

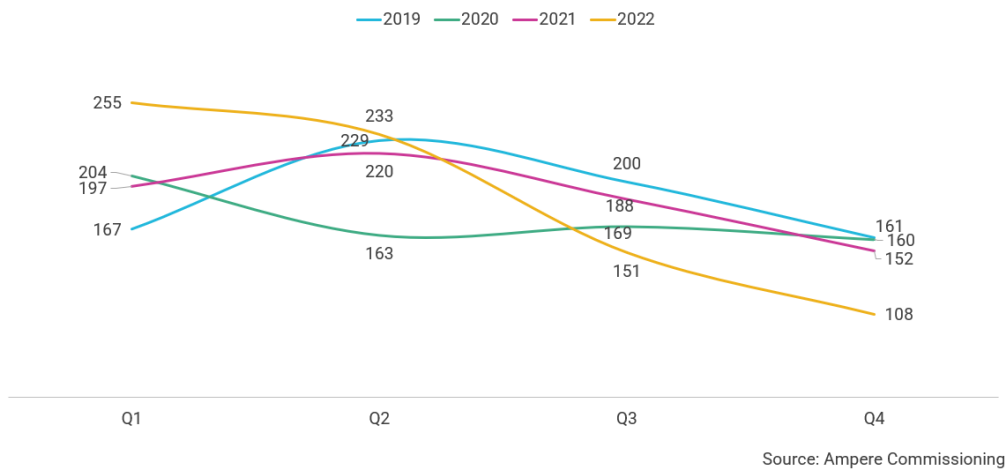
# US commissioning downturn will leave audiences short of TV in early 2024

But a fall in TV commissioning activity in the US opens up opportunities for those still expanding their slate

**London, 3<sup>rd</sup> May 2023:** The latest report from Ampere Analysis shows that the rate of TV commissioning in the US dropped significantly in H2 last year, and continues to remain low in 2023. This downturn is most profound for Scripted content, with Scripted TV commissions in the last three quarters down by 24% year-on-year – with overall volumes even lower than during the COVID pandemic. However, Ampere believes that the resulting content deficit has created opportunities for those in a position to invest.



Scripted TV series orders in the US per quarter, per year (#)



## Audiences will feel effects of a content deficit later this year

To-date, the time lag between commission and release times means that although commissions have been lower, audiences have yet to see the full effect on TV schedules. But low commissioning now will create a future content deficit, with the slowdown likely to start to bite in Q3 2023 and beyond.

Ampere outlines two possible scenarios. In the first, if commissioning rates recover soon, audiences will see between 5% and 7% fewer Scripted releases each quarter between now and Q2 2024, when the effects will ease.

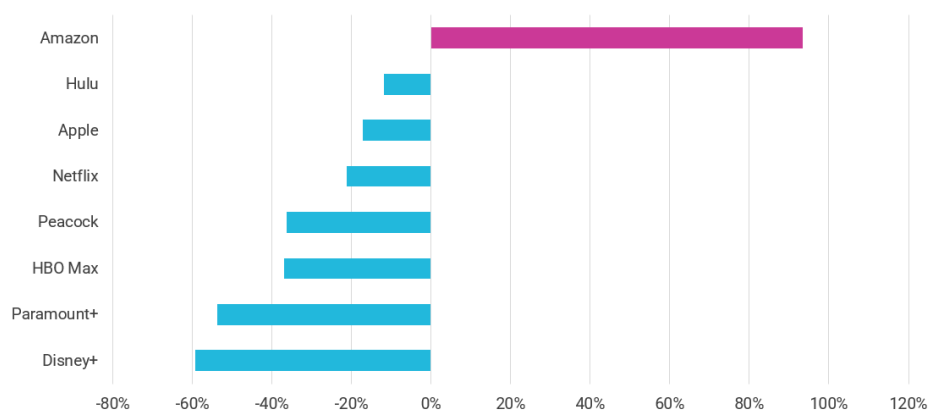
In the second scenario, if commissioning continues at current levels, audiences will start to feel a much greater impact towards the end of this year, with 16% fewer releases expected in Q4 2023, and 20% fewer from Q2 2024 onwards.

### Amazon is the exception to the trend

**Fred Black, Research Manager at Ampere Analysis** explains: “Scripted commissions at flagship Subscription Video on Demand (SVoD) services are definitely feeling the impact of budget cuts – and the studios aren’t only cutting back at their streaming platforms, with pay TV networks like TBS, FX, OWN, Freeform, Nickelodeon, Comedy Central, BET and AMC all reducing Scripted commissions by over 50% when comparing the past nine months with the previous period. There’s one big exception however – Amazon – which is capitalising on cutbacks made by rivals by increasing commissions of Comedy and Sci-Fi and Fantasy shows. Investing in Scripted commissions now can pay off doubly for those willing to gamble, as the extra commissions will hit the market just as the output of Original content from rivals drops to its lowest levels early next year.”



Top US SVoD services, % change in US Scripted TV shows ordered Q3 2022 to Q1 2023 vs. PY



Source: Ampere Commissioning

### In Unscripted, AVoD grows as SVoD commissions fall

Although the decline of Unscripted commissions was severe across SVoD and pay TV, SVoD services have been the biggest loser, with commissions down 33% over the last

nine months versus the same period in the previous year, with 151 fewer titles commissioned. On the other hand, Advertising Supported Video on Demand (AVoD) and Free ad-supported streaming TV (FAST) commissioners have provided a bright spot in the gloom with 83 Unscripted commissions over the period, 6% of all Unscripted activity in the US in that time.

## Unscripted decline primarily at WBD, with Discovery+ on the chopping block

Warner Bros. Discovery's (WBD) merger has created an Unscripted behemoth - but one that the company is looking to slim down. The drop in unscripted commissions overall can be largely attributed to WBD. Between July 2022 and March 23, there were 241 fewer Unscripted TV commissions in the US: WBD Unscripted commissions accounted for 172 of them, a 32% drop for the company's Unscripted commissions overall, with cuts occurring at both its pay TV and particularly SVoD platforms. The drop across the market outside WBD is only 6%. Unscripted content was trimmed at Paramount and Comcast too by 16% and 13% respectively, while at Disney Unscripted output actually increased, primarily via Hulu.

**Fred Black, Research Manager at Ampere Analysis says:** "While the commissioning cutbacks in Unscripted content at the dominant pay TV and SVoD platforms have been severe, there is a sense of balance being restored after a significant pandemic peak. COVID-19 saw Unscripted commissions soar out of necessity due to production complications, and then continue at a high level due to a surprisingly enthusiastic audience. What we're seeing now is a course correction. Unscripted commissions in the US were down 16% over the last three quarters compared to the previous year, but compare it to the same period in 2019 and early 2020, and the drop is only 1%. There's also optimism in the growing number of commissions from AVoD and FAST platforms, showing that while some SVoD services may have over-leveraged on Unscripted content, there are plenty of nascent players still investing."

## Ends

### Notes to Editors:

Ampere Commissioning tracks the commissioning of original TV shows and movies across 80 countries and 2,000 individual commissioners.

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**About Ampere Analysis**

Founded in January 2015, Ampere Analysis is a new breed of media analyst firm. The company's experienced team of sector-leading industry analysts specialises in sport, games, pay and multiscreen TV and next-generation content distribution. Our founders have more than 60 years combined experience of providing data, forecasts and consulting to the major film studios, telecoms and pay TV operators, technology companies, TV channel groups and investment banks.

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