



2012
Television Pilot Production Report

2012 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.

However, Los Angeles isn't the only place in North America hosting pilot production. Other jurisdictions, most notably the City of New York, the Vancouver area and the City of Toronto, have established themselves as strong competitors for this lucrative part of Hollywood's business tradition.

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 152 broadcast and cable television pilots² were produced during the '11/'12 development cycle³, making the past year the second most productive on record.

Out of those 152 television pilots, a total of 92 projects were filmed in the Los Angeles region.

By one measure, this is the second-largest annual tally in Los Angeles history, totaling five projects more than the prior cycle and just nine fewer than L.A. handled during its peak year of '04/'05.

Magnet for New Comedy Projects

In '11/'12, the Los Angeles region captured just 29 percent of all television drama pilots produced, but 91 percent of all television comedy pilots.

For comedy pilots, the '11/'12 figures are largely in line with the region's recent yields. During the last three development cycles, L.A.'s share of comedy pilots has hovered between 82 and 92 percent of available projects.

Drama pilots, however, continue to flee their traditional home. During the last three development cycles, drama pilots were filmed outside the L.A. region by a ratio of more than 2-to-1.

This is significant, because four production cycles ago (in '08/'09), the L.A. region still attracted 38 percent of total drama pilots. Six development cycles ago (in '06/'07), L.A.'s drama share was 63 percent.

Los Angeles can thank its local talent base, the proficiency of local crews and availability of audience-rated soundstages as reasons comedies locate in the region. These factors exert their greatest pull on multi-camera projects.

L.A.'s status as the premier pilot production center now hinges on industry willingness to produce comedy projects in Los Angeles.

Pilot Production Locations

Over the years, other jurisdictions have enticed away much of the L.A. region's historical TV drama pilot production share. The availability of financial production incentives and production infrastructure are key factors influencing where pilot producers choose to film.

During the '11/'12 development cycle, 92 television pilots were filmed on Los Angeles streets and stages. Another 60 pilots — of which 53 were coveted one-hour drama projects — were produced outside the region in competing jurisdictions.

Domestic locales used by producers included Georgia, Hawaii, Illinois, Louisiana, Maryland, Massachusetts, New Mexico, New York, North Carolina, Pennsylvania and Tennessee.

Non-U.S. locations included multiple Canadian cities (Vancouver area, Toronto, Montreal) and Australia.

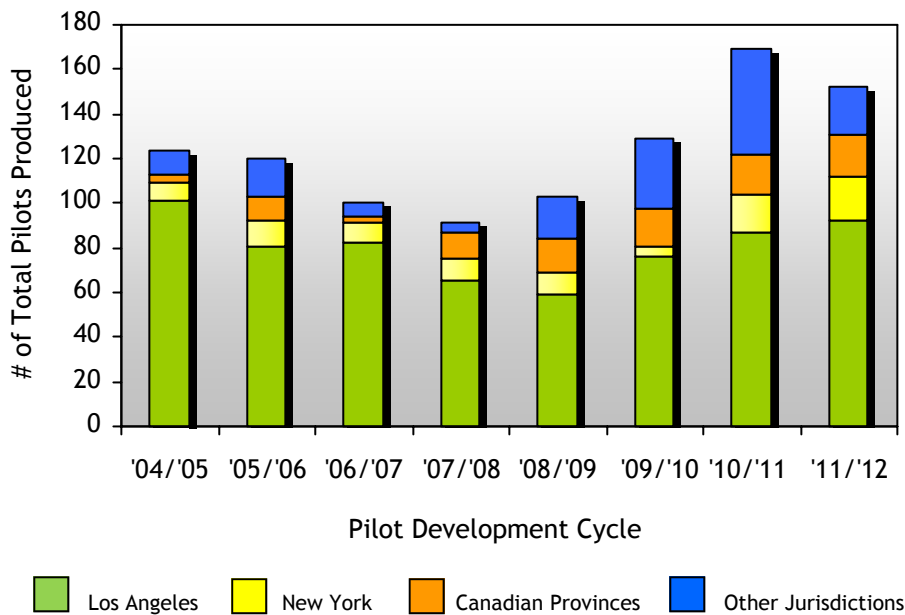
Some form of production incentive was available in every one of the non-California locations used during the '11/'12 development cycle. Drama producers use incentives to offset the increased cost of long-distance production while affording higher-end production values.

Television Pilots Produced by Location, '05-'12

	'04 '05	'05 '06	'06 '07	'07 '08	'08/'09		'09/'10		'10/'11		'11/'12	
					Net- work	Cable	Net- work	Cable	Net- work	Cable	Net- work	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	11 47	11 23
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	11 0	5 4
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	10 0	9 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	11 0	7 3
TOTAL	124	120	100	91	103		129		169		152	

... Key Production Trends

TV PILOTS PRODUCED BY LOCATION, '05-'12



Pilots: The What & The Why

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. Before a pilot can be green-lighted for series, it must first be deemed marketable to television advertisers and foreign distributors.

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 on broadcast networks in the fall or early the following year as mid-season replacements.

Cable networks also screen a variety of scripted content. Unlike network pilots, cable pilots are produced year-round and have increased in number to contribute mightily to development cycle yields. New cable series debut throughout the year.

Pilots’ Economic Importance

Pilot production is worthy of study because the activity creates significant economic benefits for the hosting region.

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, cost up to 40 percent less to produce than full-length pilots.

Based on these figures, FilmL.A. estimates that approximately \$262 million was spent on television pilot production in Los Angeles during the ‘11/’12 development cycle.⁴

This is roughly 46 percent of the total amount spent by producers in all locations.

Runaway Pilot Production

Pilot producers’ ongoing wanderlust 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 another, more serious concern is that the one-time loss of a pilot can easily lead to the loss of a promising series.

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. for series, but this is no longer to be expected.

152

Total TV Pilots Produced During the 2011/2012 Development Cycle

92

Total Pilots Produced Within Los Angeles Region

53

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

76 %

Percent of Total L.A.-Based Projects That Were Comedies

91 %

Percent of Total Comedy Projects That Filmed in Los Angeles

\$262m

Estimated Total Pilot Production Spending in L.A. Region

Today, the availability of production incentives and established production infrastructure outside Los Angeles make it possible to film series in other places.

This fact, combined with network decisions about which shows to pick up or cancel in a given year, poses a serious threat to established production centers like Los Angeles.

To help quantify this problem, FilmL.A. researchers analyzed new and continuing series pickups for 2010/2011, 2011/2012 and 2012/2013 viewing season on major broadcast networks during primetime. This analysis excluded cable productions because of their irregular series start pattern.

At the beginning of the 2012/2013 fall viewing season, viewers will be exposed to 47 L.A.-based shows (18 dramas, 29 comedies). They will also be exposed to 24 shows (23 dramas, 1 comedy) filmed outside the region.

Thus for the first time in FilmL.A.'s ongoing study, L.A. is heading into the fall season accounting for less than 50 percent of the network screen time devoted to primetime scripted dramas.

Come mid-season, L.A.'s drama share could be even smaller, since just one L.A. show was picked up as a mid-season replacement. Six mid-season dramas were picked up elsewhere.

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

Comedy series are less expensive to produce than dramas and generally employ fewer people during production.

Multi-camera, stage-bound comedies, which L.A. has been able to retain in great numbers, cost up to \$1.5 million to produce per episode.

Single-camera comedies that regularly shoot on-location cost slightly more to make at up to \$2.0 million per episode. Creative reasons, as opposed to economic reasons, presently keep these productions in Los Angeles.

"We think L.A. is settling into a new normal," said FilmL.A. President Paul Audley, "Without a more competitive California tax incentive program, Los Angeles will find it hard to increase its share of total TV drama production."

"Of course, having comedies made in town is a boon for L.A.," Audley continued. "It leaves us vulnerable, though. The comedy genre is cyclical and there's little to prevent single-camera comedies from following dramas out-of-state. Our economy would be well-served were the region to attract a more diversified slate of productions."

Though not a focus of this report, other soundstage-reliant facets of Los Angeles' television production industry are worthy of mention.

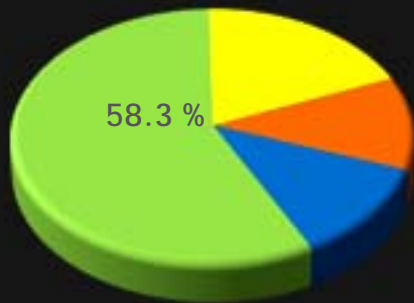
The L.A. region hosts numerous television talk shows, including *Conan*, *The Tonight Show*, *Last Call with Carson Daly*, *The Late Late Show with Craig Ferguson*, *Jimmy Kimmel Live*, *The Talk*, *Ellen* and *Dr. Phil*.

Locally-produced game shows include, but are not limited to, *Jeopardy*, *Wheel of Fortune*, *Let's Make a Deal*, *Shark Tank*, *Wipeout*, *The Biggest Loser* and *The Price is Right*.

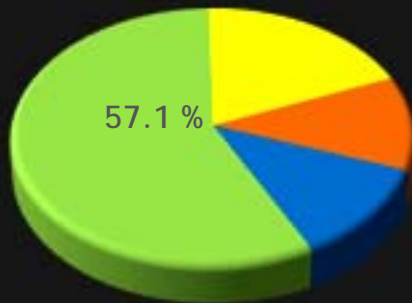
Talent shows in L.A. include *American Idol*, *America's Best Dance Crew*, *The Voice*, *The X Factor*, *America's Got Talent*, *So You Think You Can Dance*, *Dancing with the Stars*, *Duets* and *America's Next Top Model*.

Dramas' Dramatic Flight.

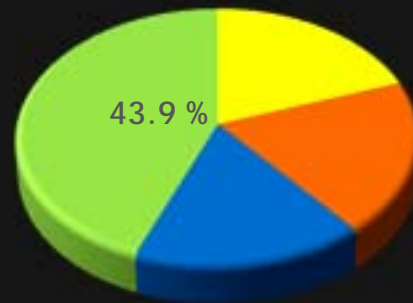
The charts below illustrate some of the changes taking place in the network television production landscape. Based on primetime network television schedules as the start of the fall season, the charts reveal a shift in drama series production away from Los Angeles. L.A.'s hitherto unchallenged grip on comedy series has kept the region's comedy production share above 90 percent.



Fall 2010



Fall 2011



Fall 2012

KEY



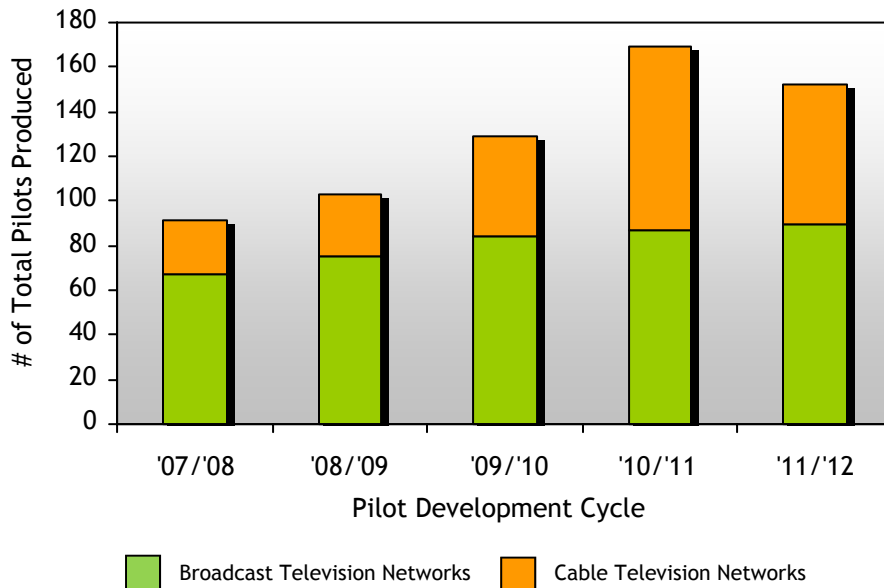
Based in Los Angeles

Based in Canada

Based in New York

Based Elsewhere in US

TV PILOT PRODUCTION BY NETWORK TYPE



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.

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. 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.

3. 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 '11/'12 development cycle includes production activity that starts in 2011 and continues into 2012 for show starts at any time in 2012 (or later).

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

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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