



## PRESS RELEASE

EUROPEAN AUDIOVISUAL OBSERVATORY  
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### ANIMATION IN EUROPE

- **9 European public service channels programme more than 500 hours of animation annually.**
- **The leading European Union animation production company in terms of operating revenue is British.**
- **Animation production companies saw total assets more than quadruple between 1998 and 2001 while profit margins fell back slightly between 2000 and 2001.**

On the occasion of the publication of Volume 5, 'Television Channels – Programme Production and Distribution', of the *Yearbook 2003*, the European Audiovisual Observatory is pleased to provide this press release dedicated to the programming of animation on European public service television and to the financial situation of European companies involved in the production of animated features and series.

#### ***9 European public service channels programme more than 500 hours of animation annually.***

For the first time this new edition of Volume 5 of the *Yearbook* includes a specific data series devoted to the programming of animation by European public service channels. This information is derived from data obtained and supplied to the Observatory by the Information and Statistics Network of the European Broadcasting Union (UER-EBU-ISN) and complements the EBU data on programme output by strand which the Observatory has been privileged to publish since the inaugural edition of the *Yearbook* in 1994/95.

**Table 1: European public service channels programming more than 500 hours of animation annually (2001-2002)**

<b><i>Channel</i></b>	<b><i>Country</i></b>	<i>In hours per year</i>	
		<b><i>2001</i></b>	<b><i>2002</i></b>
<b>SRG-SSR SF 2</b>	<b>Switzerland (DE)</b>	1491	1699
<b>Network 2</b>	<b>Ireland</b>	n.c.	1393
<b>ORF1</b>	<b>Austria</b>	1373	1284
<b>France 3</b>	<b>France</b>	1056	969
<b>La 2 (TVE 2)</b>	<b>Spain</b>	n.c.	862
<b>VRT-Ketnet/Canvas</b>	<b>Belgium (Flemish Comm.)</b>	713	754
<b>RAI 2</b>	<b>Italy</b>	993	717
<b>BBC2</b>	<b>Great Britain</b>	1332	634
<b>France 5</b>	<b>France</b>	387	532

Source: UER-EBU - ISN / Médiamétrie - INA (France) Ranked on the basis of 2002 figures  
For methodology please see the note on page 5



Table 1 shows the European public service channels programming the highest volumes of animation in 2002. Clearly many of the channels shown here represent that part of the national public service offer catering specifically for children and young people. This is the case, for example, of Irish second channel *Network 2*, with a schedule designed for younger viewers, whereas first channel *RTE1* targets older audiences and programmed just 61 hours of animation in 2002. It is also the case for *ORF1* in Austria, programming 1,284 hours of animation in 2002, whereas more 'traditionally' oriented channel *ORF2* programmed only 5 hours in the same year.

Both *VRT - Ketnet* and *France 5* are 'daytime' services, handing over to a culturally themed channel for the evening schedule (*VRT - Canvas* in the Flemish community of Belgium and Franco-German channel *Arte* in France). The level of animation programming on British second channel *BBC2* fell back sharply (-52%) between 2001 and 2002 – a similar phenomenon was observed on sister channel *BBC1*.

**Table 2: European public service television channels programming between 200 and 500 hours of animation annually (2001-2002)**

<u>Channel</u>	<u>Country</u>	<i>In hours per year</i>	
		<u>2001</u>	<u>2002</u>
<b>TVP 1</b>	<b>Poland</b>	268	462
<b>HRT 1</b>	<b>Croatia</b>	333	413
<b>TVR 2</b>	<b>Romania</b>	255	367
<b>CT1</b>	<b>Czech Republic</b>	349	350
<b>STV 1</b>	<b>Slovak Republic</b>	331	330
<b>BBC 1</b>	<b>Great Britain</b>	628	296
<b>DR 1</b>	<b>Denmark</b>	280	277
<b>TVE 1</b>	<b>Spain</b>	n.c.	248
<b>TRT 1</b>	<b>Turkey</b>	355	242
<b>NRK1</b>	<b>Norway</b>	143	240
<b>YLE TV2</b>	<b>Finland</b>	263	229
<b>ZDF</b>	<b>Germany</b>	257	226
<b>HRT 2</b>	<b>Croatia</b>	82	219
<b>RAI 3</b>	<b>Italy</b>	188	204

*Source: UER-EBU - ISN / Médiamétrie - INA (France) Ranked on the basis of 2002 figures  
For methodology please see the note on page 5*

Of course, animation represents only part of the offer for younger viewers made available on public service television in Europe and some of the channels mentioned in both tables 1 and 2 provide a substantial quantity of other types of programming for young people (entertainment, quizzes, documentaries, children's fiction series, etc.) This is notably the case for Slovak Republic public channel *STV 1* and Croatian channel *HRT 1*, channels that provide respectively a total of 1,235 hours and 1,011 hours annually of programmes for children and young people (including animation). It should also be noted that some channels may be active producers and/or co-producers of animation while programming relatively low volumes of this type of programme.

***British company HIT Entertainment PLC dominates the ranking of leading animation production companies in the European Union***

Table 3 below shows a ranking of European animation production companies by operating revenues generated in 2002. It should be noted that, in some cases, operating revenues



reported here include not only animation production activities but also revenues deriving from animated feature production, from merchandising and from rights management of animated and other programming.

**Table 3: The 15 leading animation production companies in the European Union (Operating revenues 2000-2002)**

*Ranked by operating revenues in 2002  
In thousand euros*

<b>Company</b> <i>Examples of production</i>	<b>Country</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2002/2001</b>
1 <b>HIT Entertainment PLC</b> <i>Bob the Builder, Angelina Ballerina</i>	Great Britain	33 064	85 194	193 591	127,2%
2 <b>TV – Loonland</b> <i>The Cramp Twins, Connie the Cow</i>	Germany	76 187	101 759	51 015	-49,9%
3 <b>RTV Family Ent. AG (consolidated)</b> <i>Marvellous Milly, Wicked, Little Bear</i>	Germany	62 337	70 560	48 960	-30,6%
4 <b>Carrere Group</b> <i>Poil de carotte, Schehérazade</i>	France	28 631	38 461	39 959	3,9%
5 <b>Entertainment Rights PLC<sup>1</sup></b> <i>Basil Brush, Postman Pat</i>	Great Britain	7 072	22 684	39 284	73,2%
p.m. <b>Carrington Productions Int. Ltd.</b>		1 674	–	–	–
6 <b>Mondo TV</b> <i>Robin Hood, Christopher Columbus</i>	Italy	14 109	27 871	37 560	34,8%
7 <b>Aardman Holdings Ltd</b> <i>Wallace &amp; Gromit, Chicken Run</i>	Great Britain	19 004	20 892	27 381	31,1%
8 <b>Xilam Animation</b> <i>Space Goofs, New Adventures of Lucky Luke</i>	France	11 976	18 711	25 436	35,9%
9 <b>Millimages</b> <i>64, rue du Zoo, Old Tom</i>	France	18 002	29 471	25 387	-13,9%
10 <b>Dargaud Marina<sup>2</sup></b> <i>Lucky Luke, Astérix</i>	France	28 841	26 158	25 116	-4,0%
11 <b>Marathon Animation<sup>3</sup></b> <i>Totally Spies, Marsupilami</i>	France	–	6 219	15 711	152,6%
12 <b>Ellipse Animation</b> <i>Tintin, Babar</i>	France	27 700	16 126	15 542	-3,6%
13 <b>Hahn Film AG (estimated)</b> <i>Bibi Blocksberg, Benjamin Blümchen</i>	Germany	6 985	10 000	15 000	50,0%
p.m. <b>Hahn Film + Video Prod. GmbH (est)</b>		n.a.	2 356	2 400	1,9%
14 <b>Alphanim</b> <i>Mona le Vampire, Canards extrêmes</i>	France	17 072	11 159	12 961	16,1%
15 <b>Cromosoma SA<sup>4</sup></b> <i>Juanito Jones, The Triplets</i>	Spain	2 849	9 322	12 883	38,2%

Source: European Audiovisual Observatory

The ranking is dominated by HIT Entertainment plc, UK-based producer of animated series such as *Bob the Builder*, of live-action programming for younger viewers (*Barney*) and owner of an extensive catalogue of older animation hits (*Pingu, Thomas the Tank Engine,...*). A significant part of company revenue is generated by video distribution and rights management. Two other British companies appear in the ranking, including Aardman Holdings Ltd, whose revenues include those deriving from the animated feature *Chicken Run*. A total of three German companies are among the top 15, the most important of which is TV Loonland. Both TV Loonland and RTV Family Entertainment AG (number 3 in the list) saw operating revenues fall back in 2002, with a decline of almost 50% in the case of TV Loonland.

<sup>1</sup> SKD Media and Carrington Productions International merged in 2001 to form Entertainment Rights plc.

<sup>2</sup> Includes TV fiction production. In August 2003 the Dargaud Group, parent company of Dargaud Marina, acquired Ellipse Animation.

<sup>3</sup> 2001 over 11 months.

<sup>4</sup> 2000 over 6 months.

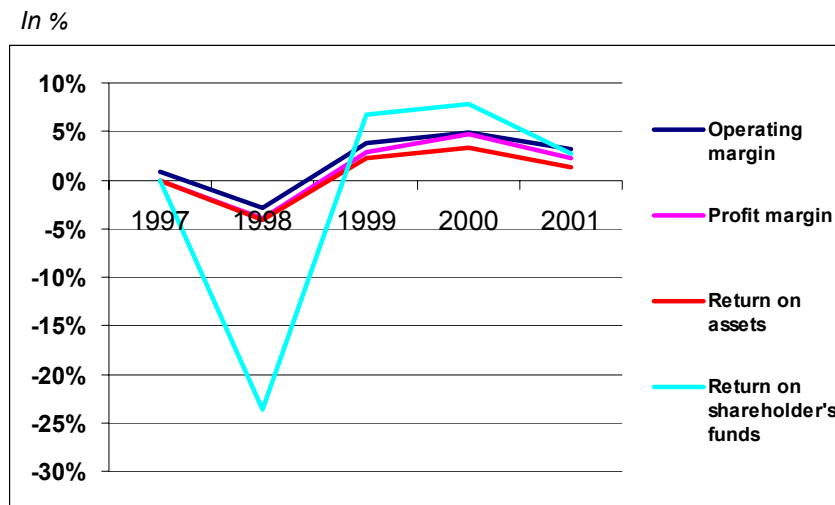


In numeric terms however it is French companies that dominate, with no less than seven different companies appearing in this ranking. A possible explanation for this is the fact that French accounting standards include work-in-progress in the calculation of operating revenue, whereas this is not generally the case elsewhere. It should also be noted that France is considered as probably the most prolific producer of animation in Europe.

The Carrere Group, producer of animated series such as *Poil de carotte* and *Schehérazade*, but also of features (such as *Les Triplettes de Belleville* produced through acquired production company Les Armateurs) figures in the highest position (4<sup>th</sup>). Revenue figures reported for Carrere may include those derived from rights management and merchandising, which represent an important part of the groups overall activity (for example French rights to *Snoopy* and world rights to *Casimir*) as well as from feature and TV movie production. Marathon Animation, producer of *Totally Spies* and *Marsupilami*, has seen the highest rate of growth of operating revenue of any of these companies in 2002. This is particularly significant in that revenues reported here include only, it would appear, those of the animation division, and exclude those of the documentary and drama divisions.

Using the AMADEUS database the European Audiovisual Observatory has identified around 270 different animation production companies operating in the European Union. During the period 1998 to 2001 total assets of these companies more than quadrupled, climbing from EUR 418 million to EUR 1 870 million. At the same time total operating revenue almost tripled, going from EUR 429 million to EUR 1 141 million. In terms of performance ratios, figure 1 shows clearly that after a particularly difficult year in 1998, the performance of these companies recovered strongly in 1999 and 2000, before falling back again slightly in 2001.

**Figure 1: Financial performance of animation production companies in the European Union (1997-2001)**



Source: European Audiovisual Observatory

In 2000 the animation production sector achieved a profit margin of 4.8%, significantly better than that achieved by the television fiction production sector in the five largest European markets<sup>2</sup> (1.7%). In 2001, however, the 2.2% profit margin reported for the animation sector fell slightly behind that of the television fiction production sector (2.9%). Profit margins in animation were, nonetheless, higher throughout the period than those observed in the feature film production sector, where the profit margin observed in 2001 was estimated at 0.6%.

<sup>2</sup> France, Germany, Italy, Spain and the United Kingdom



## **Notes for editors**

### **Methodological notes – programming of animation on public service television**

Data are derived from responses to questionnaires administered to the public service channels that form the membership of the European Broadcasting Union (Union européenne de radiodiffusion). The principal data series are published annually in the European Audiovisual Observatory *Yearbook*, in the form of channel-by-channel analysis of programme output by strand. A number of additional sources are drawn upon by the Observatory to supplement this data, in particular to extend coverage to private commercial channels, though programming on these channels is not discussed here.

The information presented is compiled on the basis of available data. For a certain number of public service channels, comparable figures are not available. These channels are: Germany – ARD, Great Britain – ITV, the Netherlands – Ned 1, Ned 2, Ned 3/Z@ppelin. 2002 data are not available for TV2 (Denmark), a channel which programmed 346 hours of animation in 2001.

### **The AMADEUS database**

The principle source for the analysis of the financial situation of animation production companies quoted here is the AMADEUS database, published by the Bureau van Dijk, and indexed and augmented by the European Audiovisual Observatory. AMADEUS, published in the form of a regularly updated DVD-ROM, provides the profit and loss statements, balance sheets and ownership structures of some six million companies in Europe. The Observatory has identified and indexed among these around 30,000 companies active in the audiovisual sector on the basis of their principle activity.

### **Definitions of financial performance indicators**

Operating revenue = Sales + Capitalised Production + Other Operating Revenues  
Operating margin = (Operating Profit / Operating Revenues) x 100  
Profit margin = (Profit before Taxation / Operating Revenues) x 100  
Return on assets = (Profit before Taxation / Total Assets) x 100  
Return on shareholders' funds = (Profit before Taxation / Shareholders' Funds) x 100  
p.m. = pro memoria (for memory)

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**Set up in December 1992, the European Audiovisual Observatory's goal is to gather and diffuse information on the audiovisual industry in Europe. The Observatory is a European public service body, operating within the framework of the Council of Europe, comprising 35 member states and the European Community, represented by the Commission. For further information, please visit our information portal:**  
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