

Service bulletin

Motion Picture Theatres

2010



Highlights

- Total operating revenues in the motion picture theatre industry reached \$1.6 billion in 2010, a 2.8% increase from 2009. This follows an increase of 12.0% in 2009. Operating revenues have been on an upward trend since 2005.
- Total operating expenses reached \$1.4 billion in 2010, up 3.5%. This follows a 10.4% increase in 2009.
- The industry posted an operating profit margin of 11.3% in 2010, down slightly from 11.9% in 2009.
- Box-office revenues increased 4.2% to \$960.7 million, while concession revenues rose 2.2% to \$453.5 million. The main factor in the growth in box-office revenues was a 6.2% yearly increase in average ticket prices. This was due partly to premium ticket prices for three-dimensional movies and higher costs of making movies.
- Attendance declined slightly in 2010 for the first time in five years. Cinemas, including indoor theatres, drive-ins and film festivals, sold 112.2 million tickets in 2010, down 1.9% from 114.4 million in 2009.
- Four provinces accounted for 88.1% of operating revenues in 2010. They were: Ontario (40.9%), Quebec (18.5%), Alberta (14.6%) and British Columbia (14.1%).
- The large chain-operated theatres, ranked on the basis of operating revenues accounted for 83.8% of total industry revenue in 2010, slightly higher than 2009 (83.7%). These large theatre chains have maintained their dominance in the past five years in terms of revenues, expenses, profit, admission receipts, concession sales and attendance.
- Operating revenues for the large theatre chains increased 3.6% in 2010, while their operating expenses increased 4.1%. As a result, their profit margin slipped from 13.5% in 2009 to 13.1% in 2010.

Note to readers

Data for 2009 were revised.

The motion picture theatre industry comprises establishments primarily engaged in exhibiting motion pictures. To facilitate the presentation of characteristics in this release, reference to motion picture theatres includes indoor theatres, drive-ins and film festivals.

In this release, data for Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba, Yukon, Nunavut and North West Territories have been suppressed due to Statistics Canada's requirement to ensure confidentiality of respondent data.

Statistical tables

Table 1
Summary statistics for the motion picture theatre industry, 2008 to 2010

	Operating revenue	Operating expenses	Salaries, wages and benefits	Operating profit margin
	thousands of dollars			percent
2010 ^p				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	291,324	275,640	46,106	5.4
Ontario	642,769	588,544	90,528	8.4
Manitoba	x	x	x	x
Saskatchewan	43,559	37,233	5,616	14.5
Alberta	230,157	180,939	26,727	21.4
British Columbia	221,151	193,103	25,281	12.7
Yukon Territory	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	1,571,974	1,394,349	214,094	11.3
2009 ^r				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	275,670	253,933	44,113	7.9
Ontario	617,992	569,539	87,915	7.8
Manitoba	x	x	x	x
Saskatchewan	42,636	32,450	4,978	23.9
Alberta	224,592	175,420	25,946	21.9
British Columbia	222,741	193,524	25,588	13.1
Yukon Territory	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	1,529,689	1,347,170	209,430	11.9
2008				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	246,128	240,763	40,773	2.2
Ontario	546,904	499,274	76,438	8.7
Manitoba	x	x	x	x
Saskatchewan	37,475	32,012	4,753	14.6
Alberta	206,735	163,958	23,398	20.7
British Columbia	208,747	182,274	24,852	12.7
Yukon Territory	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	1,365,874	1,220,010	187,545	10.7

Note(s): Based on the North American Industry Classification System (NAICS) and includes all establishments classified to 512130 (indoor motion picture theatres, drive-ins and film festivals). Due to rounding, components may not add to total. See "Data sources, definitions and methodology" at the end of tables for definition of terms.

Table 2
Profile of the motion picture theatre industry, by province and territories, 2008 to 2010

	Atlantic provinces ¹	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Territories ²	Canada
thousands of dollars									
Operating revenue									
Total admission receipts									
2010 P	x	184,660	389,974	x	23,660	137,361	139,538	x	960,748
2009 r	x	167,107	368,232	x	23,646	133,735	142,268	x	922,147
2008	x	149,599	327,888	x	20,447	124,145	132,103	x	826,072
Sales of food and beverages									
2010 P	x	67,045	184,117	x	15,965	76,334	61,262	x	453,477
2009 r	x	66,662	176,789	x	15,109	73,138	61,544	x	443,612
2008	x	58,481	158,846	x	12,577	64,740	59,593	x	394,372
All other operating revenue									
2010 P	x	32,068	54,350	x	3,052	13,388	13,416	x	122,744
2009 r	x	28,395	48,401	x	2,383	12,240	11,911	x	109,936
2008	x	28,068	48,748	x	3,224	13,519	11,994	x	112,299
Total operating revenue									
2010 P	x	283,773	628,441	x	42,677	227,083	214,216	x	1,536,969
2009 r	x	262,163	593,422	x	41,138	219,114	215,722	x	1,475,695
2008	x	236,148	535,482	x	36,248	202,405	203,689	x	1,332,743
Operating expenses									
Salaries, wages and benefits									
2010 P	x	44,435	87,081	x	5,401	26,142	23,707	x	206,013
2009 r	x	40,922	81,536	x	4,746	25,126	23,983	x	196,729
2008	x	38,225	73,585	x	4,506	22,664	23,708	x	179,822
Cost of goods sold									
2010 P	x	17,980	41,515	x	4,102	16,666	15,108	x	106,339
2009 r	x	16,319	36,581	x	2,745	14,849	14,300	x	95,745
2008	x	13,871	33,060	x	4,168	12,244	13,166	x	84,132
Film rental and royalty payments									
2010 P	x	88,650	202,765	x	8,302	73,409	76,741	x	495,642
2009 r	x	82,202	195,845	x	12,204	70,566	78,623	x	485,586
2008	x	74,658	166,900	x	10,429	63,532	70,518	x	424,097
All other operating expenses									
2010 P	x	117,440	243,765	x	18,459	61,983	71,056	x	553,504
2009 r	x	101,561	232,043	x	11,578	60,260	70,167	x	518,448
2008	x	104,073	214,590	x	11,855	61,555	70,177	x	500,019
Total operating expenses									
2010 P	x	268,504	575,126	x	36,263	178,200	186,612	x	1,361,497
2009 r	x	241,004	546,005	x	31,273	170,802	187,073	x	1,296,508
2008	x	230,827	488,134	x	30,959	159,996	177,569	x	1,188,071
number									
Theatre operations									
Paid admissions (attendance)									
2010 P	x	22,846,159	45,996,025	x	3,271,672	14,314,026	15,281,739	x	112,234,784
2009 r	x	23,080,019	46,308,519	x	3,428,359	15,142,057	16,038,138	x	114,369,820
2008	x	21,187,423	43,057,080	x	3,084,715	14,163,224	15,319,534	x	106,375,418
Screens									
2010 P	x	707	1,084	x	105	363	342	x	2,868
2009 r	x	636	1,025	x	87	338	342	x	2,691
2008	x	636	1,056	x	90	349	346	x	2,739
percent									
Operating profit margin									
2010 P	x	5.4	8.5	x	15.0	21.5	12.9	x	11.4
2009 r	x	8.1	8.0	x	24.0	22.0	13.3	x	12.1
2008	x	2.3	8.8	x	14.6	21.0	12.8	x	10.9

1. Atlantic provinces include: Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick.

2. Territories include: Yukon, Northwest Territories and Nunavut.

Note(s): Based on the North American Industry Classification System (NAICS) and includes all establishments classified to 512130 (indoor motion picture theatres, drive-ins and film festivals). Due to rounding, components may not add to total. See "Data source, definitions and methodology" at the end of tables for definition of terms.

Industry estimates for this table are based on the surveyed portion and exclude establishments that were too small to be eligible for sampling. The surveyed portion includes only data for surveyed establishments weighted to represent other establishments that were eligible for sampling but were not selected. The surveyed portion represents approximately 98% of total industry revenue.

Data sources, definitions and methodology

Description

This annual sample survey collects data required to produce economic statistics for the Motion Picture Theatres industry in Canada.

Data collected from businesses are aggregated with information from other sources to produce official estimates of national and provincial economic production for this industry.

Survey estimates are made available to businesses, governments, investors, associations, and the public. The data are used to monitor industry growth, measure performance, and make comparisons to other data sources to better understand this industry.

Target population

The target population consists of all establishments classified to the motion picture theatre industry (NAICS 512130) according to the North American Industry Classification System (NAICS) during the reference year. This industry comprises establishments primarily engaged in exhibiting motion pictures. Establishments primarily engaged in providing occasional motion picture exhibition services, such as those provided during film festivals, are also included.

Sampling

This is a sample survey with a cross-sectional design.

The frame is the list of establishments from which the portion eligible for sampling is determined and the sample is taken. The frame provides basic information about each firm including address, industry classification, and information from administrative data sources. The frame is maintained by Statistics Canada's Business Register Division and is updated using administrative data.

The basic objective of the survey is to produce estimates for the whole industry - incorporated and unincorporated businesses. The data come from two different sources: a sample of all businesses with revenue above or equal to a certain threshold (note: the threshold varies between surveys and sometimes between industries and provinces in the same survey) for which either survey or administrative data may be used; and administrative data only for businesses with revenue below the specified threshold. It should be noted that only financial information is available from businesses below the threshold; e.g., revenue, and expenses such as depreciation and salaries, wages and benefits. Detailed characteristics are collected only for surveyed establishments.

Prior to the selection of a random sample, establishments are classified into homogeneous groups (i.e., groups with the same NAICS codes and same geography). Quality requirements are targeted, and then each group is divided into sub-groups called strata: take-all, must-take, and take-some.

The take-all stratum represents the largest firms in terms of performance (based on revenue) in an industry. The must-take stratum is comprised of units selected based on complex structural characteristics (multi-establishment, multi-legal, multi-NAICS, or multi-province enterprises). All take-all and must-take firms are selected to the sample. Units in the take-some strata are subject to simple random sampling.

The effective sample size for reference year 2010 was 170 collection entities.

Definition

Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.

Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing and other non-recurring items

Operating profit margin is derived as follows: operating revenue minus operating expenses, expressed as a percentage of operating revenue. The derived figure excludes corporation income tax paid by incorporated businesses and individual income tax paid by unincorporated businesses. For unincorporated businesses, operating profit margin includes unpaid remuneration to partners and proprietors, which is not recorded as salaries, wages and benefits. Therefore, the profit estimate will be higher in industries where unincorporated proprietorships and partnerships are significant contributors.

Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 slip was completed. This category also includes the employer portion of employee benefits for items such as Canada/Quebec Pension Plan or Employment Insurance premiums. Salaries and wages do not include working owners' dividends nor do they include the remuneration of owners of unincorporated business. Therefore, the relative level of salaries, wages and benefits will be lower in industries where unincorporated businesses are significant contributors.

An active **statistical establishment** is one production entity or the smallest grouping of production entities which produces as homogeneous a set of goods and/or services as possible; which does not cross provincial boundaries; and for which records provide data on the value of output together with the cost of principal intermediate inputs used and cost and quantity of labour resources used to produce the output.

Quality evaluation

Prior to dissemination, combined survey results are analyzed for overall quality; in general, this includes a detailed review of individual responses (especially for the largest companies), an assessment of the general economic conditions portrayed by the data, historic trends, and comparisons with other data sources.

Disclosure control

Statistics Canada is prohibited by law from releasing any data which would divulge information obtained under the Statistics Act that relates to any identifiable person, business or organization without the prior knowledge or the consent in writing of that person, business or organization. Various confidentiality rules are applied to all data that are released or published to prevent the publication or disclosure of any information deemed confidential. If necessary, data are suppressed to prevent direct or residual disclosure of identifiable data.

Data accuracy

Of the units contributing to the estimate, the weighted response rate was 90.9%. CVs were calculated for each estimate and are available upon request.

Related products

Selected CANSIM tables from Statistics Canada

361-0012: Motion picture theatres, summary statistics, by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted) (70 series)

361-0028: Motion picture theatres, operating expenses, by North American Industry Classification System (NAICS), annual (percent) (21 series)

Survey(s)

Definitions, data sources and methods: survey number 2416 - Annual Survey of Service Industries: Motion Picture Theatres

Publications

Service Industries Newsletter, Catalogue no. 63-018-X.

Analytical paper series - Service Industries Division, Catalogue no. 63F0002X.

Release date: February 2012

Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0 ^s	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
p	preliminary
r	revised
x	suppressed to meet the confidentiality requirements of the <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published
*	significantly different from reference category ($p < 0.05$)

To access this product

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