



2011
Television Pilot Production Report

2011 Pilot Production Overview . . .

Each year between January and April, Los Angeles residents observe a marked increase in local on-location filming.

New television pilots, produced in anticipation of May screenings for television advertisers, join continuing TV series, feature films and commercial projects in competition for talent, crews, stage space and sought-after locations.

But unfortunately, it seems our busiest pilot seasons are behind us.

FilmL.A. — the not-for-profit organization that coordinates permits for filmed entertainment shot on-location in the City of Los Angeles, unincorporated parts of Los Angeles County and other local jurisdictions — recently updated its ongoing annual study of television pilots¹ in production.

FilmL.A.'s official count shows that 169 broadcast and cable television pilots were produced during the '10/'11 development cycle², making the past year the most productive on record. Unfortunately, most of that increase in production did not benefit Los Angeles.

Out of those 169 projects, a total of 87 television pilots were produced in the Los Angeles region. By one measure, this is second-largest annual take in Los Angeles history, totaling eleven projects more than the prior cycle and just fourteen fewer than L.A. handled during its peak year '04/'05.

But a deeper analysis raises sobering questions about L.A.'s long-term attractiveness to pilot producers.

In '10/'11, more pilots were produced outside of Los Angeles than in any prior year.

And, just six years ago, the L.A. region captured as much as 82 percent of all television pilots made in a given year. Now, it captures only 51 percent.

The Rise of Cable Television

To learn what made the '10/'11 pilot development cycle the largest ever observed, one need look no further than cable television.

Cable networks, once content to air syndicated television series and reruns of classic films, now choose to screen a variety of original scripted content. Unsurprisingly, television producers now devote considerable resources to the production of cable television pilots.

Since 2008, when FilmL.A. first began classifying television pilots by intended distribution channel, we've observed a 250 percent increase in the total number of cable pilots produced per development cycle (24 in '08/'09 vs. 86 in '10/'11).

In '10/'11, slightly more than half of all television pilots produced were for cable television networks.

Cable networks have also come to rival broadcast networks in the variety of scripted programming they offer. The ratio of comedy to drama pilots produced is now nearly the same for cable as for broadcast networks. This wasn't the case just three years ago, when there were very few pilot orders for original cable comedy series.

The staggering rise in cable pilot production, and particularly cable comedy orders, wholly accounts for all of the year-over-year pilot production increases realized in the Los Angeles region in '10/'11.

Pilot Production Locations

Notwithstanding the recent increase in cable pilot production, Los Angeles continues to lose pilot production share due to the impact of out-of-state financial production incentives. The availability of financial production incentives is a key factor influencing where pilot producers choose to film.

During the '10/'11 development cycle, 87 television pilots were filmed on Los Angeles streets and stages. Another 82 pilots — of which 67 were coveted one-hour drama projects — were produced outside the region in competing jurisdictions.

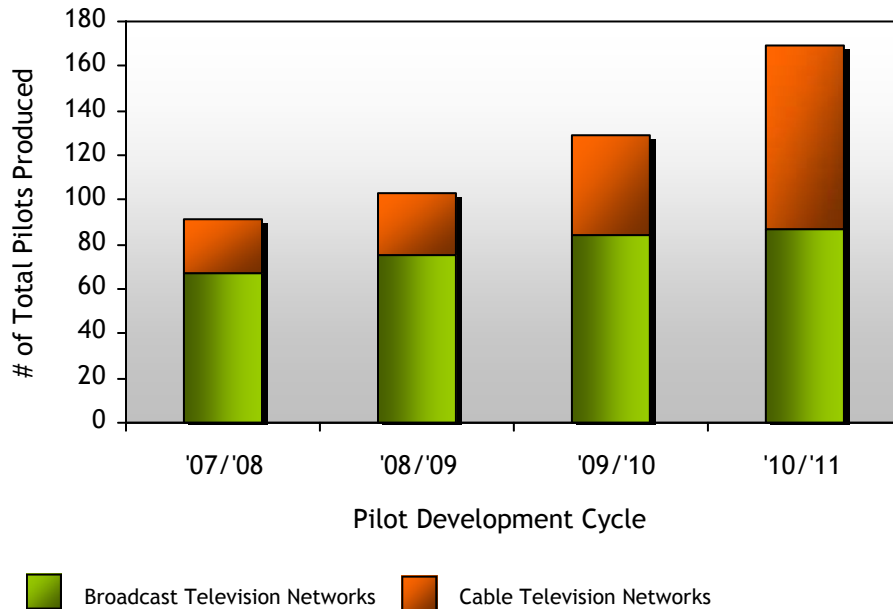
According to FilmL.A.'s research, some form of production incentive was available in every one of the non-California locations used during the '10/'11 development cycle.

Domestic locales used by producers included Florida, Georgia, Illinois, Louisiana, Maryland, Massachusetts, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Pennsylvania, Tennessee, Texas and Washington. Non-U.S. locations included multiple Canadian Provinces, the Czech Republic, Ireland, Puerto Rico and New Zealand.

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... Key Production Trends

TV PILOT PRODUCTION BY NETWORK TYPE



169

Total TV Pilots Produced During the 2010/2011 Development Cycle

87

Total Pilots Produced Within Los Angeles Region

86

Total Pilots Produced for Cable Television Distribution

71

Percent of Local Pilot Production Days Historically Filmed By June 30

67

Total One-Hour Drama Pilots Produced Outside L.A. This Season

\$249m

Estimated Total Pilot Production Spending in L.A. Region

As the initial episode of a proposed television series, many pilots are made, but only a few will ever be shown to viewers on broadcast or cable television. With a few notable exceptions each season, before a pilot can be green-lighted for series, it must first win the confidence of television advertisers.³

For decades, broadcast networks have courted advertisers in an expensive and seasonally-driven “upfronts” process. Every year in late May, advertisers preview the shows that will go on to be aired in the fall or early next year as mid-season replacements.

In the past, industry observers predicted that this seasonal production cycle would soon disappear. In '08/'09, in the wake of an industry contract dispute that temporarily halted film and TV production in L.A., it seemed possible that industry executives could pull the plug on pilot season.

It now appears that the rumors were unfounded. FilmL.A. data reveal that, while cable pilots are indeed produced year-round in Los Angeles and elsewhere, as of 2011 the majority of network television pilots are produced during a well-defined pilot season that spans the first and second quarters of the calendar year.

On average (2005-2010), 71 percent of local permitted production days (PPD) for TV Pilots occur before the end of June.

Pilots' Economic Importance

Pilot producers' reliance on production incentives introduces a pair of related concerns for those who work in television in L.A.

On one hand, lost production share carries with it the threat of diminished pilot season spending. But even worse, the one-time loss of a pilot can easily lead to the permanent loss of a promising series.

According to industry sources, the average pilot directly employs about 150 people for the duration of the project.

Typical pilot production costs, having risen over the years, now average about \$2 million (for comedy pilots) and \$5.5 million (for drama pilots). Presentations, which are sometimes made in lieu of pilots, are cheaper yet at \$150K each.

Based on these figures, FilmL.A. estimates that approximately \$249 million was spent on television pilot production in Los Angeles during the '10/'11 development cycle.⁴

This is more than L.A.-based pilot producers spent last year, but notably 19 percent less than they spent back in '04/'05.

Television Pilots Produced by Location, '05-'11

	'04 '05	'05 '06	'06 '07	'07 '08	'08/'09		'09/'10		'10/'11	
					Network	Cable	Network	Cable	Network	Cable
Los Angeles - One Hour - Half Hour	101 total	81 total	30 52	35 30	17 32	5 5	14 39	6 17	10 38	13 26
New York - One Hour - Half Hour	8 total	11 total	9 0	9 1	1 1	5 3	0 1	2 2	10 0	5 2
Canada - One Hour - Half Hour	4 total	11 total	3 0	12 0	10 2	2 1	9 1	7 0	8 0	10 0
Other Locations - One Hour - Half Hour	11 total	17 total	6 0	4 0	11 1	7 0	20 0	10 1	16 1	19 11
DEVELOPMENT CYCLE TOTAL	124	120	100	91	103		129		169	

But series loss poses a bigger economic threat to the region. Historically, pilots made in Los Angeles were highly likely to stay in the region if picked up for series production. At one time, pilots produced in other jurisdictions could also be expected to return to L.A., but no longer.

Today, the availability of production incentives and established production infrastructure outside Los Angeles appear to be making L.A. vulnerable to the loss of long-term series production share.

To help quantify this problem, FilmL.A. researchers analyzed new and continuing series pickups for 2010/2011 and 2011/2012 on major broadcast and cable television networks during primetime.⁵

Within the 2010/2011 television viewing season, researchers identified 103 scripted series produced in Los Angeles.

That season, L.A. hosted 55 one-hour dramas and 48 half-hour comedies.

In the 2011/2012 television viewing season, Los Angeles will host a total of 104 shows, including 45 one-hour dramas and 59 half-hour comedies.

The difference reflects the recent cancellation of 35 previously L.A.-based series, combined with weak overall drama series pickup from the '10/'11 pilot development cycle.

The loss of just one television drama series can amount to hundreds of lost jobs and millions of dollars of lost production spending over several viewing seasons.

"While it comes as no surprise that L.A. would net a lot of comedy pilots and shows this year, to be passed over for new drama pilot and series production is troubling," said FilmL.A. President Paul Audley.

"We can thank the local studio base and vast availability of local soundstages as reasons comedies locate in Los Angeles," Audley added. "But until our state regains its competitive edge, the threat of television job and spending losses is quite real."

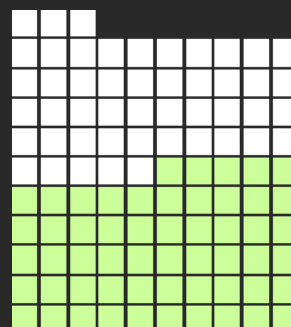
Though not a focus of this report, other soundstage-reliant facets of Los Angeles' television production industry are worthy of mention. The L.A. region hosts numerous television talk shows, including *Conan*, *Lopez Tonight*, *The Tonight Show*, *Last Call with Carson Daly*, *The Late Late Show with Craig Ferguson*, *Jimmy Kimmel Live*, *The Talk* and *Ellen*. Locally-produced game shows include, but are not limited to, *Jeopardy*, *Wheel of Fortune*, *Let's Make a Deal*, *Minute to Win It*, *Shark Tank*, *Wipeout*, *The Biggest Loser* and *The Price is Right*. Talent shows include *American Idol*, *The Voice*, *The X Factor*, *The Sing-Off*, *America's Got Talent*, *So You Think You Can Dance*, *Dancing with the Stars* and *America's Next Top Model*.

Series Production Shift.

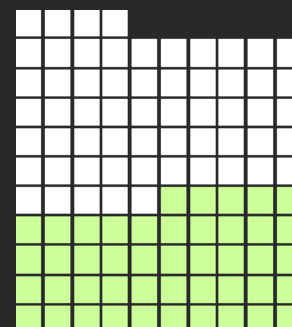
The chart at right illustrates year-over-year demand for L.A.-produced one-hour drama vs. half-hour comedy original scripted primetime content.

Each shaded box represents one L.A.-based primetime television program slated to air in the next year (mid-season replacements excluded).

Boxes shaded in green represent one-hour dramas, while boxes in white represent half-hour comedies. The loss of one-hour dramas is apparent year-over-year.

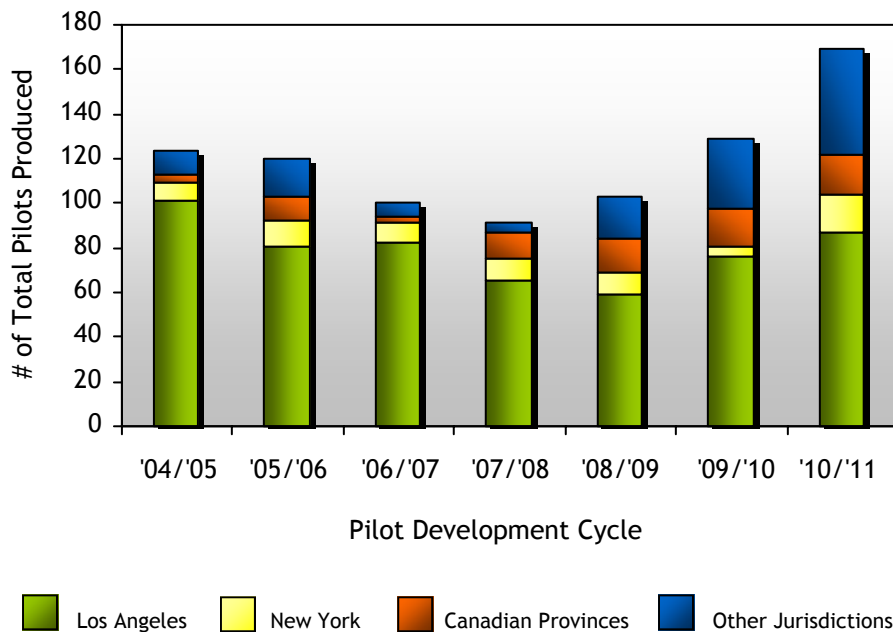


2010/2011 Schedule



2011/2012 Schedule

TV PILOTS PRODUCED BY LOCATION, '05-'11



METHODOLOGY:

Since January, 2005, FilmL.A. has conducted ongoing primary and secondary research to keep track of new television pilots.

This report captures all pilot productions, presentations, and straight-to-series television projects intended for primetime showing on major broadcast and cable networks.

Our lists include all pilots of which FilmL.A. has been made aware through primary and secondary research, and for which a primary production location could be verified with either the pilot production company or the underwriting studio.

FilmL.A.'s agreements with these entities require that no detailed production information be shared with outside parties and that all pilot production activity be reported without project and production company identifiers.

The number of networks for which new content is produced has increased over time. With the objective of keeping an accurate count of all new pilots in production, FilmL.A. gathers data without consideration to network affiliation.

Please note that it is very rare for unscripted (reality) television series to produce pilots. A few turn up in each development cycle survey, but report authors opt to exclude them from official counts.

NOTES:

1. FilmL.A. uses the word "pilot" throughout this study to refer to all original scripted pilots, shorter-length presentations or "hidden pilots" captured during the development cycle. Pilot counts within a development cycle include both stage-based and location-based projects made in any location, of any running duration, intended for primetime debut on either broadcast or cable networks serving U.S. audiences.

2. FilmL.A. defines a development cycle as the period leading up to the earliest possible date that new pilots would air, post-pickup. Thus, the '10/'11 development cycle includes production activity that starts in 2010 and continues into 2011 for show starts at any time in 2011 (or later).

3. On occasion, networks choose to skip pilot and presentation production and immediately "green light" promising new shows for series production. Rather than discount new production occurring anywhere within the development cycle, FilmL.A. includes the first episode of these "straight to series" productions as "hidden pilots" in all of its counts.

4. FilmL.A. accounts for the difference between full pilot and presentation costs in its overall pilot season spending estimates.

5. Reflects all known series location decisions as of press time. Not all decisions have been finalized.

About this Report

This report is the product of independent research conducted by FilmL.A., a private, nonprofit organization that coordinates and processes permits for on-location motion picture, television and commercial production under contract to an ever-increasing roster of public-sector clients in the Los Angeles region.

In addition to researching matters of interest to entertainment industry leaders and local government representatives, FilmL.A. offers counsel to local governments on how to enhance the environment for filming in the greater Los Angeles region.

Ongoing community relations is a key component of the service FilmL.A. provides. The organization works to strike a balance between the needs and interests of the entertainment industry and the neighborhoods affected by on-location production.

In today's highly competitive, global entertainment production market, our services help the Los Angeles region retain its status as the entertainment production capital of the world.

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