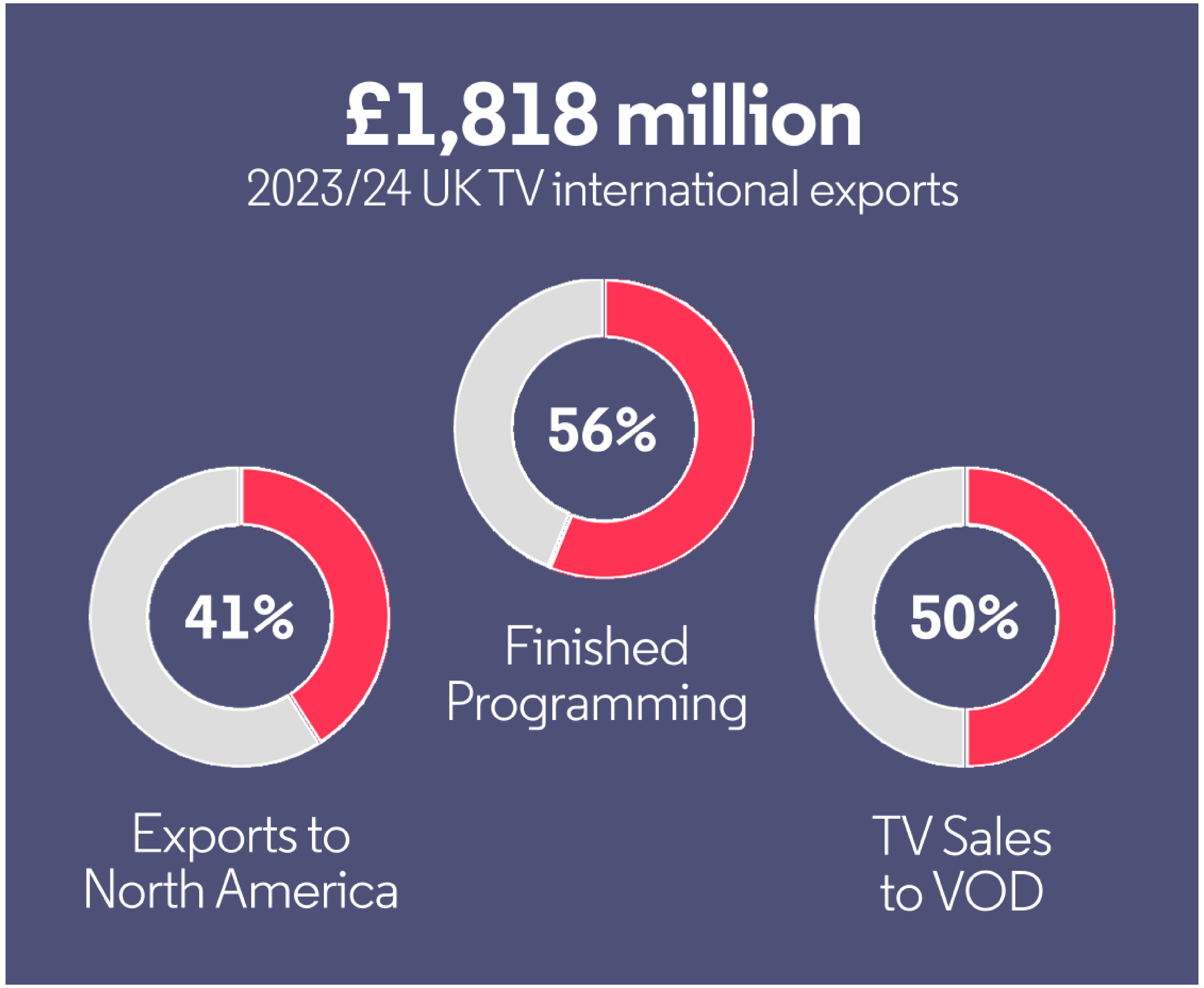
UK TV Exports Report

2023-24

November 2024

UK TV Exports Report
Key Findings



Against a backdrop of challenging market conditions and strong growth in 2022/23 the UK TV Export market is showing resilience, coming in at revenues of £1,818 million. This represents a slight decline of 2% from the previous high of £1,853 million.

The US market continues to be the most important market for exports, contributing 33% of all exports (£593 million) and together with Canada and pan-territory deals, North America represents 41%.

Returns this year showed significant variance across distributors in many markets and business areas. Widespread and varied challenges have no doubt contributed to a very mixed picture that itself means behind any aggregate shift there are different experiences for UK distributors.

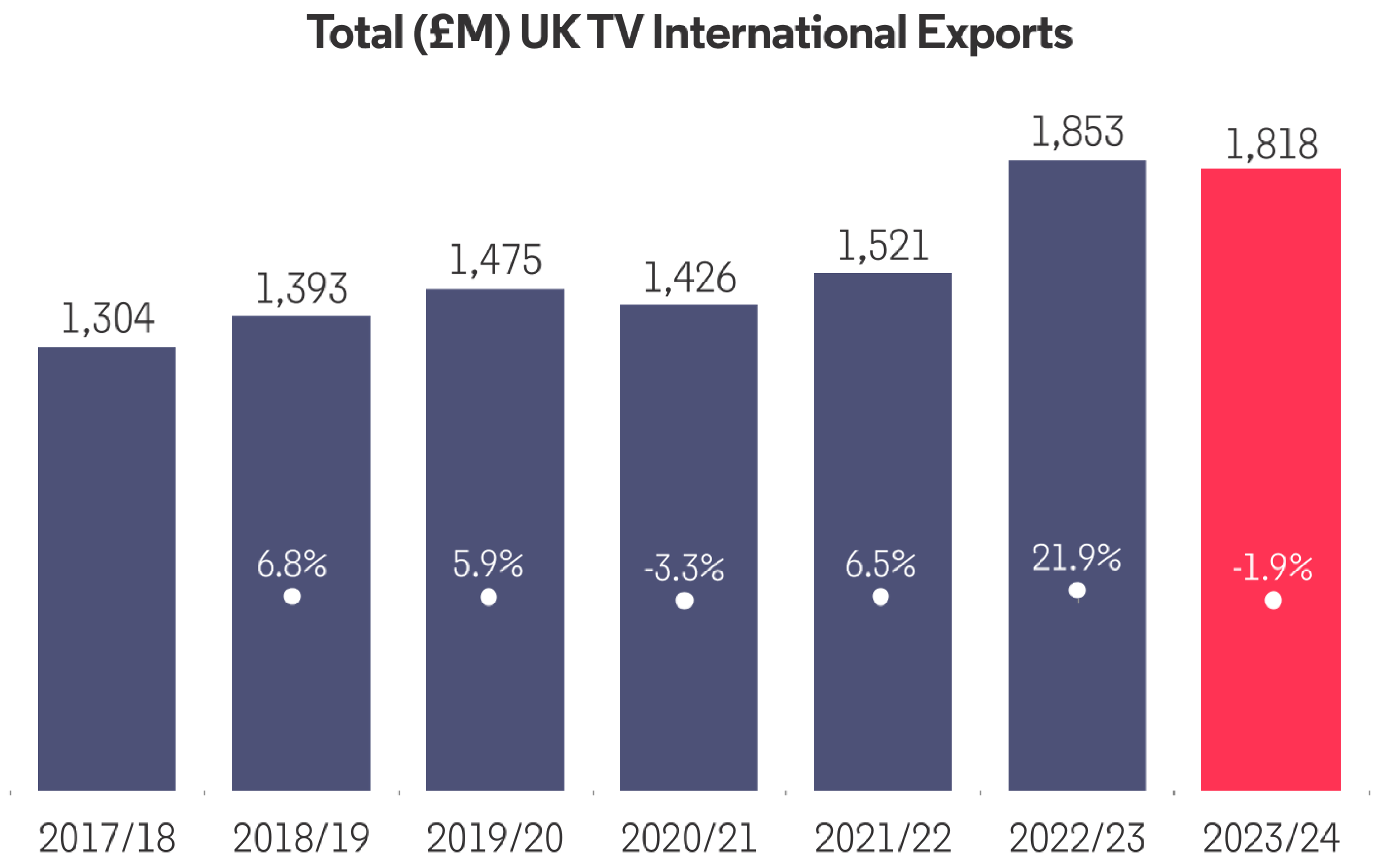
TV sales remain the largest source of income (56%), with 50% sales to VOD, but this experienced a fall of 8% from last year. Co-Productions showed the largest percentage decline, falling 28% year-on-year to £120 million and reflecting the very clear retreat from the market by US Media.

UK TV Exports Report
Growth Subsides

A number of factors have contributed to a wide variety of challenges facing the global content industry. The condition of the global economy, writers and actor strikes, cost of living crisis, escalating production costs, US studio strategic shifts and advertising market challenges have all served to put pressure on UK distributors' global client base.

This confluence of factors created clear headwinds for distributors and contributed to the first fall outside of the COVID-19 induced decline in 20/21, with total UK TV international exports falling 1.9% to £1,818 million.

Although the total this year has fallen to £1,818 million this is 27% higher than 2020/21 levels.



UK TV Exports Report
Top Twenty Export Markets

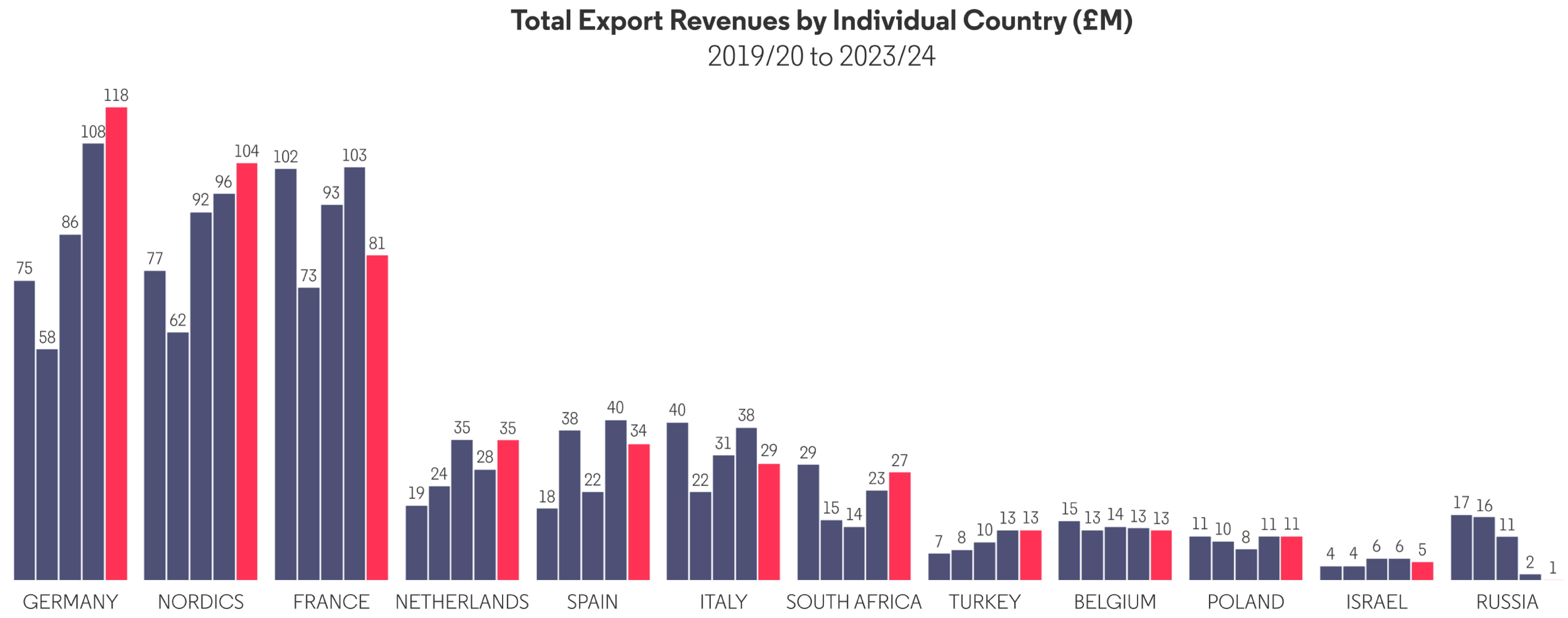
Despite the specific challenges coming from the US market in the last 24 months the US continues to be the largest destination for UK TV Exports, accounting for almost a third of all UK TV Exports, and it remains the region of primary focus for UK distributors.

Fortunes of other markets varied significantly, with France (-21%) and Italy (-23%) having the highest year-on-year decline in Europe and both falling down the rankings. Elsewhere in Europe Netherlands (25%), Germany (8%) and the Nordics (8%) all posted growth, but as we will show there were varied experiences between distributors.

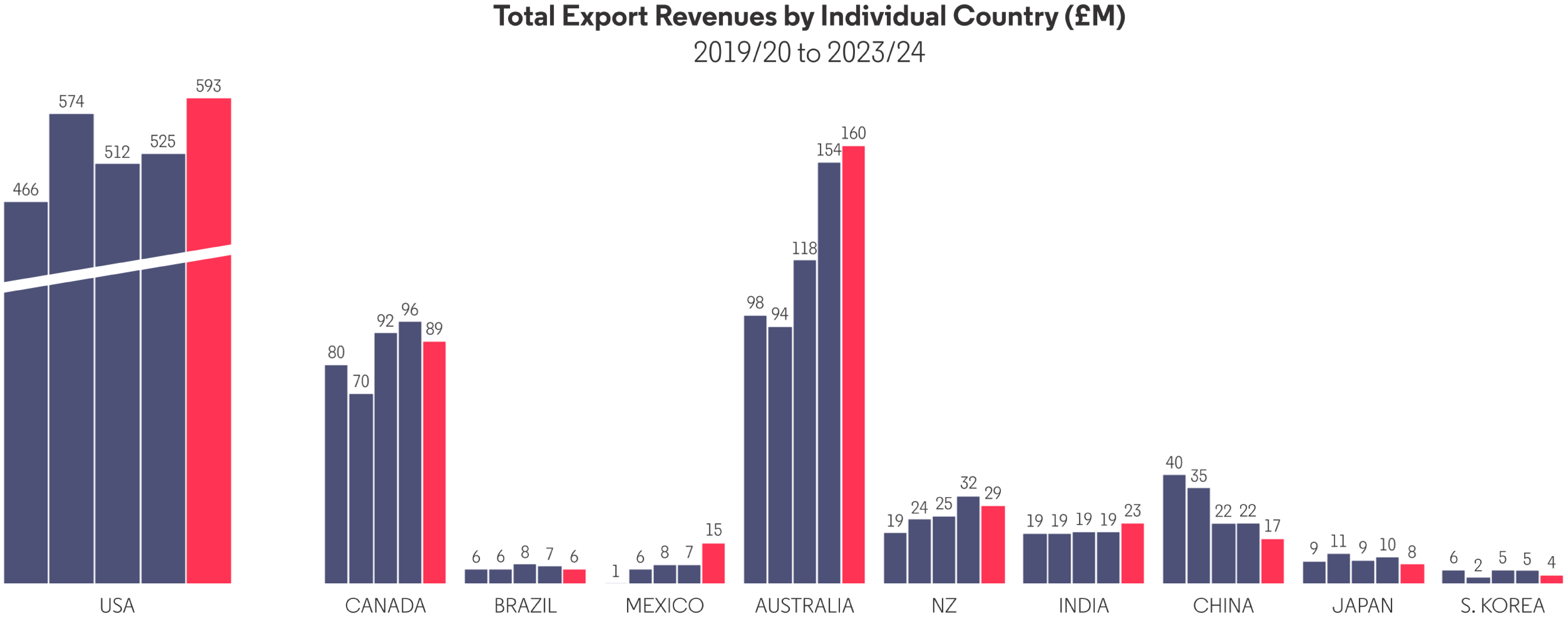
Outside of Europe, China and Japan posted the highest fall in exports of -25% each whereas most other markets registered a mixture of gains or losses. Mexico had the highest year-on-year increase of 113%, but this gain comes from a relatively low starting place and with Latin American revenues more dependent on Pan-Regional activity the activity across the region may be more useful to view.

		Total Revenues			
Rank	Country	(£M)	YOY%	2023 Rank	
1	USA	593	13%	1	-
2	AUSTRALIA	160	4%	2	-
3	GERMANY	118	8%	3	-
4	NORDICS	104	8%	5	▲
5	CANADA	89	-7%	6	▲
6	FRANCE	81	-21%	4	▼
7	NETHERLANDS	35	25%	10	▲
8	SPAIN	34	-15%	7	▼
9	ITALY	29	-23%	8	▼
10	NZ	29	-11%	9	▼
11	SOUTH AFRICA	27	20%	11	-
12	INDIA	23	17%	13	▲
13	CHINA	17	-25%	12	▼
14	MEXICO	15	113%	18	▲
15	TURKEY	13	1%	15	-
16	BELGIUM	13	-3%	14	▼
17	POLAND	11	0%	16	▼
18	JAPAN	8	-25%	17	▼
19	BRAZIL	6	-13%	19	-
20	ISRAEL	5	-15%	20	-

UK TV Exports Report
Export Markets - EMEA



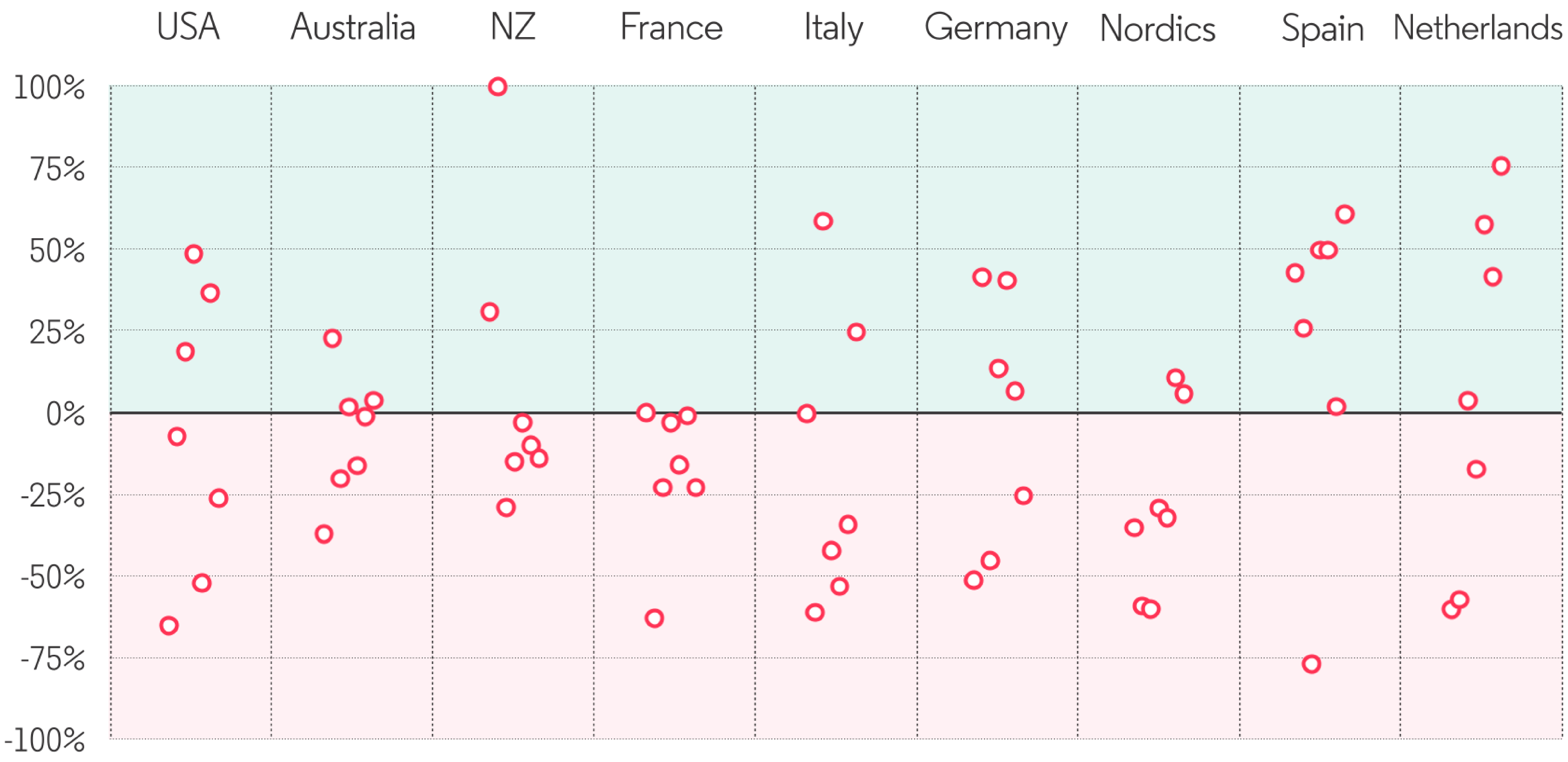
UK TV Exports Report
Export Markets - Rest of the World



Note different scale for US Market.

UK TV Exports Report
Distributor TV Sales Variance

TV Sales Revenue Growth, by Market, by Distributor



The growth of TV Sales in selected territories for the seven largest distributors illustrates some of the variance throughout the period.

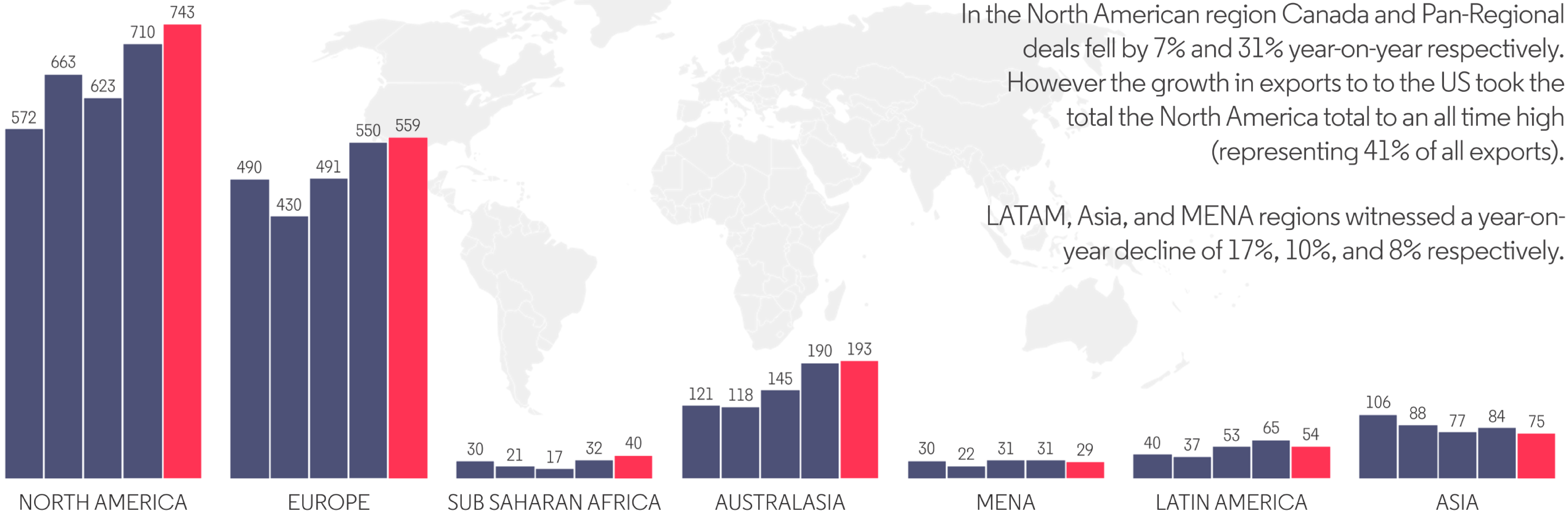
Few of the markets showed any consistency in distributor experience, with only France universally seeing no growth by these distributors.

Only Australia and Nordics approach any level of consistency, but in general markets saw a variance that illustrates the complexities in the market and the potential for different outcomes.

Each point represents and individual distributors growth experience by market for TV Sales.

UK TV Exports Report
Exports by Territory: Macro Regions

Total Exports Revenues by Territory (£M)
2019/20 to 2023/24



In the North American region Canada and Pan-Regional deals fell by 7% and 31% year-on-year respectively. However the growth in exports to to the US took the total the North America total to an all time high (representing 41% of all exports).

LATAM, Asia, and MENA regions witnessed a year-on-year decline of 17%, 10%, and 8% respectively.

UK TV Exports Report
Exports by Type

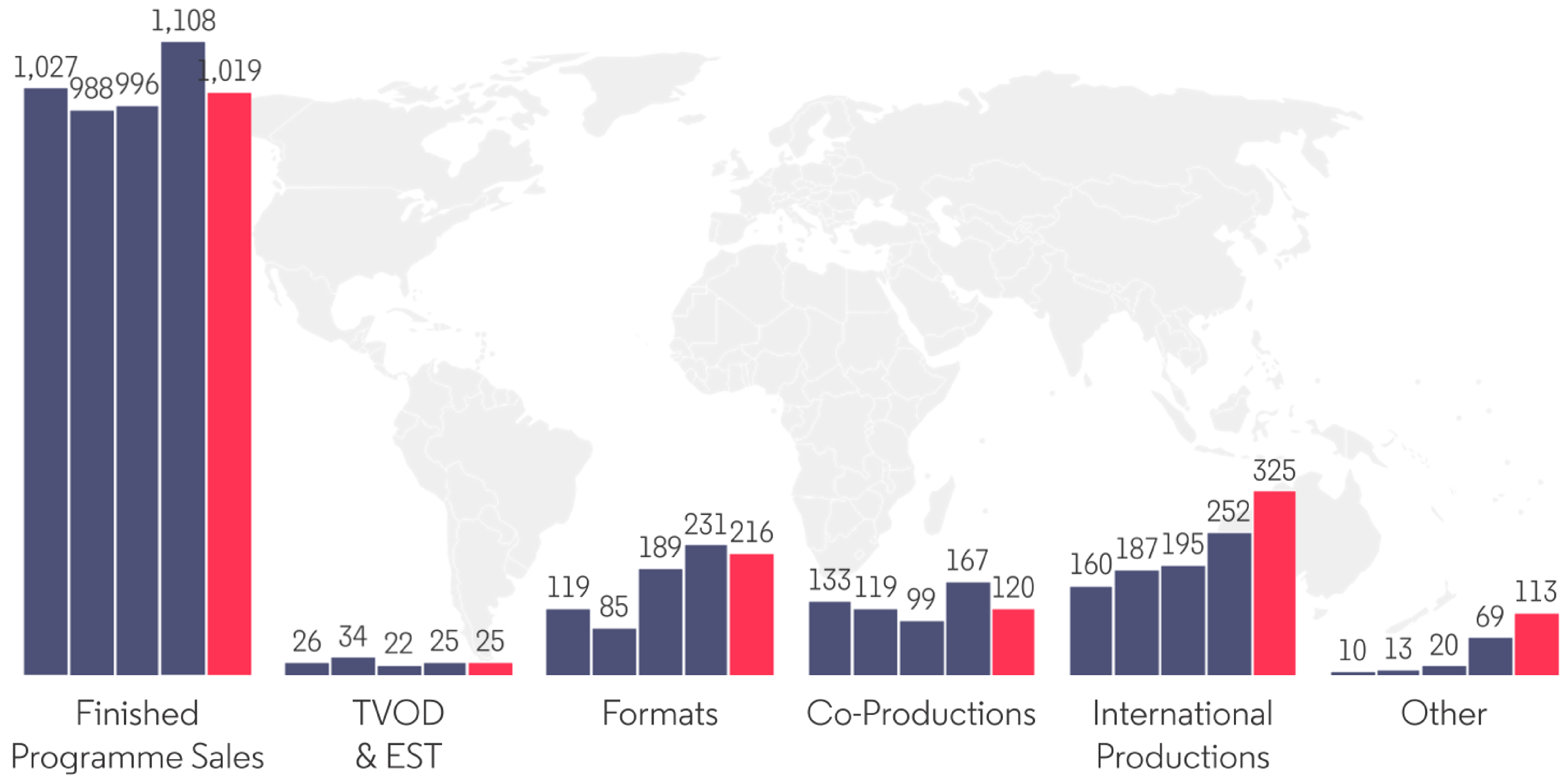
Co-Productions were hardest hit in relative terms, with a 28% decline in revenues to £120 million, with Format sales down 7% and TV Sales down 8%.

Finished programme sales fell 8% year-on-year to £1,019M but still remained the largest contributor by some way, however following the last year's trend, its share of total exports fell further by 4%.

The International Production category was the standout growth area this year, growing 29% year-on-year to £325M, with its share of total exports now 18%.

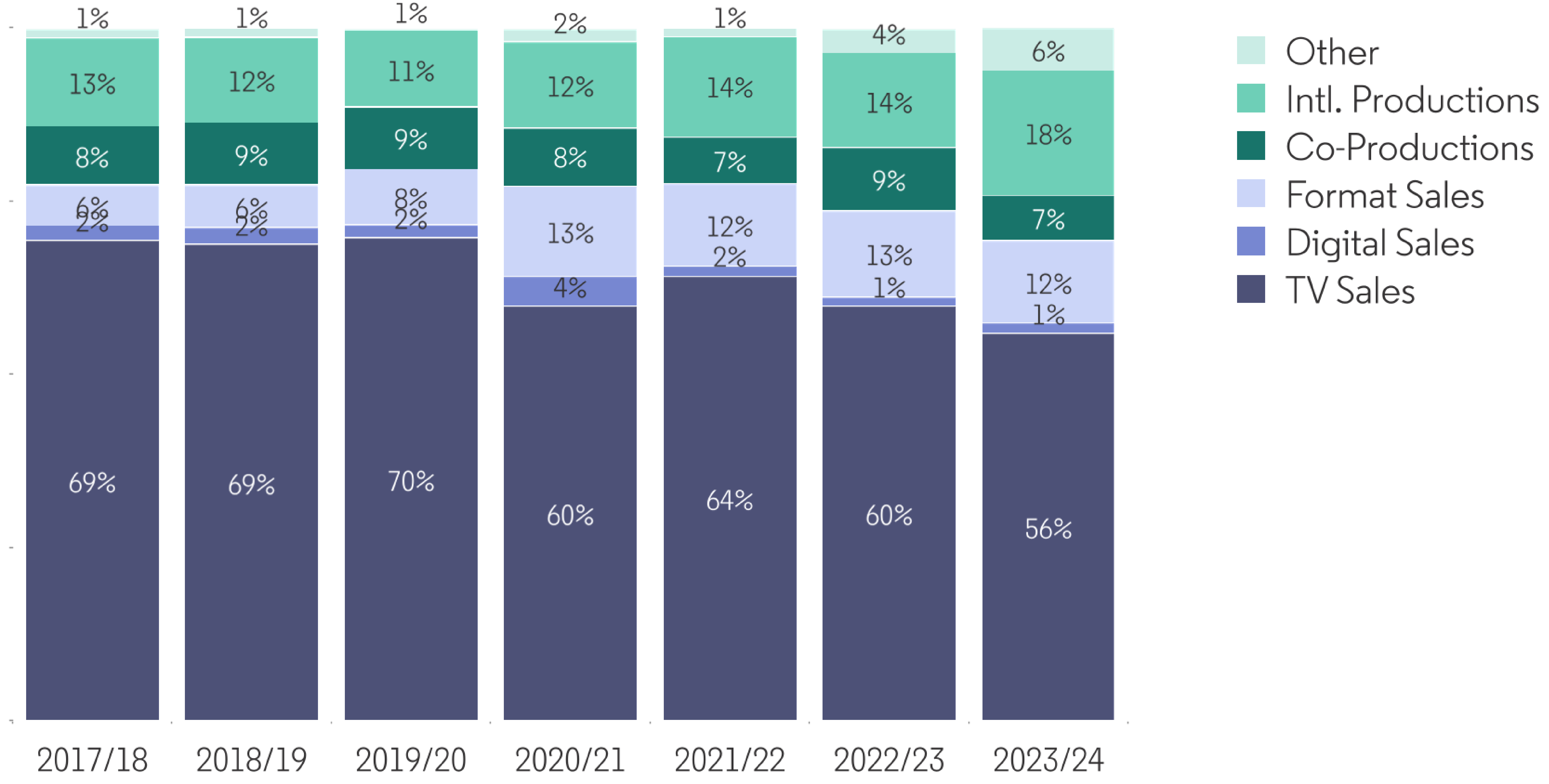
Digital Sales (TVOD & EST) marginally fell by 1% to £25M and there was a significant jump in un-categorised revenues (Other) to £113 million.

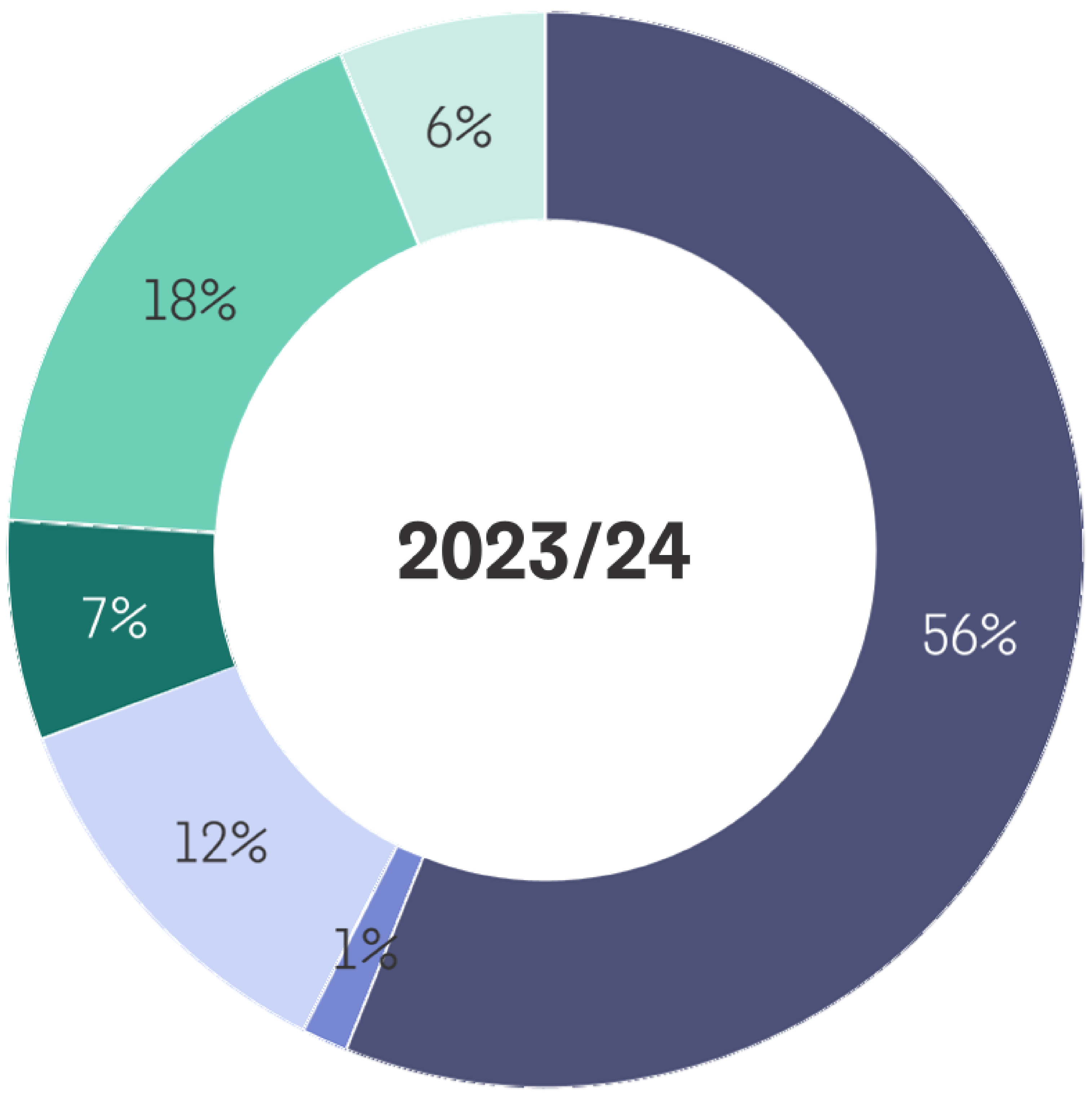
Total Exports Revenues by Type (£M)
2019/20 to 2023/24



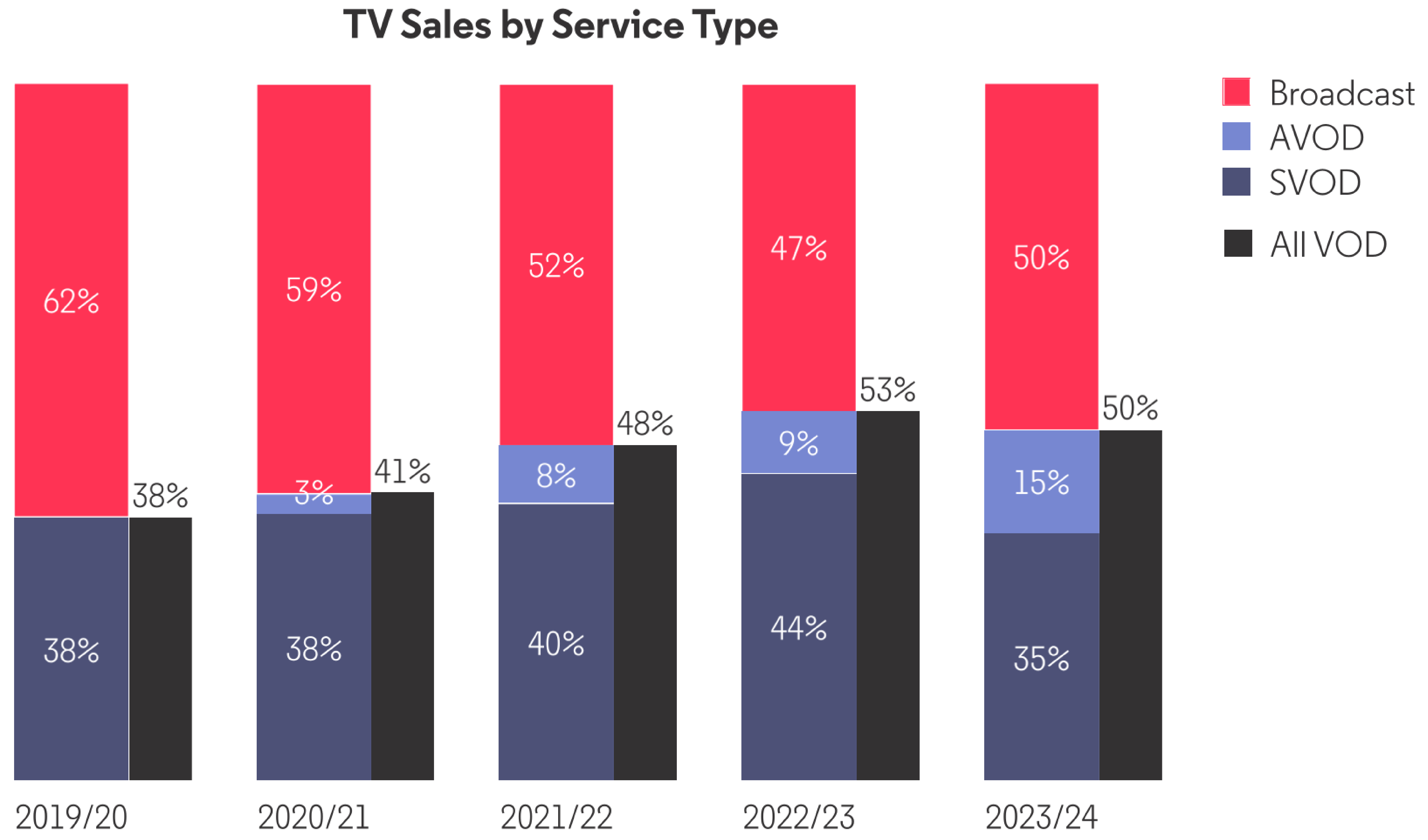
UK TV Exports Report
Exports by Type

Total Exports Revenues by Type (£M)





UK TV Exports Report
TV Sales by Service Type



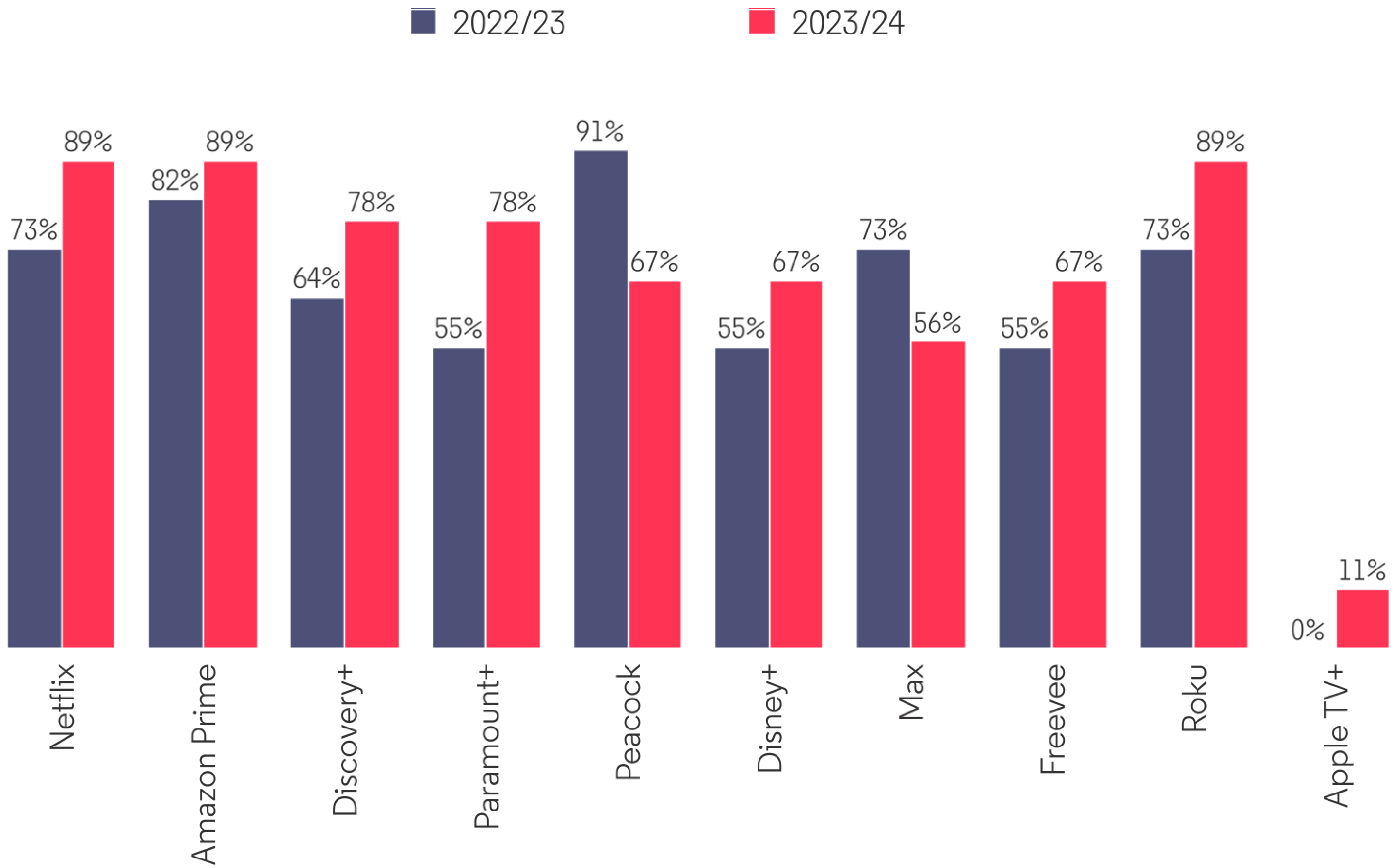
This year the category of TV Sales showed a slight shift back to the Broadcast category, with 50% sales to broadcaster clients, up from 47% in the previous period.

With the SVOD model under strain throughout 2022 and 2023 it is also notable that within the 50% sales to the VOD category there has been an increase in the proportion of sales to AVOD.

Of the 50% sales to VOD the AVOD category (including FAST) represents 15% sales, up from 9% last year. Whilst SVOD showed a decline from 44% to 35%.

Note: Year-on-year comparisons have been adjusted to allow exact comparison between the same group of distributors to allow for a like-for-like review.

% Distributors with Finished Programme Sales to SVOD



UK based distributors continued to find homes for their programming with streamers in 2023/24.

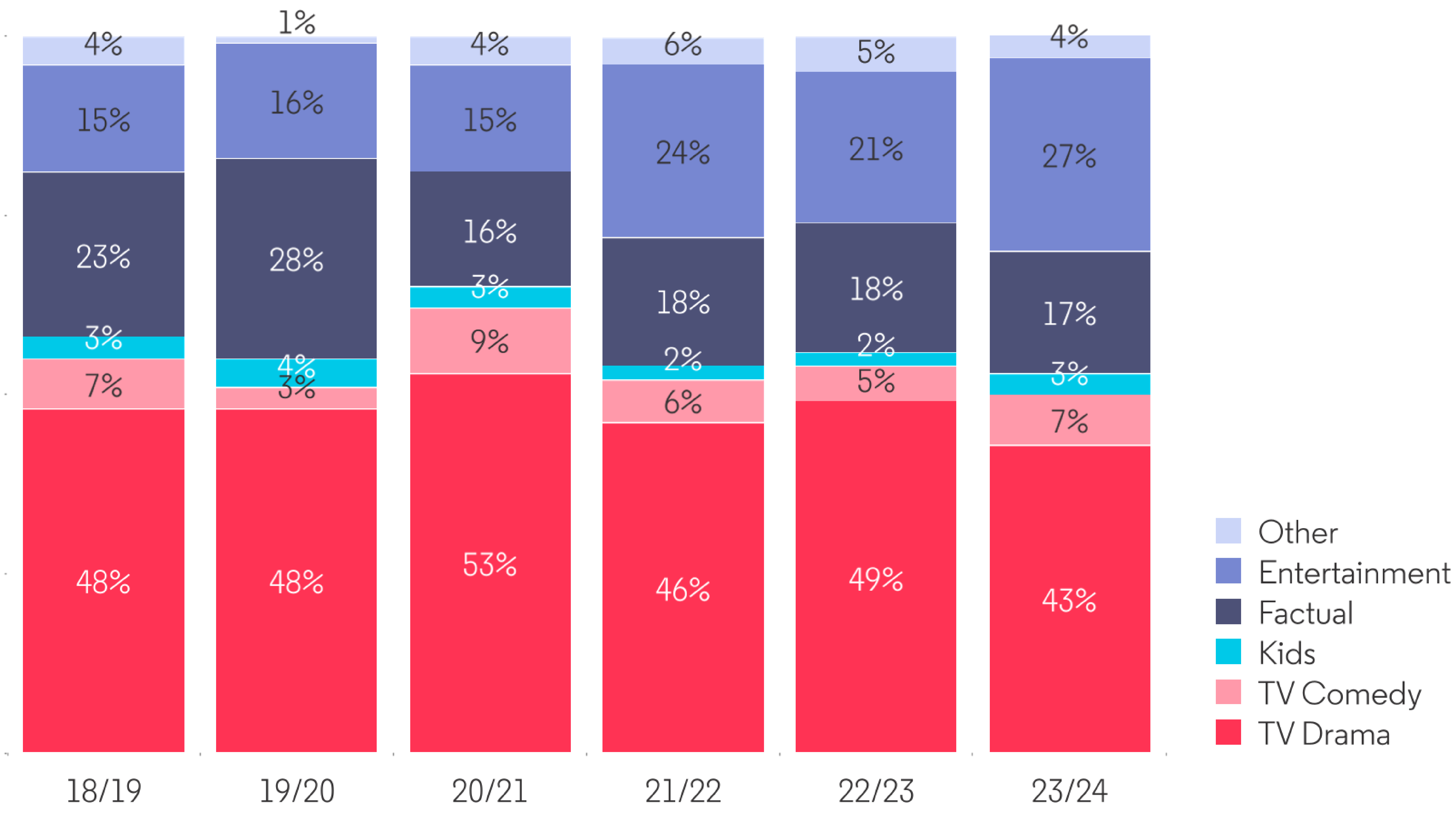
Most distributors actually showed an increase in activity in terms of reaching these services with some level of deal. Perhaps unsurprisingly with the growth of AVOD and FAST more companies are securing deals with Roku and Freevee.

Two streamers showed a drop in the number of distributors that secured deals with them. Warner Bros. Discovery's fiscal constraints are likely behind their drop, whilst Peacock as a US based service are down from what was an unusually high level in 22/23.

Q. In 2023/24 Have you secured revenue from deals with the following global streaming services?

UK TV Exports Report
Exports Sales by Genre

Content Sales Split by Genre



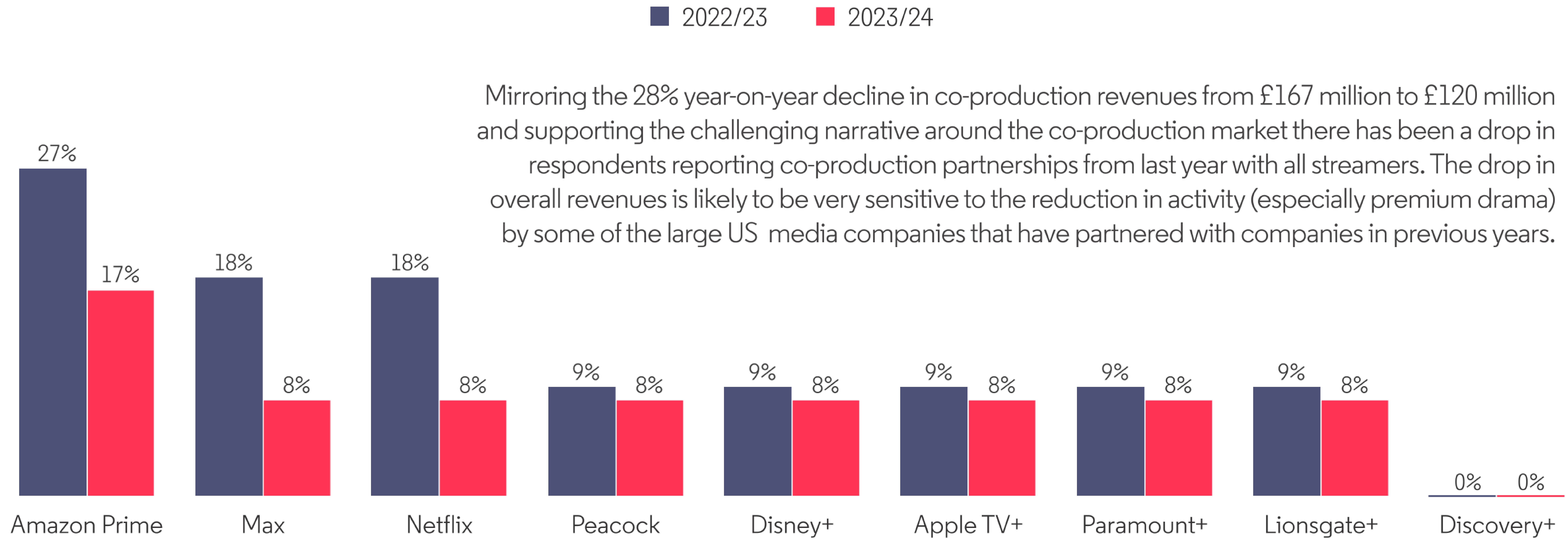
Scripted drama continues to dominate, representing 43% of revenue but its share of total exports fell by 6% year-on-year.

Entertainment saw the biggest increase in share (6%), with it now representing 27% of total exports.

Comedy, Factual, and Kids programming exports as a share of total UK Exports held steady.

% of Respondents stating they had secured Co-Production Partnerships with named services

Mirroring the 28% year-on-year decline in co-production revenues from £167 million to £120 million and supporting the challenging narrative around the co-production market there has been a drop in respondents reporting co-production partnerships from last year with all streamers. The drop in overall revenues is likely to be very sensitive to the reduction in activity (especially premium drama) by some of the large US media companies that have partnered with companies in previous years.

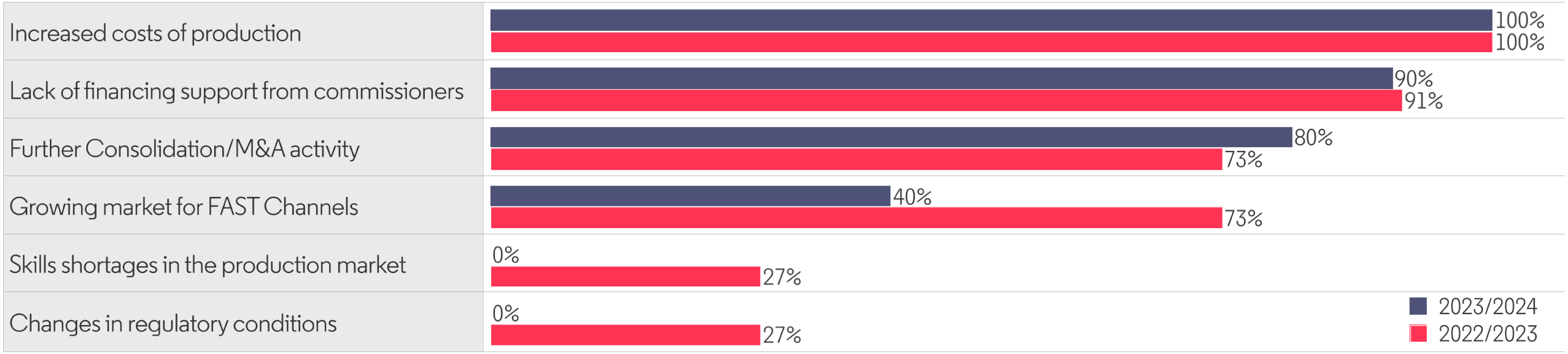


Q. In 2023/24 have you secured revenue from deals with the following global streaming services?

UK TV Exports Report
Future Impact on Distribution

This year, all respondents emphasised the challenges posed by rising production costs, with 91% also pointing to a lack of financial support from commissioners. Further Consolidation/M&A activity ranks even higher in peoples minds this year, with 80% expecting more activity.

40% of distributors believe that the expanding market for FAST will impact the demand for UK programming next year, marking a significant decrease from last year's sentiment and pointing to a potential calming of the hype around FAST. However in a change from last year no respondents felt that international UK content exports would be affected by skills shortages in the production sector or regulatory changes.

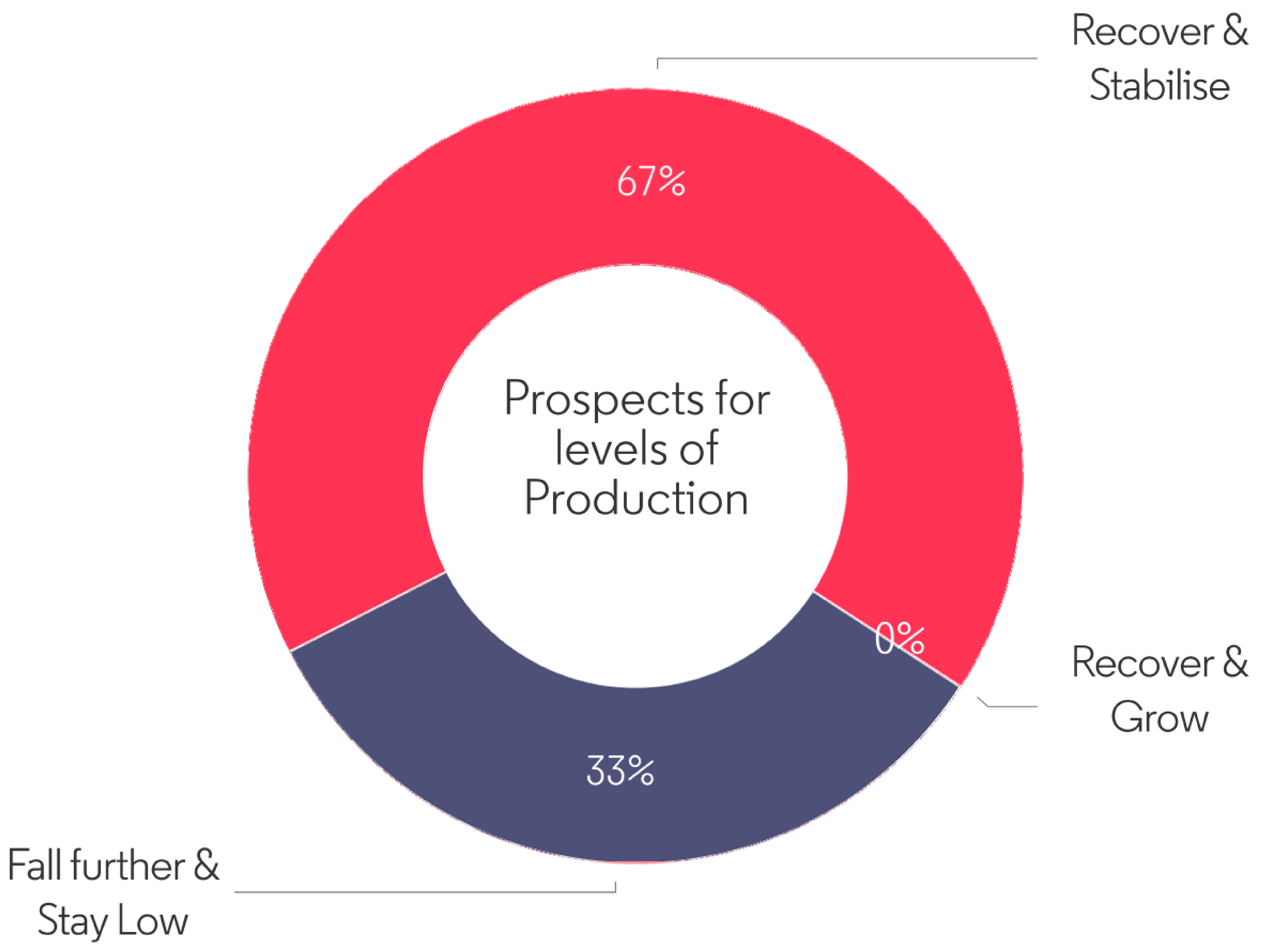


Q. Which of the following do you think will have an impact on the distribution of UK content internationally in the next 12 months?

In the context of a year when production was facing multiple headwinds, including macro-economic pressures, strikes, advertising market falls, streamer (and traditional TV) austerity we asked respondents about what they felt the prospects for the levels of production were.

67% of respondents believe that the current challenges are temporary and that the market will recover and then hold steady. The remaining 33% feel that the production sector has yet to fully absorb the impacts of the current market, expecting further falls in production levels before they ultimately stabilise at lower levels.

None of the respondents expressed outright optimism about production growth.



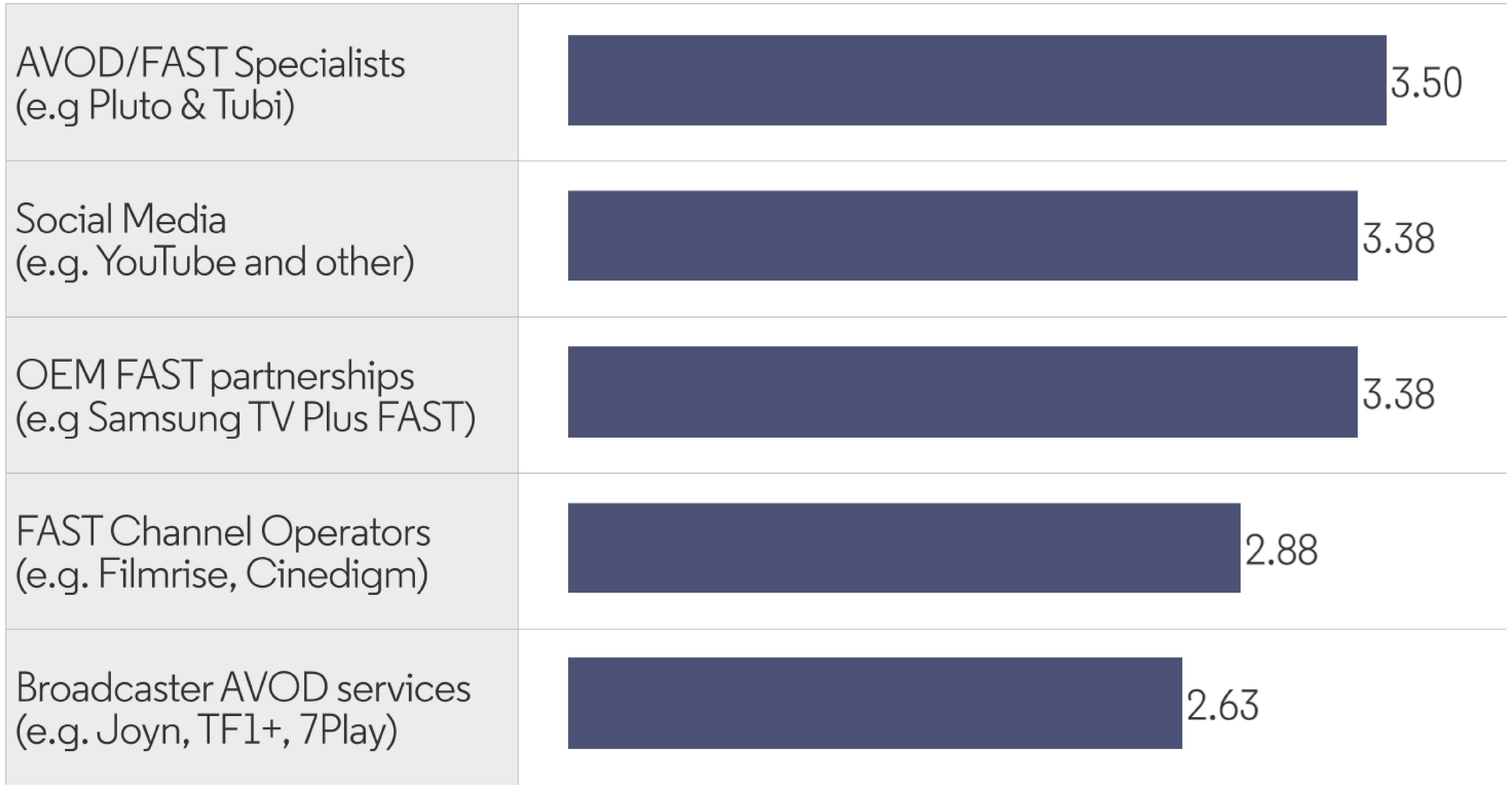
Q. In 2023 production levels were hit by a combination of factors including macro-economic pressures, strikes, Ad market falls, streamer (and linear TV) austerity. Which of the following statements do you agree with?

Advertiser-funded models saw a resurgence in 2023, with SVOD players focused more on advertiser supported tiers, AVOD services launching and intensifying efforts and FAST continuing its drive to expand into global markets.

With the growing focus on advertiser supported streaming models we explored AVOD further with respondents. They were asked about their priorities for revenues in the coming year and ranked five different categories of service provider.

Weighted scoring of their responses shows close grouping, with the market for advertiser-funded services clearly a wide one. AVOD/FAST specialists come out on top, but OEM FAST partnerships and Social Media also scoring highly.

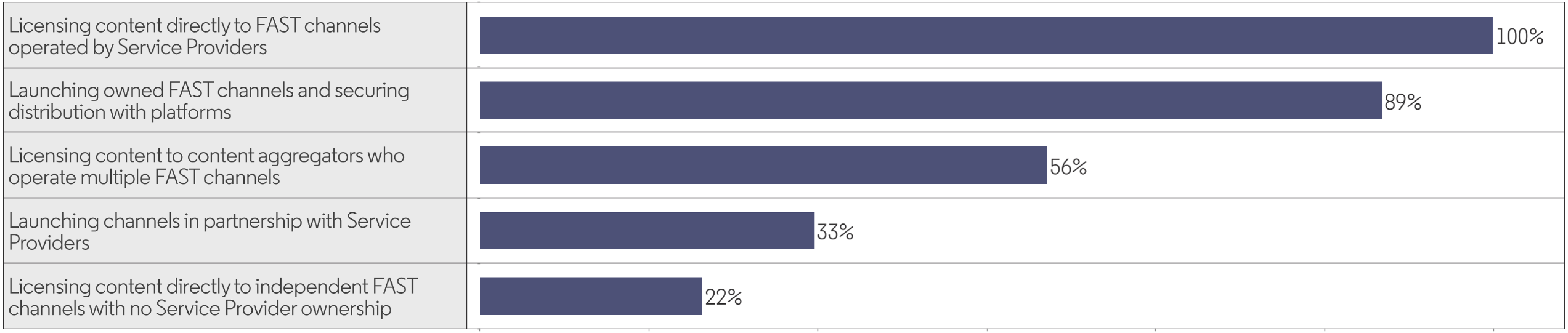
Monetisation Opportunity - Weighted Score



Q. Ad funded models saw a resurgence in '23, with SVOD Ad-Tiers, new AVOD services and FAST's global expansion. Score 1-5 (5 strongest) the following in terms of your revenue priorities for the coming year.

Following rapid growth in the world of FAST it is inevitable further refinement and optimisation of approaches will continue. There are varied monetisation opportunities for content owners and content distributors. All the respondents stated that licensing content directly to FAST channels operated by Service Providers is a focus and almost all the respondents also see launching their own channels as a key area.

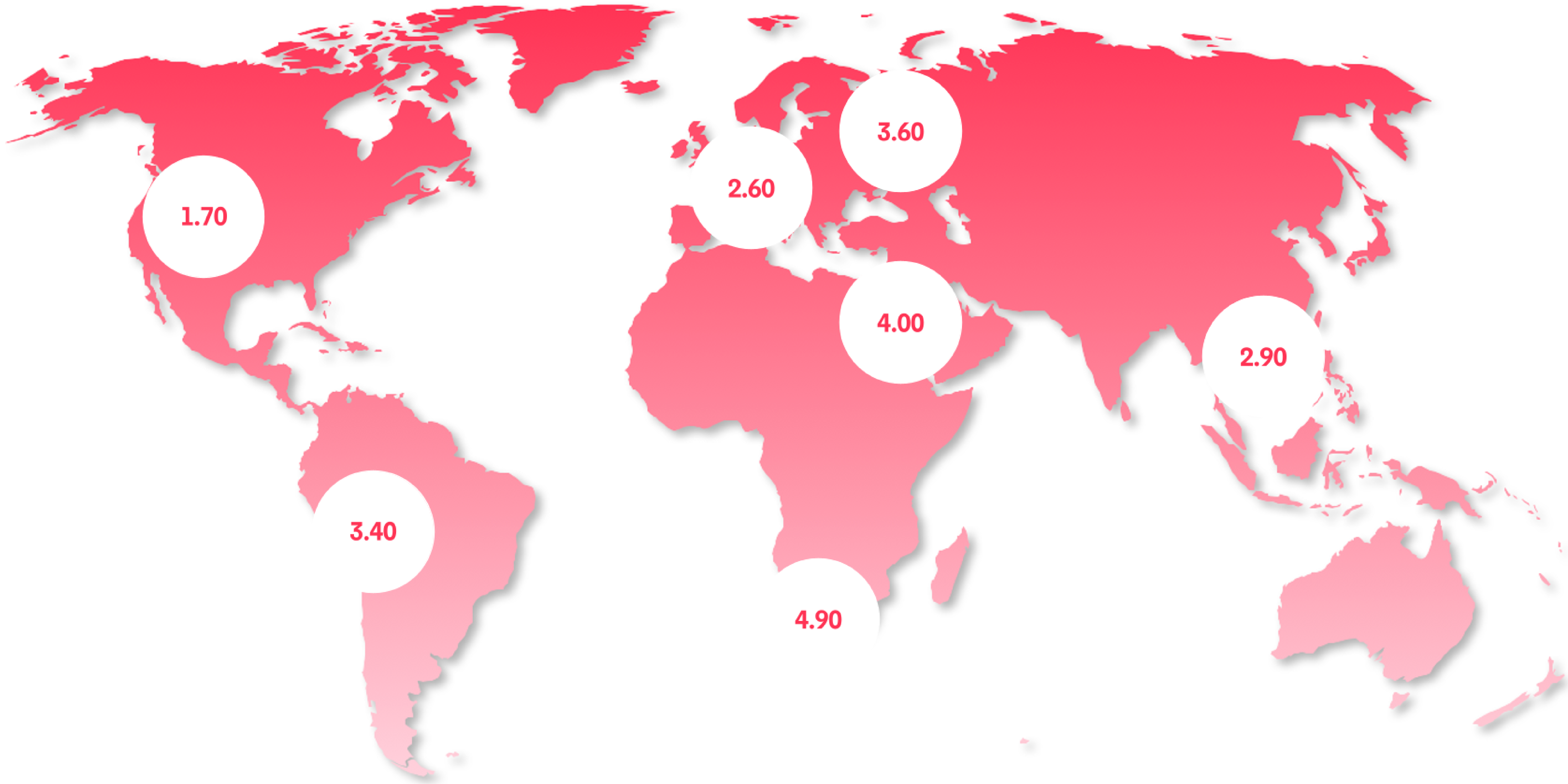
Licensing content directly to independent FAST channels was seen as a lower priority for content monetisation, but notably distributors were typically looking at multiple areas of activity, maintaining a wide perspective on a business that still needs to optimise approaches. On average distributors were actively targeting three of these five areas.



Q. The market for FAST channels continues to generate huge interest with options to monetise through licensing content to channel providers and operating your own channels - where is the focus of your business?

Growth Focus - Weighted Ranking

(Number in bracket represents the weighted ranking of each region, with 1 being a higher focus for growth)



North America continues to be the #1 ranked region for growth, with 80% respondents ranking the region #1.

Grouped closely together Western Europe and Asia Pacific follow, with Western Europe not ranked lower than #4 by any distributor and dominating 2nd place rankings.

Latin America and Eastern Europe sit largely in the middle of the ranking whilst MENA and Sub-Saharan Africa hold the bottom positions.

50% of respondents ranked Sub-Saharan Africa in the lowest position.

Q. In the coming financial year (2024/25) where is the focus of your growth? Please rank regions 1-7 Please rank 1-7 (1 being the highest)

"The Pact Export Report reflects the general resilience of the sector in a challenging market. Distributors are working hard across multiple rights and revenues streams to maximise income for producers, however the decline in USA co-production funding should not be ignored. Its main impact is on the financing of premium scripted shows, which is proving increasingly challenging above a certain budget level. AVOD and FAST have provided useful revenue sources for catalogue titles and tend to be high volume lower fee per hour opportunities. The demand for unscripted titles has remained steady and in All3Media's case, format activity has been helped by some stand out key performers , notably The Traitors."

Louise Pedersen, CEO, All3Media International

Top 3 Exporting Titles
Boat Story
Champion
The Tourist (Season 2)

BBC STUDIOS

Janet Brown,
President,
Global Content Sales,
BBC Studios

"Despite an evolving and disrupted global content landscape, British content continues to have incredible resonance around the world, and BBC Studios is privileged to have one of the most robust and in-demand portfolios in the marketplace. From critically acclaimed and popular series such as Doctor Who, Planet Earth III and The Majorca Files, I am proud of BBC Studios leadership and the role we play in bringing the best of British creativity to the world."

Top 3 Exporting Titles
Doctor Who: The Specials (2023)
Planet Earth III
Mallorca Files, The: Series 003

Fremantle

"Despite industry challenges, we're rounding off a great year for Fremantle. Our content line-up across entertainment, drama, film and documentaries showcases our commitment to deliver powerful programming from world-class talent that continues to engage audiences. As we head into 2025, we look forward to continuing our growth and working with partners to deliver irresistible entertainment across all genres."

Top 3 Exporting Titles
America's Got Talent
Sullivan's Crossing
Alice & Jack

Bob McCourt,
Chief Operating Officer,
Commercial and International,
Fremantle

"Considering the operating environment, I think it's a huge credit to the UK industry to see such a marginal decrease in TV exporting over the last year. It just goes to show that no matter the headwinds, Britain's creative community is robust. We've still seen our dependable, trusted brands like Love Island and The Voice deliver again for broadcasters and their advertisers in these uncertain times. As ever, our performance continues to be shaped by the strength and breadth of the business - a deep catalogue, 60+ labels and 360 exploitation including the evolution of our digital business with the imminent launch of Zoo 55. All of which enables us to find the right content for our buyers "whatever the weather".

Ruth Berry,
Managing Director,
Global Partnerships,
ITV Studios

Top 3 Exporting Titles
The Voice
Love Island
Vigil (Season 2)

Selected other Distributors

Banijay	Cineflix	Passion
Masterchef	Property Virgins	Kate and the King: A Special Relationship
Legomasters	Reginald the Vampire	Into the Congo with Ben Fogle
Survivor	Killer Cases	JFK: The Home Movie That Changed The World

DLT	Sony Pictures Television	Hat Trick
My Family	Who Wants To be A Millionaire?	Payback
As Time Goes By	Dragons' Den	DI Ray
Go 8-Bit	Raid the Cage	Dinner Date

UK TV Exports Report
Sponsors

BBC Studios, a global content company with bold British creativity at its heart, is a commercial subsidiary of the BBC Group, supporting the licence fee and enhancing programmes for UK audiences. Able to take an idea seamlessly from thought to screen and beyond, its activities span content financing, development, production, sales, branded services, and ancillaries across both its own productions, and programmes and formats made by high-quality UK independents. Award-winning British programmes made by the business are internationally recognised across a broad range of genres and specialisms, with brands like Strictly Come Dancing/Dancing with the Stars, Top Gear and Doctor Who. BBC Studios has offices in over 20 markets globally, including 10 production bases in the UK and production bases or partnerships in a further 7 countries around the world. The company, which ordinarily makes around 2000 hours of content a year for both the BBC and third parties including Apple, Netflix and Migu, is a champion for British creativity around the world. It is also a committed partner for the UK's independent sector through a mix of equity partnerships, content investment and international distribution for programme titles.

Fremantle is one of the world's largest and most successful creators, producers and distributors of entertainment, drama & film and documentaries. Operating in 27 territories, Fremantle is a proudly independent group of content creators. Fremantle produces and delivers high-quality multi-genre IP, including some of the biggest entertainment formats, most watched international dramas, award-winning films and hard-hitting documentaries, amplifying local stories on a global scale. From Too Hot To Handle to The Mosquito Coast, Game of Talents to The Hand of God, Farmer Wants A Wife to Got Talent, Family Feud to My Brilliant Friend and The Investigation to Arctic Drift, Fremantle's focus is simple – to create and deliver irresistible entertainment. Fremantle is also a world leader in digital and branded entertainment, with more than 480 million fans across 1,600 social channels and over 40 billion views per year across all platforms. Fremantle is part of RTL Group, a global leader across broadcast, content and digital, itself a division of the international media giant Bertelsmann. For more information, please visit www.fremantle.com, follow us on Twitter @FremantleHQ and Instagram @fremantle or visit our LinkedIn page.

ITV Studios is home to some of the best creative minds, crafting over 7,000 hours of original programming across 60 production labels. Our global footprint spans 13 countries including the UK, US, Australia, France, Germany, Spain, The Nordics, Italy and the Netherlands and our global distribution business sells our catalogue of 90,000+ hours to broadcasters and platforms around the world.

All3 Media companies have an unrivalled track record of producing popular and critically acclaimed IP, ranging from contemporary thrillers, detective series, soap operas, comedy, costume drama, true crime, through documentary, natural history, formatted entertainment, factual entertainment, features, children's and reality programming. The production companies are based in the UK, US, Germany, the Netherlands and New Zealand and produce 3,500 hours annually for linear broadcasters, VOD, social media and other digital platforms. All3Media's distribution business, All3Media International exploits programme rights around the world from its offices in London, New York and Singapore.

Pact is the trading name for the Producers Alliance for Cinema and Television. tl is the largest trade association covering the UK film, television, digital and interactive media sectors. Pact works to ensure British independent producers have opportunities for domestic and global business success. Pact offers a range of business services to its members and it actively lobbies government at local, regional, national and European levels.

3Vision is a global content and TV consultancy specialising in content acquisition, strategy, research and business development in the television industry.

With decades of TV industry experience and real-world success, we know the ins and outs of the market like nobody else. 3Vision combines intelligent trend analysis and industry partnerships to give your business expert insights, accelerate your growth and plot crystal clear routes to future success.

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