total box office as compared with only 4.8% in 2005) largely due to the runaway success of *Pirates of the Caribbean 2: Dead Man's Chest*. At the time of writing, this film is the top-grossing film in the UK in 2006 earning over £51.5 million.

Whether the order of box office performance of the genres persists for the rest of this year depends on the performance of the forthcoming major releases, e.g. the star-studded crime thriller, *The Departed* (starring Leonardo DiCaprio, Matt Damon and Jack Nicholson; a re-make of Hong Kong's *Infernal Affairs*), the latest James Bond outing *Casino Royale* (starring Daniel Craig and Dame Judi Dench) and the horror sequel, *Saw 3*.

Table 4.14 Films released in the UK and Republic of Ireland by genre, January–August 2006, ranked by gross box office

Genre	No. of releases	% of releases	Gross box office (£m)	% of box office	Top performing title
Comedy	76	23.5	99.2	19.9	The Break-Up*
Action	32	9.9	96.7	19.4	X-Men 3*
Animation	13	4.0	83.1	16.7	Ice Age 2
Drama	97	29.9	58.1	11.6	Brokeback Mountain
Adventure	9	2.8	56.6	11.4	Pirates of the Caribbean: Dead Man's Chest*
Thriller	16	4.9	47.0	9.4	The Da Vinci Code*
Horror	14	4.3	24.1	4.8	Final Destination 3
Biopic	5	1.5	12.3	2.5	Walk the Line
Crime	11	3.4	10.9	2.2	The Inside Man
Family	2	0.6	5.5	1.1	Garfield 2*
Documentary	28	8.6	2.0	0.4	Deep Sea 3-D*
Romance	10	3.1	1.9	0.4	Tristan and Isolde
Fantasy	3	0.9	1.2	0.2	Lady in the Water*
Musical	6	1.9	0.1	<0.1	U-Carmen Khayelitsha
Mystery	1	0.3	<0.1	<0.1	Paris Nous Appartient (Re)

Source: Nielsen EDI, RSU analysis

Note: * Titles still on release as of August 27th 2006

Table 4.15 shows the pattern of genres ranked by the average number of sites at the widest point of release (WPR). Animation had returned, from 2004, to be the most widely released genre. Fantasy, with the lacklustre slate of titles this year so far, slid from its first place last year to eighth place. Family films took the second place in the virtual absence of sci-fi films this year. In 2005, sci-fi films had an average WPR of 319 across seven titles including *Star Wars: Episode III — Revenge of the Sith*.

Table 4.15 Films on release in the UK and Republic of Ireland by genre, January–August 2006, ranked by average widest point of release

Genre	Average WPR	No. of releases	Gross box office (£m)
Animation	303	13	83.1
Family	234	2	5.5
Adventure	221	9	56.6
Action	213	32	96.7
Horror	159	14	24.1
Comedy	139	76	99.2
Thriller	127	16	47.0
Fantasy	106	3	1.2
Crime	84	11	10.9
Biopic	69	5	12.3
Drama	49	97	58.1
Romance	42	10	1.9
Musical	13	6	0.1
Documentary	5	28	2.0
Mystery	1	1	<0.1

Source: Nielsen EDI, RSU analysis

WPR = Number of sites at the widest point of release

Table 4.16 demonstrates how the different genres fared at the box office on average per site. Given the weak showing of fantasy films and the absence of sci-fi titles, biopics took a surprising lead in the list. The success of biopic films in box office per-site so far this year was led by the Oscar-winning *Walk the Line* (grossing £10.1m). Despite the overall low takings of documentaries this genre continued, since 2004, to beat comedy, action as well as drama per site. This suggests that films of these genres could have benefited from wider release and underlines the rationale for the UK Film Council’s distribution and exhibition strategy (see UKFC web site for details).

Table 4.16 Films on release in the UK and Republic of Ireland by genre, January–August 2006, ranked by average box office gross per site.

Genre	Average box office per site (£)	Gross box office (£m)	Total sites
Biopic	35,591	12.3	345
Adventure	28,434	56.6	1992
Thriller	23,164	47.0	2027
Animation	21,084	83.1	3943
Mystery	14,679	<0.1	1
Documentary	14,483	2.0	137
Action	14,210	96.7	6802
Drama	12,095	58.1	4800
Crime	11,793	10.9	920
Family	11,714	5.5	467
Horror	10,827	24.1	2223
Comedy	9,388	99.2	10568
Romance	4,408	1.9	420
Fantasy	3,647	1.2	319
Musical	1,773	0.1	80

Source: Nielsen EDI, RSU analysis

Total sites = Number of films multiplied by average widest point of release

Turning our focus to the genres of UK films released in the first 8 months of 2006, UK thrillers led by the inward investment film, *The Da Vinci Code* (gross £30.4 million), earned 48.1% of the total box office of UK films (Table 4.17 and Figure 4.1). Ken Loach’s *The Wind that Shakes the Barley* (Palme d’Or, Cannes Film Festival 2006) helped turn the most widely released but usually lower-grossing genre of drama into the second highest grossing UK film genre of the year so far (Table 4.17). At the time of writing this film has grossed a total of £3.6m and is Ken Loach’s highest grossing film to date. In 2005 drama had contributed only 7.7% to the total box office of UK films.

UK action films made as much as a 10.3% contribution to the total box office despite their very low number of releases (compared with 9.1% of total box office with six releases in 2005). This was made possible by the strong performances of *Stormbreaker* (gross £6.2 million) and *V for Vendetta* (gross £3.6 million). *The Wind that Shakes the Barley* and *Stormbreaker* were both recipients of the National Lottery Awards distributed through the UK Film Council’s New Cinema Fund (for the former) and Premiere Fund (the latter).

Table 4.17 UK Films on release in the UK and Republic of Ireland by genre, January–August 2006, ranked by gross box office

Genre	No. of releases	% of releases	Gross box office (£m)	% of box office of UK films	Top performing title
Thriller	6	9.2	31.7	48.1	The Da Vinci Code*
Drama	27	41.5	15.5	23.5	The Wind that Shakes the Barley*
Action	2	3.1	9.8	14.9	Stormbreaker
Comedy	10	15.4	6.8	10.3	Alien Autopsy
Horror	4	6.2	0.7	1.0	The Dark
Romance	3	4.6	0.6	1.0	Tristan and Isolde
Adventure	1	1.5	0.4	0.6	The Adventures of Greyfriars Bobby
Documentary	7	10.8	0.1	0.2	Glastonbury
Family	1	1.5	0.1	0.2	Thief Lord
Animation	1	1.5	0.1	0.1	Renaissance*
Fantasy	1	1.5	<0.1	0.1	Mirrormask
Crime	1	1.5	<0.1	0.1	Rollin' with the Nines
Biopic	1	1.5	<0.1	<0.1	The Night We Called it a Day

Source: Nielsen EDI, RSU analysis

Note: * Titles still on release as of 27 August 2006

Figure 4.1 shows the relative performance of different genres of UK films and all UK releases combined. The pattern of performance of genres of UK films was somewhat different from that of all releases considered together. UK thrillers and UK dramas were the most successful genres among UK films while comedy and action films were the most successful genres in general. On the other hand, UK action, UK adventure and UK comedies fared worse than films of these genres in general.

Figure 4.1 Proportion of box office by genre for UK films and all films, January- August 2006

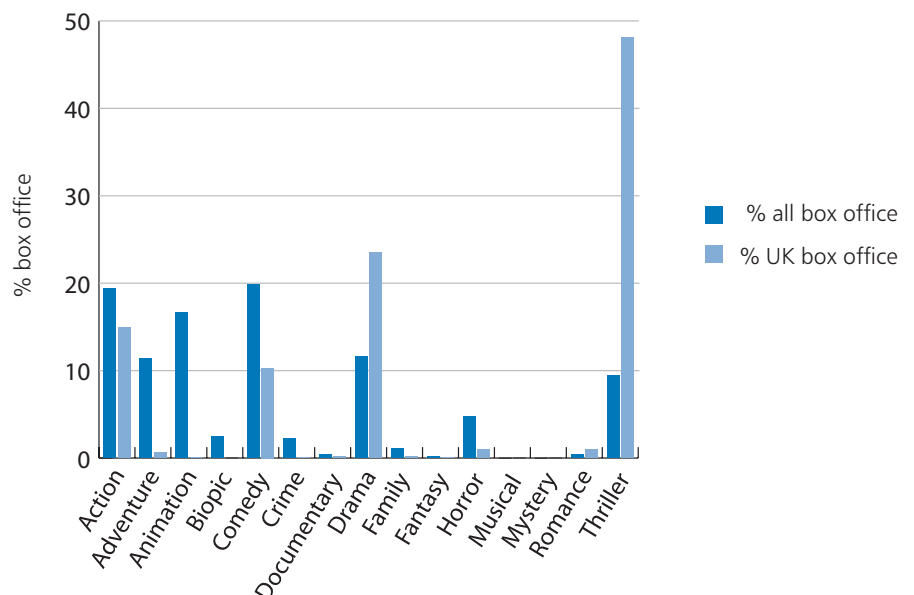
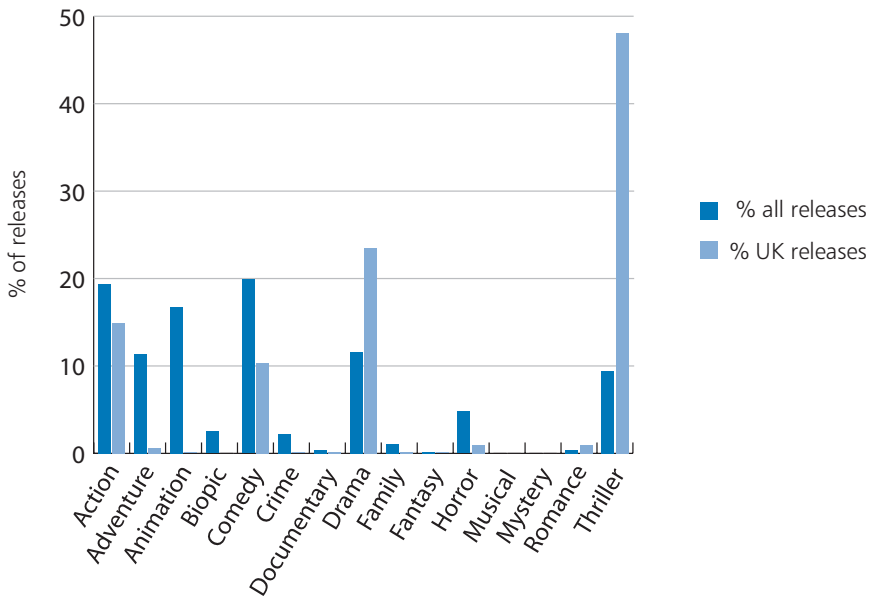


Figure 4.2 shows the relative volume of releases of different genres of UK films and all UK releases combined. The distribution of genres of UK films was generally comparable to that of all releases except for three genres. The UK released relatively more drama but fewer action and comedy films when compared with all releases in general.

Figure 4.2 Proportion of releases by genre for UK films and all films, January–August 2006



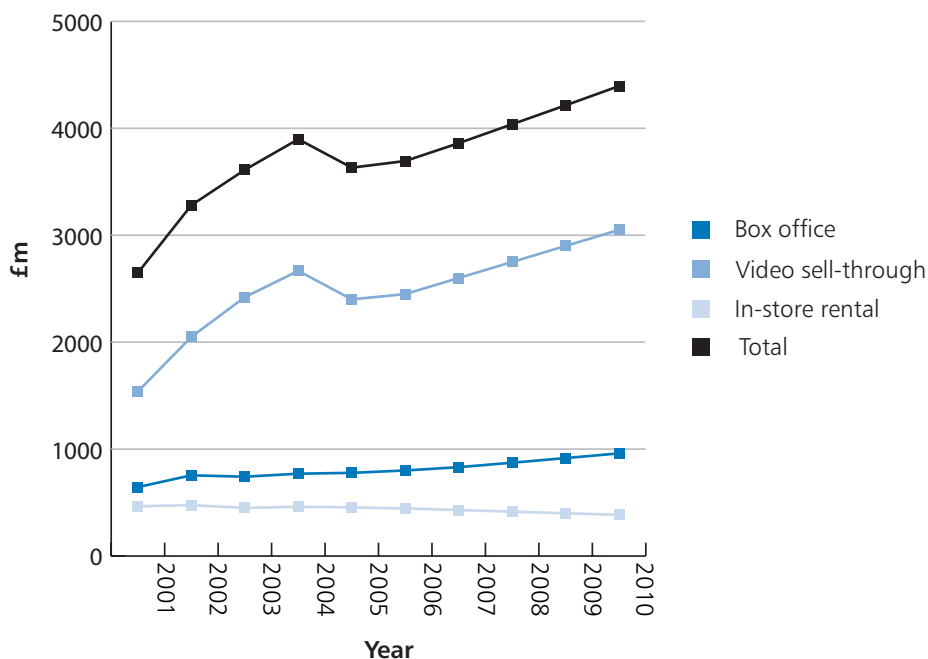
5. Looking ahead — PwC Forecast for the filmed entertainment market 2006 to 2010

The recently-published Global Filmed Entertainment and Media Outlook of PricewaterhouseCoopers forecasts a recovery in global spending on filmed entertainment, after the disappointing result of 2005 (-1.8%), to a compound annual growth rate of 5.3% in the period 2006 to 2010.

Key drivers of the expected recovery are the roll-out of digital cinema, cinema modernisation in parts of Europe, Asia and Latin America, high definition DVDs, online rental and film streaming services.

In the UK, a compound annual growth rate (2006-2010) of 3.9% is anticipated, after the substantial (-6.8%) fall in 2005. The components of this growth are shown in Chart 1:

Chart 5.1, filmed entertainment market, UK, £m, 2001–2010



Source: PricewaterhouseCoopers, Global Entertainment and Media Outlook 2006-2010.

Note: Online rental and digital streaming not shown separately for the UK by PwC

PwC expresses its forecasts in US\$ using the average 2005 exchange rate held constant for each historical and forecast year. The numbers in Chart 5.1 have been converted to pounds at the rate £0.55 per \$1, as used by PwC.

The forecast recovery should be seen in the context of intense competition for the entertainment pound. While traditional entertainment channels such as terrestrial television and book and magazine publishing show fairly flat spending, new entertainments such as multi-channel TV, the internet, video games and gambling show rapid growth rates.

Table 5.1: Market size and growth rates of selected entertainments, UK, £m, 2006–2010

	Market Size in 2005 £m	2005 growth rate	Forecast CAGR 2006–2010)
TV distribution	3,983	8.2%	5.9%
Internet advertising and access spending	4,715	23.2%	13.4%
Video games	1,320	5.6%	13.4%
Casino and other regulated gaming	1,665	19.0%	16.8%
Filmed entertainment	3,632	-6.8%	3.9%

Source: PricewaterhouseCoopers, Global Entertainment and Media Outlook 2006-2010.

CAGR = compound annual growth rate.

PwC expresses its forecasts in US\$ using the average 2005 exchange rate held constant for each historical and forecast year. The numbers in Table 5.1 have been converted to pounds at the rate £0.55 per \$1, as used by PwC.

Further information on the PwC report can be found at: www.pwc.com/outlook

TV distribution (subscription and IPTV) and the internet are already larger markets than traditional filmed entertainment (cinema and video) and are forecast to grow at significantly faster rates over the next few years.

These forecasts point to the need for the film industry to maximise the opportunities of new technology, embracing new means of reaching international audiences via the internet and mobile platforms, and adapting the cinema and video offer to maximise the unique attractive characteristics of each.