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### **Television Sustains Los Angeles Entertainment Production as Feature Films Remain Well Below 1996 Peak**

**Hollywood, Calif. – August 19, 2005 --** Television production is continuing a multi-year trend as the driving force behind LA’s production industry, according to Los Angeles’ Entertainment Industry Development Corporation (EIDC). At the same time, local feature film production has declined significantly since its 1996 peak. EIDC has determined television’s growing impact by analyzing 10-year data comparing on-location permits for film vs. television production, as well as new data gathered from a survey of major production companies.

The number of on-location permits processed by EIDC for television production increased steadily during each of the past three years. This trend continues during 2005, as year-to-date numbers are up slightly over last year (see “Table 1” below for annual figures). But the situation for feature film production is less encouraging. Local on-location permits for feature films peaked in 1996, and steadily declined more than 47 percent over the next seven years, before increasing slightly in 2004.

“There’s no question that incentives from other regions have been effective in luring feature film production,” said EIDC President Steve MacDonald. “We believe feature production will not recover to the peak levels experienced during the mid-1990s without significant action by state and local government.”

While feature film producers are increasingly opting to leave Los Angeles, MacDonald says at least for now, television is helping the region defend its status as the world’s entertainment production capital. “The increase in original programming by cable networks in recent years, combined with a shift away from reruns by the broadcast networks, has resulted in expanded TV production,” MacDonald explained.

EIDC’s survey of primetime broadcast TV production collected data about new, returning and mid-season replacement programs scheduled to begin airing this fall on broadcast networks<sup>1</sup>.

Full-season shows on broadcast networks typically produce 22 episodes per season, provided they are not cancelled during their production run. Mid-season replacements typically shoot 12 episodes per season, and begin airing in the winter. The exception is the reality genre, which produces anywhere from 6-22 episodes per season. Of the 134 scripted and reality episodic series on the primetime broadcast schedule, at least 96 (72 percent) are being shot and produced in the Los Angeles area (see Table 2 for a detailed listing of broadcast and cable production activity).

While the broadcast networks begin their new season in the fall, the more than 60 cable networks operate on a different schedule. Returning series air new episodes at various times throughout the year, with about 80 percent of new original series making their debut during the summer.

EIDC examined, as the closest equivalent to the broadcast networks' fall season, the current summer primetime line-up of new and returning original episodic programs on 10 prominent ad-supported cable networks and two leading subscription-based networks<sup>2</sup>.

These and other cable networks typically order 12 episodes per season for each scripted series. At least 31 (43 percent) of the 72 primetime episodic programs on the cable networks EIDC surveyed are being shot and produced in Los Angeles (see Table 2). Part of the disparity in Los Angeles' share of cable vs. broadcast production is due to the higher percentage of reality shows on the cable networks surveyed. Many such shows tend to shoot in multiple locations.

The financial impact of TV production on the regional economy is significant. Average production costs are estimated at \$2 million per episode for one-hour dramas, \$1.25 million per episode for half-hour scripted comedies, and \$700,000 per episode for reality programs. These figures are just for costs directly related to production. They do not take into account other costs such as marketing and studio administration.

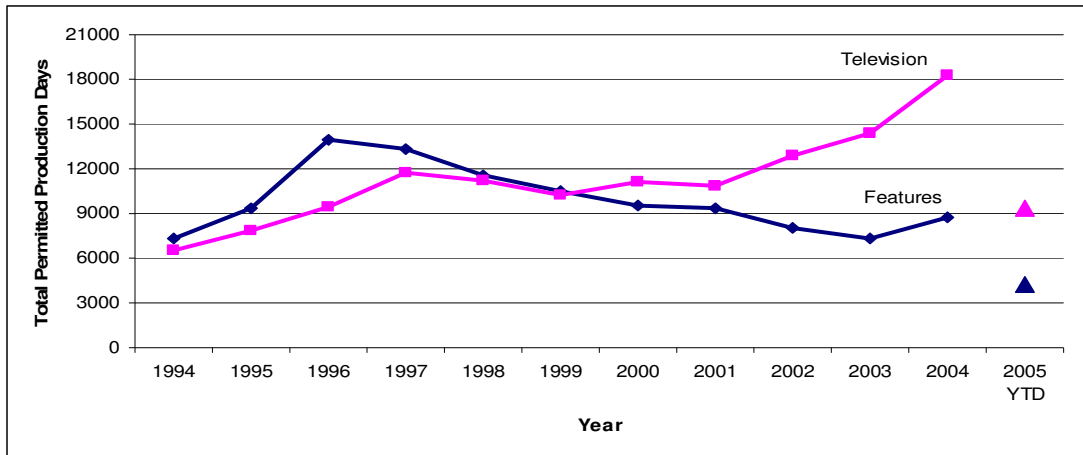
"The impact of losing just one series to another region is considerable," added EIDC's MacDonald. "For example, a single one-hour broadcast series that produces a full 22-episode season translates into \$44 million in direct production-related activity for the local economy."

MacDonald added "EIDC is working with Mayor Villaraigosa and other officials to develop initiatives aimed at keeping production at home, where it belongs."

<sup>1</sup> Movies of the week, news magazines, talk shows, concert and sports programs, animated and other non-episodic, non-live action programs were not included in EIDC's survey.

<sup>2</sup> List of 10 prominent cable networks that air original episodic programming in prime time includes (in order of Nielsen ratings for the week of August 1 – August 7, 2005): Nickelodeon, TNT, Lifetime, USA Network, Spike, ABC Family, MTV, Sci-Fi Channel, FX, and A&E. EIDC's survey also included leading subscription cable networks HBO and Showtime.

**Table 1 – Total Permitted On-Location Production Days per Year**



	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Features	7304	9393	13980	13284	11542	10526	9501	9379	8024	7329	8707
Television	6536	7831	9425	11713	11185	10279	11142	10867	12870	14395	18257

Figures for 2005 are consistent with the multi-year trend, with features accounting for 4,279 permitted days, and television accounting for 9,344 days through the first six months of the year.

**Table 2 - Primetime Production Activity by Genre and Location**

**BROADCAST NETWORKS – Upcoming Fall Season**

One-Hour Scripted Series

	Total	(New Full Season)	(New Mid-Season)	(Returning)
Overall:	58	19	8	31
Los Angeles:	43	14	4	25

Half-Hour Scripted Series

	Total	(New Full-Season)	(New Mid-Season)	(Returning)
Overall:	54	11	9	34
Los Angeles:	48	9	8	31

Reality Series (half-hour and one-hour)

	Total	(New Full-Season)	(New Mid-Season)	(Returning)
Overall:	22	3	1	18
Los Angeles:	5	0	0	5

## **SELECT MAJOR CABLE NETWORKS<sup>2</sup> – Current Summer Season**

### One-Hour Scripted Series

	Total	(New)	(Returning)
Overall:	24	11	13
Los Angeles:	11	4	7

### Half-Hour Scripted Series

	Total	(New)	(Returning)
Overall:	16	19	7
Los Angeles:	9	5	4

### Reality Series (half-hour and one-hour)

	Total	(New)	(Returning)
Overall:	32	10	22
Los Angeles:	11	6	5

### **About the Entertainment Industry Development Corporation (EIDC)**

EIDC is a private, one-of-a-kind 501c(4) nonprofit corporation working on behalf of film, television and commercial producers, Los Angeles area residents and local government to sustain Los Angeles' position as the global leader in media production. EIDC is not a government agency, but holds contracts with several cities and other government agencies to facilitate filming. More information about EIDC is available at [www.eidc.com](http://www.eidc.com).

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