



2013 Television Pilot Production Report

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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.

More recently, Atlanta, Georgia has emerged as a strong contender for pilot productions, surpassing even Toronto in total number of pilots produced for 2013.

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 186 broadcast and cable television pilots² were produced during the '12/'13 development cycle³, making the past year the most productive on record by a large margin.

Out of those 186 television pilots, a total of 96 projects were filmed in the Los Angeles region.

By one measure, this is the second largest annual tally in Los Angeles' history, totaling four projects more than the prior cycle and just six fewer than L.A. handled during its peak year of '04/'05. Indeed, the Los Angeles region saw a large increase in the amount of on-location pilot filming.

From January 1st to June 10th of this year, permitted production days (PPDs) for pilots were almost 40 percent higher than the same period last year.

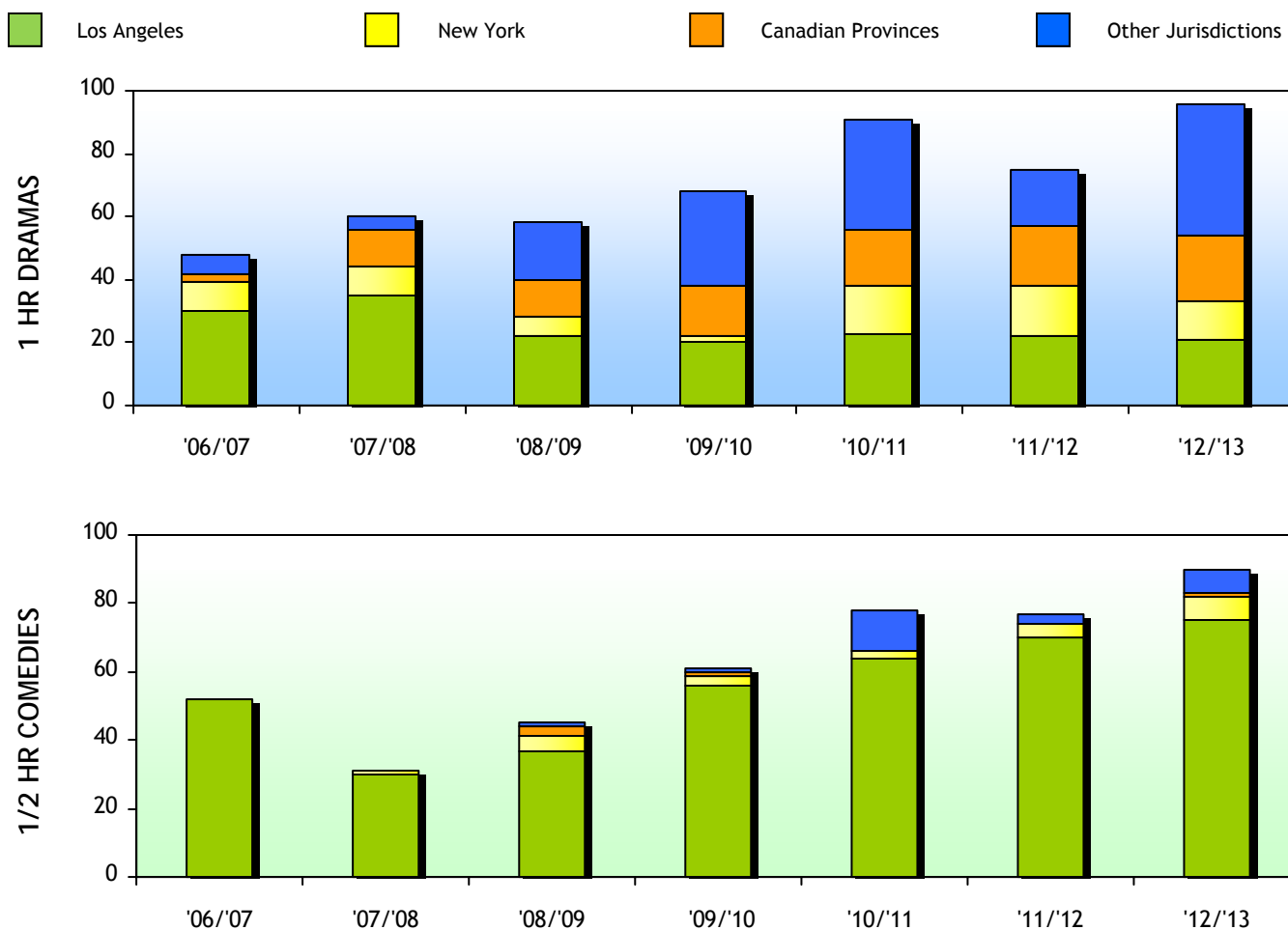
In terms of overall market share, L.A. captured just 52 percent of all pilots in the current cycle, the second lowest on record. This is a far cry from L.A.'s record 82 percent share in '06/'07.

Total Projects Up, Market Share Down

In '12/'13, the Los Angeles region captured just 22 percent of all television drama pilots. This down from a 28 percent share in the previous cycle. In '06/'07, L.A.'s drama share was 63 percent.

During the previous three development cycles, drama pilots were filmed outside the L.A. region by a ratio of more than 2-to-1. In the '12/'13, cycle the ratio of drama pilots filmed outside L.A. was closer to 4-to-1.

Pilot Production Count by Genre and Location, '06-'13



... Key Production Trends

L.A.'s share of comedy pilots produced in '12/'13 was 83 percent, down from 91 percent during the previous cycle. On the positive side, the raw number of comedy pilots produced was 75 in '12/'13 compared to 70 in the previous cycle.

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

Pilot Production Locations

During the '12/'13 development cycle, 96 television pilots were filmed on Los Angeles streets and stages. However, 90 other pilots – of which 75 were coveted one-hour drama projects – were produced outside the region in competing jurisdictions. In the previous development cycle, only 60 total pilots were produced outside of the region.

After L.A., the top four competitors for pilot production in '12/'13 were New York (19 pilots), Vancouver (15 pilots), Atlanta (9 pilots) and Toronto (6 pilots). Trailing the top four were New Orleans and Chicago, which each hosted five pilots.

The availability of financial production incentives and production infrastructure are key factors influencing where pilot producers choose to film. Some form of film production incentive was available in every one of the non-California locations used during the '12/'13 development cycle.

Drama producers use incentives to offset the increased cost of long-distance production while affording higher-end production values. Often, this means financial concerns trump creative concerns when deciding where to shoot.

For example, Atlanta and Vancouver each hosted pilots that were thematically set in L.A.. Just one of the pilots shot in Atlanta is actually set there. Likewise, none of the 15 pilots shot in Vancouver are set in the city. Chicago, on the other hand, was the setting for all pilots shot there in '12/'13.

When it comes to New York, L.A.'s closest rival often plays itself. No less than 11 of the pilots produced in New York in '12/'13 were set there. When New York wasn't playing itself, the only other location it substituted for was Washington D.C., which is the setting of four of the New York-filmed pilots.

No other location comes close to Los Angeles for hosting pilots thematically set in so many diverse areas. In '12/'13, Los Angeles stood in for New York, Florida, El Paso, Boston, New Orleans and San Francisco, to name just a few.

When it comes to comedy pilots, generous film incentives in other locations have not been as successful at siphoning production from L.A. New York was a very distant second place with just six comedy pilots in '12/'13 compared to L.A.'s 75.

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.

Non-traditional programming available from online services like Amazon and Netflix are beginning to change the pilot landscape even further.

In '12/'13, Amazon Studios produced six live action pilots (plus an additional eight animated) for its Amazon Prime subscription streaming service. Unlike network television, on Amazon there are no commercial interruptions and advertiser influence is effectively taken out of the equation. Amazon selects which pilots receive full series orders based in large part on viewer feedback.

Unlike Amazon, the original programming on Netflix have all been straight to series orders. Rather than release episodes on a weekly basis like traditional network or cable broadcasts, Netflix makes all episodes available at one time, which also takes advertisers out of the equation.

186

Total TV Pilots Produced During the 2012/2013 Development Cycle

96

Total Pilots Produced Within Los Angeles Region

75

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

78 %

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

83 %

Percent of Total Comedy Projects That Filmed in Los Angeles

\$278m

Estimated Total Pilot Production Spending in L.A. Region

Rather than make viewers tune in weekly, Netflix allows viewers to “binge” on an entire season of episodes in less than a week, or even a single day. Moreover, because there are no commercial interruptions or gaps between episodes, Netflix allows screenwriters to change the pace and flow of the story, avoiding commercial interruptions or the need for weekly cliffhangers.

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 \$277.8 million was spent on television pilot production in Los Angeles during the ’12/’13 development cycle, an increase over the \$262 million spent in L.A. during the previous cycle.⁴

This is roughly 39 percent of the total amount spent by producers in all locations. In the previous cycle, L.A.’s share of spending in all locations was 46 percent.

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 less common now.

The California Film & Television Tax Credit program has helped reverse a tiny amount of runaway production. Since the program’s inception in 2009, the program has enabled five television series (*Torchwood*, *Body of Proof*, *Teen Wolf*, *Justified*, *King & Maxwell*) to relocate to Los Angeles from outside the region.

Occasionally, some shows will relocate to Los Angeles because of personal considerations. AMC’s *Mad Men*, for example, relocated to L.A. after shooting the pilot episode in New York because creator Matthew Weiner didn’t want to uproot his family in L.A. More recently, CBS’s *Vegas* relocated from New Mexico to California because several of the show’s principal cast wanted to be closer to their homes and family in Los Angeles.

“Some form of film production incentive was available in every one of the non-California locations used during the ’12/’13 development cycle.”

Whatever caused their relocation to Los Angeles, the productions that do return are few and far between. 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.

In an effort to help quantify this problem, FilmL.A. researchers analyzed new and continuing series pickups for the 2010/2011, 2011/2012, 2012/2013, and 2013/2014 viewing seasons on major broadcast networks during primetime. This analysis excluded cable and web productions because of their irregular series start patterns.

At the beginning of the 2012/2013 fall viewing season, viewers were exposed to 47 L.A.-based shows (18 dramas, 29 comedies). They were also exposed to 24 shows (23 dramas, 1 comedy) filmed outside the region. Last year marked the first time during FilmL.A.’s ongoing study in which L.A. accounted for less than 50 percent of network screen devoted to primetime scripted dramas.

By the beginning of the 2013/2014 fall viewing season, L.A.’s share of network screen time devoted to primetime scripted dramas will have fallen below 40 percent, a new low. In all, viewers this fall will be exposed to 38 L.A.-based shows (15 dramas, 23 comedies). And viewers will also be exposed to 27 shows filmed outside the region (26 dramas, 1 comedy).

Come mid-season, L.A.’s drama share could be even smaller, since just one L.A. show was picked up as a midseason replacement.

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. In ’12/’13, there were 40 multi-camera pilots produced (36 in L.A.).

Single-camera comedies that regularly shoot on-location cost slightly more to make at up to \$2.0 million per episode. In ’12/’13, there were 50 single-camera pilots produced (39 in L.A.). Creative reasons, as opposed to economic reasons, presently keep these productions in Los Angeles.

Talk, Talent & Variety in L.A.

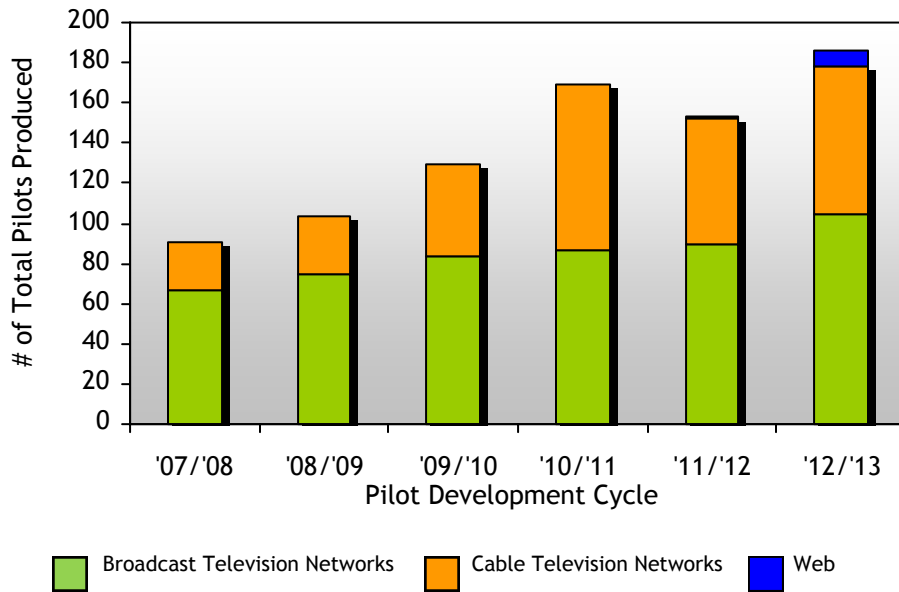
Though not a focus of this report, other soundstage-reliant facets of Los Angeles’ television production industry are worthy of mention.

The L.A. region hosts numerous television talk shows, including *Conan*, *The 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*, *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*, and *Dancing with the Stars*.

PILOT PRODUCTION BY DISTRIBUTION MEDIA



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 viewing on major broadcast and cable networks and premium web services.

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.

Please note that it is 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. Original web series are included for this analysis, but animated pilot productions are not counted.

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 '12/'13 development cycle includes production activity that starts in 2012 and continues into 2013 for show starts at any time in 2013 (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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