Report for CSCS

The Condition of Indian Animation Industries between Global Economy and Local Culture

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7th, Decembar 2012 in Bombay, fortunately I could visit an animation festival named 24FPS Annual International Animation Awards which was held by MAAC, the animation academy that provide education of 3D animation, VFX, filmmaking, graphics design and gaming in Bombay. The venue was alive with young animation and gaming fans. Comparing to gaming section, animation sections were comparatively smaller, but I found one section gathered many young generations. The section of Vimanica Comics, sold comic books and T-shirts and I could notice that many young bought them. I asked a girl which comic books were recommended and she recommended me *Shiba: The Legends of the Immortal*, and she also mentioned one of Vimanica Comic's works would be made to animation. India has many comic books like the series named *Amar Chitra Katha* about their culture and history aimed to educate their kids.

In my research proposal, this research was aimed to draw the conditions of Indian animation industry, especially two aspects as follows; First, the role of the Indian animation industry in global animation production. The study examines the relationship between the animation industries in India and those in the US or Japan. The key advantage of India, in this case its animation industry, is that it has highly skilled labour and low cost of production. The second focus will be on studying the government's role in supporting India's animation industries and understanding the scenario and problems faced by the overall industry. However, the second part, the government's rolls are very limited according to the fieldwork. So in this report I draw the history and recent conditions of India animation industry as a mutual place of global economy and local culture.

During my stay in India from 29th November to 9th December, I visited two cities, Bangalore and Bombay. Bangalore is now well-known for IT industry and Bombay is the cultural center of south India. I visited and interviewed with directors of a university(Manipal University) and two animation school(Srishti School of Art, Desigh and Technology, Animaster Animation School) in Bangalore. Also I interviewed with a CEO of an outsourcing animation company and a CEO of an outsourcing gaming company in Bangalore, a director of outsourcing animation company and two directors of local animation production and Mr. Ranjiv Vaishnav, Vice President of NASSCOM in Bombay.

1. Historical background of Indian animation

The history of Indian animation is not so short. According to Wright(2005), Indian first animation was made in early twenty century, and the name of the animation film is '*Agkadyanchi Mouj*' made by Dhundiraj Govind 'Dadasaheb' Phalke. After that, several important animated movies were made in India. And then in the 1940s, the Cartoon Film Unit was started up by Film Division which was established by Indian government. It can be said that the unit played a significant role in developing Indian animation. G.K. Gokhale and Clair H. Weeks, American, produced the first film of this unit which is named '*Banyan Tree*' (Wright, 2005). Ram Mohan, one of the important animator in India also worked for Film Division and later he started up his own studio in 1972.

Also, in 1955, The Children's Film Society of India was established by the Indian government, and the organization produced many animated films.

Many of the topics of Indian animations try to teach children about unity, religion or great Kings or persons in Indian histories. It can be said that main roll of Indian animations is teaching something to children or people. Indian animations were mainly broadcasted on TV.

One of the notable animated film in 1992 is named *Ramayana: The Legend of Prince Rama* is directed by Yugo Sako and Ram Mohan. Yugo Sako is a Japanese filmmaker.

And the first popular 2D animated film is *Hanuman*, created by silvertoons, which was screened in 2005. The hero of the film is Hanuman, the famous and popular Hindu god in India. The story is mainly about Hanuman's child days.

Around 2004-2005, Indian animation industry started to come into the world

limelight as an important animation outsourcing place. The Walt Disney Company India started in Bombay in 2004. According to an article in 16 March 2005, it can be noticed that the importance of Indian animation industry was growing as an outsourcing place as follows:

- A full-fledged feature film called *Tommy and Oscar* is in the final stages of production at the Toonz Animation Studio, Technopark, Kerala. A team of artists and technicians is working frenetically to complete the film for the Italian producer Rainbow Productions.
- Applied Gravity, a New Zealand-based company, has outsourced nearly 90 per cent of it animation work to Nipuna Services, the business process outsourcing subsidiary of Satyam Computer Servcies. An animatronics dog for Animal Planet (Discovery channel) for a popular episode called *K9 to11* and animatronics models for New Zealand theme parks were some of the best-known creations of Applied Gravity in India.
- The Walt Disney Company has outsourced some of its major animation projects to various studios across India. Cartoon Network is buying animation films made in India. MTV has added India to its outsourcing hub along with the Philippines and South Korea.

A new outsourcing fever has gripped India.Global entertainment majors like Walt Disney, Imax, Warner Brothers and Sony are signing up huge contracts with Indian animation companies.And cities in India like Mumbai, Chennai, Bangalore, Hyderabad and Trivandrum have emerged as the country's major animation hubs. (16 March, 2005. *rediff*)[1]

According to the article, the reason why India has become animation outsourcing place is that India has English speaking workforce, good studios and low cost of animation services. Many well-known animation TV series and films has made in studios in India for these reasons. For example, the series of *Mickey Mouse Clubhouse* was made by a studio in India, according to an article[2].

Nowadays it can be said that Indian animation companies are divided into animation outsourcing companies and studios for domestic animation.

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[1] 16 March 2005. *rediff*, http://www.rediff.com/money/2005/mar/16spec1.htm

[2] 12 Nov. *Voice of India*, http://www.voiceofindia.co.jp/business-economy/125. Mickey Mouse Clubhouse, the CGI animated TV series was started

2. The conditions of Indian animation industry: facing up to global circulation of animation

2-1 the places of outsourcing

India is famous outsourcing place of Western countries includes the U.S., France etc. Nasscom reports that the size of the animation entertainment industry in 2008 is USD 107 million, of which 27 % is for domestic consumption, and 73 % is from offshored demand(Nasscom, 2008). According to the companies that are focusing outsourcing business which I visited and interviewed, 90 % of their businesses are outsourcing for Europe and the U.S countries. One of my interviewee, CEO of an animation studio mentioned that his company is not interested in Indian animation market because the budgets are really low and the quality is low and his company is interested in high quality work. He also mentioned about Indian's strength on outsourcing that Indian have scale, cost, language and productivity. One of the domestic reasons which Indian companies prefer animation outsourcing for foreign countries is that it can be big business more than producing animation only for domestic market. In other words, domestic animation market is not so big, and the popularity of Indian animation in India, is not so high. According to a research about the popularity of TV animation program, Most of all top 10 TV animations are from foreign countries.

	Top 10 Animation in India(2010)
1	Ninja Hattori (Japan)
2	Oggy & Cochroach
3	Tom & Jerry
4	Ben 10
5	Doraemon (Japan)
6	Parman (Japan)
7	CHHOTA BHEEM (Indian animation)
8	Kureyon Shinchan (Japan)

9	Mr. Bean Animation series
10	Power Lenjer S.P.D

Researche by TAM media in 2010

(*Nikkei Trendy*, JUN 2012)

The strength of Indian animation industry as outsourcing place is not only English speaking workforce, good studios and low cost of production but also the workforce can easily understand the culture and especially joke of English speaking countries. Such cultural and historical background gives an advantage to Indian animation industry as an outsourcing place. Growing up as an animation outsourcing place has good and bad effect to Indian animation industry and education.

2-2 Facing up to global circulation of animation

One interviewee mentioned the relationship between outsourcing and the condition of Indian animation as follows;

> The stories, character designs, and storyboards were done. We would get character designs, we would get the storyboard, and we would have to animate and create two or 4 seconds every day. And we would fill in the color and composite, and send it. So it becomes like a factory process. But that brought us foreign currency. That brought us good money. Suddenly animation became a new profession, because there was money involved, because there was a lot of work coming. From the U.S., Europe. There was a lot of films coming. And all of the work which was earlier going to China or the Philippines, or other Southeast Asian countries, was now starting to come towards India…… I think after 2003, around the time, a lot of 3D work started coming in. All the Bombay studios, Hyderabad studios, everywhere was 3D animation. And this was all outsourced work. So we were adapting ourselves according to the work that was coming in. So there was a lot of money. And we were making money, and expanding. So the advantage is that we learned to do animation and the production process. This is because there was so much pressure - you had to finish work! Do it! And it had to be perfect.

As the interviewee mentioned, outsourcing work brought some changes to Indian

animation industry. First of all, animation has become business. Besides, the type of candidate of animators changed, as some of my interviewees mentioned. They mainly mentioned about their 'passion' like this: in old days, people who wants to be animator really loved animation and drawing, but nowadays young people who wants to be animator think animator is one choice of their business and they don't have enough passion. They have certain skill because many animation schools appeared recently. People who want to be animator, he or she firstly go to these animation schools and learn skills they need. It can be said that skills are second changing point because of being animation outsourcing place.

The interviewee mentioned the plus point and minus point as an animation outsourcing place as follows;

> We are not the audience, because we make these films and then they are shown in the U.S. and Europe. We are not the audience. We do not get the feedback…. We are given the project and the payment - and sometimes you get a reaction, like wow that show is a hit in France. It is doing very well. But I feel like in this process, the ecosystem is not complete. This is because we are not the filmmakers….. (About outsourcing business) there is a lot of learning. It may be execution, but there is a lot of learning in it. So that is a plus point of it. The minus point is that having such a huge infrastructure, we are not making our own stories. We are only making the film and we're watching the film. That's it. The filmmaker is not in India, so the cycle is half in India and half abroad. …. This is the very basic division of the nature of the work that is happening. And this continues even today. At least 80% of our industry is still doing this.

Again, Indian domestic animation market is very limited, and local studio doesn't have enough equipment and fund for producing high cost animation. But companies which do outsourcing business can make big money and can have good equipment. Without story telling or producing own things, animation industry can make more big money than working for domestic market. It is big dilemma and we can suppose that cultural market of developing country has sometimes could have same dilemma.

However, also some attempts of Indian animation industries have happened recently.

2-3 some attempts of Indian animation industries

From in the middle of 2000s, Indian animation industries began to tell their stories lively in their own animation. Of course before that, they have had told their stories very actively. But I mean, the ways began to be diversified and to make remarkable success.

As I mentioned before, *Hanuman*, the first popular 2D animated movie in India was screened in 2005. It is about Hindu god, Hanuman's growth process[3]. Hanuman is one of the main characters of *Ramayana,* Sanskrit epics of Hindus, that describes how Rama, aided by his brother and the monkey god Hanuman, rescued his wife Sita from Ravana, the demon kin of Lanka. The film is based on these episodes from *Ramayana* and made a great success. Also, *Chhota Bheem*, the TV series by Rajiv Chiraka,the CEO of Green Gold Animation launched in 2008. *Chhota Bheem* made a great success among popular foreign TV series like *Ninja Hattori*, *Tom and Jerry* and *Ben10* etc[4]. The main character is little boy named Bheem who bravely solve problems around them with good companies. Now *Chhota Bheem* have more than 120 episodes. It can be said that *Chhota Bheem* is the first successful Indian TV animation series.

Moreover, famous Bollywood filmmaker started to have interests for animation. In 2008, Yash Raj Films made an animation film *Roadside Romeo*, distributed by Disney India. Yash Raj Films is one of the famous Bollywood studios, and it was not only for children's but also for adults. The background of the film is in Bombay, and it is like Bollywood movie.

The attempt of Climb Media is also very new. They produced 3D film named *Toonpur Ka Superhero* (directed by Kireet Khurana) in 2010. The film is the first animated film which mixed 3D animation and live action.

Also, there are some networks for people around animation industry in India. For example, the Animation Society(TASI)[5] which has established in 2001, have certain roll for Indian animation industry. TASI is kind of community to meet and interact of animation related people in India. Also, TASI hosts biggest annual animation festival- Anifest India since 2005.

There are some animation festivals which are held in India since the early 2000s. 24FPS Animation Awards, which I mentioned, started in 2003, and Anifest India, which is hosted by the Animation Society, started in 2005. Anifest India is

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[3] The Mango episode, a part of little Hanuman's story was published as a picture book in Japan.
[4] According to TAM media research, (*Nikkei Trendy*, 2012)
[5] The Animation Society of India, http://www.tasionline.org/

aimed 'to give a platform to the creative voice', to be 'the premier event for youth in digital media[6]'.

It can be said that Indian animation industry is also growing up and going to be organized well.

3. Funding and government support for Indian animation industry

It can be said that the government support is almost nothing although Film divisions of India and the Children's Film Society of India which was founded by Ministry of Information and Broadcasting have small budget. One of my interviewee who is director of Indian animation studio mentioned his studio's first film was for the Children's Society of India and he made a film with their funding. He added that it was really small fund. The other interviewee mentioned that there wouldn't be special support from government.

> The government doesn't provide support. How can the government support when there are so many people on the streets? And so much poverty. They have more pressing issues. (We cannot say,) please have an animation Institute at a world-class standard, or please fund animation films, or please give us subsidies. It's too much to ask from a government that has too many problems right now to deal with. That be unreasonable for third-world country to actually invest in arts, movies, culture. It's too much.

This is the words of a director of animation studio which focuses their work mainly for domestic market. And another director and also one of founders in the other studio which mentioned that it is very hard to get fund. There is no certain fund but private equity funding and angel investments. But it is still very little compared to IT companies and other companies around. Even it is hard that young animation companies approach banks because they still prefer to manufacturing industry rather than the service industry.

4. Educations

Animation professionals are highly demanded and animator has begun to be one of choice for their job or their children's job. A data in 2008 by NASSCOM shows that there were 14,700 skilled professionals in the animation segment, and it is said that

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[6] http://www.tasionline.org/2011/07/about-anifest-india/

it is estimated that there will be a need for 29,500 skilled professionals by the end of 2012[7] because outsourcing business grows. And all of my interviewees who work for animation studios, both outsourcing studios and domestic studios mentioned that their studios are keeping expanding. The schools and courses for animation now keep appearing everywhere in India. Animation schools and courses also keep expanding like animation studios. There are some schools where student can get degrees if they complete their course demand.

For example, Animaster academy in Bangalore which was started from 2003, has several types of programs including university programs and programs for kids. University level of animation programs appeared everywhere in India, and in 2009, Birla Institute of Technology started mastar's program(Master in animation and design). I visited Animaster academy during my stay, it is just one floor of a building, but students lively study and draw their assignment in the school. Now the school has a plan for cyber education.

One of the reasons why animation school grows is that parents change their thinking about animation. Parents think animation had thought that it is not their children's 'job'. However, recent situation of Indian animation industry, I mean, IT and good business images were strongly appeared, parents would agree with their children's choice that they enter animation schools.

Conclusion

I've heard several news about the conditions of Indian animation from Japanese media since from the beginning of 2012 although I was not concerned about Indian animations. Japanese media had mentioned repeatedly that Japanese ANIME is so popular in India. One of these article mentioned that not only exporting Japanese ANIME but there are several opportunities that Japanese animation(ANIME) industry can find the large Indian animation market with very optimistic view. One is making localized animation, and the other is co-production. The main news is as follows: Panasonic have promoted *Ninja Hattori* on their TV commercial because *Ninja Hattori* have been very popular among Indian children. It is said that their parents like their children to watch Ninja Hattori from the perspective of education. Also, *Kyojin no Hoshi*, most popular baseball animation in Japan, would be remade in India, sponsored by Kodansha, one of the biggest publishing company in Japan.

However, I felt uncomfortable to hear the news with Japan-centric sentiment.

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[7] NASSCOM, 2008:35.

Indian animation industry has own history and they already has had a certain experiences and relationships with animation industries in Western countries that include the U.S. and Indian animations itself.

Including Japan, the world keeps watch on Indian animation industry and market for some economic reason. KPMG India and FICCI published 'FICCI–KPMG Indian Media and Entertainment Industry Report 2012', an annual report on India's media industry. It reported the size of India's media entertainment market in 2011 at 728 billion rupee—a 12 percent increase from 2010. The animation and VFX industries achieved rapid growth during this period. Although the size of these markets in 2011 was 310 million rupee, which is much smaller that those of the United States or China, it indicated a 31.2 percent growth from 2010.

Indian animation market and industry encounter and involve in the global animation market. At the same time, many domestic efforts of the industry are happened. The status of animation is becoming high and education systems are established because 'animation' is one of the business. It is said that labours who works in animation (especially outsourcing) industry earn comparatively high salary. On the other hand, the problem of such kind of outsourcing is that India cannot tell their own story, as one of my interviewee mentioned. Indian animation market is now the important mutual place between global economy and local culture. Meeting global economy can easily change local culture, and also local culture utilize the influence and power of global economy. We cannot talk about Indian animation and its development without thinking certain influences from global economy.

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