

**ANIMATION IS PROFITABLE BUSINESS  
TRINIDAD & TOBAGO - YOUR MOMENT  
IS NOW!**

**WELCOME:**

This Business Seminar is part of the 10<sup>th</sup> Animae Caribe Animation and New Media Festival. The Festival, which has been a platform for the promotion and growth of local animation, has been seeking to increase the region's share of this billion dollar industry. Trinidad & Tobago is poised right now to take full advantage of the global need and demand for animation.

Trinidad has the resources of trained animators, technical resources, professionally trained experts, and we have the added benefit of internationally recognised experts to guide us through this time of development and growth. We need the business community to join in this profitable journey. It will be profitable for investors, for the economy in the creation of jobs, and for audiences both local and international who will benefit from seeing the high calibre of work we are capable of producing.

**AGENDA:**

8.00 - 8:30 Arrival and Coffee

Opening Address - Minister of Trade and Industry, **Honourable Mr. Stephen Cadiz**

8.45 International collaboration and business opportunities in Trinidad and Tobago:

Panel - **Mr. A Baraka Scott**, U.S.A, **Mrs. Camille Selvon Abrahams**, T&T and **Ms. Esther Hirzell Galarza**, Cuba

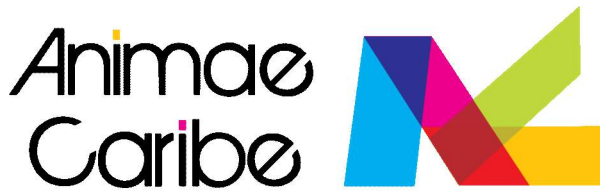
10.45: Presentations

YTEPP Animation Training Programme, **Mr. Nigel Forgenie**, CEO, Youth Training and Employment Partnership Programme (YTEPP)  
YTEPP

Trinidad and Tobago Chamber of Industry and Commerce - its role in SME building - **Mr. Peter Campbell**, Managing Director of PC Consultants and member of the Chamber's E-Business, Information Technology and Telecommunications (EBITT) Committee.

**Ms. Claudia Lloyd**, Head of Animation and Children's Programming, TIGER ASPECT - a case study in cultural pluralism making good business sense.

e-Teck - President, **Mr. Kelvin Mahabir**, e Teck's programmes for building business and industry.



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### **ANIMATION FAST FACTS:**

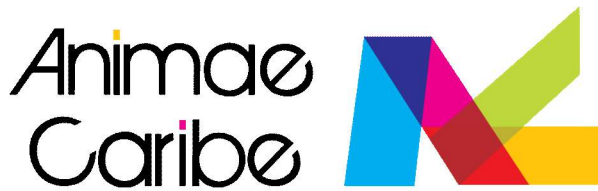
- Animation is not simply about entertainment. Animation has become a key component in many other industries through the creation of training and simulation programmes for education, medicine, science, business (in particular marketing and advertising), and military/crime and criminal investigation – just to name a few.
- Entertainment remains the bedrock of the animation industry and the increase in broadcast hours brought on by cable and satellite and the unparalleled popularity of video games has meant that the animation industry is exploding worldwide.
- The animation market represents more than 25 percent of the world audiovisual market – a number that will continue to grow.
- The budget for an animated feature film can reach as high as US\$100 million and for a television programme, US\$1.5 million per episode (for popular shows like *The Simpsons*).
- On average, worldwide at least 10 percent of airtime is devoted to broadcasting of animation – and for children’s channels that figure is as high as 90 percent.
- In 2005, the worldwide market for merchandising and licensing was estimated at over US \$230 billion and spin off products such as toys, books, collection cards and games have served to fuel the market for animation even more.

As an example, Malaysia gives an insight on how licensing and merchandizing for an animation character adds to its revenue potential especially in the Asia Pacific market where the net worth of the space is not less than US\$250M. And this number is seeing a year after year increase, as most Asian consumer are gearing up to own a piece of their favorite licensed characters thru' the viewing of animation.

According to the *Producer To Producer Book*, 2nd Edition, animated films have now outstripped other genres in home video and DVD sales. In recent years, the licensing and merchandising industry driven by animated television series targeted at children has performed beyond most industry expectations. An excellent case in point, the children's craze, *Pokemon*, surpassed accumulated worldwide sales of \$10.0 Billion by 2001. Licensing and Merchandising revenues are expected to exceed \$100 Billion annually by the year 2010 fueled by such monster hits as *Shrek 2* - \$881 Million Dollars, *Finding Nemo* - \$865 Million and *The Incredibles* - \$624 Million to name just three.

The target market for children's television and films is the 50 million plus 4 - 12 year old North American kids whose buying power for toys, games and puzzles was approximately U.S.\$13.4 billion per year in the nineties and now in excess of \$200 Billion a year. The secondary markets are Europe, Asia and the Pacific region where North American companies have traditionally experienced success with many movie driven properties.

Kids buying power grew 12% over the 90's and is expected to continue at a double digit growth rate well into the 2000's. So dramatic was this growth of the Kids market that marketers dubbed the 90's as the "Decade of the Child". In response to this phenomenon, more and more toys, clothes, food and entertainment products are being developed for this huge and growing market. All manner of products aimed at the kids market now spin off from animated movies. Film producers and product manufacturers now work hand in hand.



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### **GLOBAL PRODUCTION COSTS:**

Cost of production of a ½ hour animated program:

- \* In the US: ~ US \$ 250,000-400,000
- \* In Korean and Taiwan: ~ US \$ 110,000-120,000
- \* In India: ~ US\$ 60,000

Price paid by broadcasters for a half hour animated program:

- \* In the US: \$ 10,000-100,000
- \* In Canada:
  - \$ 30,000-90,000 (with Canadian content)
  - \$10,00-20,000 (without Canadian content)
- \* In the UK: \$20,000-30,000
- \* In France: \$15,000-30,000
- \* In Germany: \$ 15,000-65,000

### **THE CASE OF INDIA:**

India has emerged as the fastest growing market in the world for spends in entertainment and media for the next five years, and along with **China**, the key driver to push the global entertainment and media (E&M) industry to **\$2 trillion** by 2011.

Within the next five years:

- Led by India and China, E&M spending in **Brazil, Russia, India** and **China** will continue to grow at double-digit annual rates and will account for **24%** of global E&M growth.
- Nearly half of the total industry growth is expected to be generated through **online and wireless technologies**.
- Spending related to distribution of entertainment and media on convergent platforms is growing at double-digit rates and will exceed 50% of global spending by 2011.
- **Broadband households** will grow by 300 million to 540 million subscribers and **wireless subscribers** will increase by 1.1 billion to 3.4 billion.

The **Indian animation industry** was worth \$494 million in 2008. Globally, it will grow to a size of **\$100 billion** at an annual growth rate of 10 per cent by 2012.

The country's **gaming industry** was worth \$167 million in 2008. At the global level it is poised for an annual growth rate of 10.5 per cent to reach **\$53.6 billion** by 2012 from \$21 billion in 2008.

### **ANIMATION AND THE OPPORTUNITIES:**

Animation is no longer only about cartooning and youth entertainment. Animation is how people communicate today. It has found application in a variety of areas, for example as a training and teaching tool in the inner city areas of the United States where the application of animation within the schools curriculum has brought increased learning among the students.

Alternately, experts tell the story about its application in the field of medicine, where complicated information about the working of the body are explained to medical practitioners and patients. The first revenue generating element is the production of the animated film and blockbuster movies, the second is the TV series, thirdly Commercials, merchandising and the DVD issues of the movie.

## **WHAT'S HAPPENING IN THE CARIBBEAN:**

### **Trinidad**

- Full Circle Animation Studio, pioneering studio in Trinidad
- University of Trinidad and Tobago adopts Toon Boom products.
- TTFC has Awarded funding to Animators through their Production Assistance and Script Development Programme (PASD)
- 2 Diploma classes have graduated from UTT with nearly 70 trained animators.
- Collaborations with Cuba.

### **Jamaica**

- The University of Technology and the Edna Manley College: potential launch of two animation labs seating 25 students.
- Pilot project started with Enda Manley College
- Other universities such as Northern Caribbean University and the University of the West Indies, Mona are also expected to introduce animation from the Semester of 2012.
- Entrepreneur Lorna of Greene Digital Transtec Ltd is also carded to establish a 50 seat studio shortly.
- Ideal Studio, pioneering studio in Jamaica

### **Grenada**

- A train the trainer workshop at St George's University will be conducted in August 2011 as a precursor to the introduction of this syllabus at semester 2012.
- Training workshops with the Grenada Industrial Development Corporation (GIDC) for the summer of 2011.

### **Barbados**

- Through the National Council for Science & Technology, (NCST) Toon Boom has conducted 3 introductory courses in animation and one master class. A total of 60 young graphic artists and entrepreneurs have been exposed to that training.
- Next for the NCST – launch of a Digital Media Centre in collaboration with a private sector organisation to ensure on-going programmes designed for young animators. The DMC is expected to be launched by the August 2011
- The NCST & The Ministry of Youth are expected to stage a Summer Camp program which will be designed for primary and secondary students. A total of 240 students and 12 trainers are expected to be exposed to the world of animation under the theme Kids Animation Motion Project (KAMP)
- The Audio Visual Department of the Ministry of Education has embraced animation as a tool for learning and critical thinking. The AVD is preparing to launch a fully equipped Toon Boom supported animation studio with the capacity to seat 25 persons by July 2011 Entrepreneur James Corbin of E-Solutions is also carded to establish a 25 seat studio by July 2011.

### **Guyana**

- Brainstreet Group has become the first major Harmony installed Studio in the Caribbean and are moving towards the recruitment of their animation team.
- The Government of Guyana, through the Ministry of Youth & Sport will embark on a major summer camp initiative to expose approximately 600 young people from a number of communities to animation. These camps will be conducted by Toon Boom in partnership with Kuru Kuru College & the Burrowes School of Arts.

*Statistics courtesy: Toon Boom Animation Inc.*