

Film Inquiry  
Submission No. 51

**PACIFIC VISION Pty Ltd**

**SUBMISSION TO THE HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON COMMUNICATIONS,  
INFORMATION, TECHNOLOGY AND THE ARTS**

**INQUIRY INTO THE FUTURE OPPORTUNITIES  
FOR AUSTRALIA'S FILM, ANIMATION, SPECIAL  
EFFECTS AND ELECTRONIC GAMES INDUSTRIES**

**30 JUNE 2003**

## **INTRODUCTION**

**This submission addresses issues relevant to the production of animation for film and television series in Australia.**

Pacific Vision specialises in the development, financing, production, marketing and exploitation of Australian animated films and television series.

Pacific Vision operates as Executive Producer, working in partnership with Australian animation producers. In this role, Pacific Vision raises local and overseas investment for animation projects, including from broadcaster pre-sales, distribution advances, co-production finance and other forms of investment.

Pacific Vision is headed by Tim Brooke-Hunt, who has 20 years of experience as a Producer and Executive producer of Australian animation. Further details of the company are given at the end of this submission.

## **EXECUTIVE SUMMARY**

Australia's animation industry has achieved substantial international success in the past, but currently faces a number of difficulties that threaten its future growth and success.

This submission addresses the following issues relevant to the Australian animation industry:

1. The threats to growth in animation export earnings;
2. The need for a broader Co-production Treaty regime;
3. The need for better training of animation specialists;
4. The use of new technology and broadband requirements.

## **FUTURE GROWTH AND EXPORT OPPORTUNITIES**

Animation is an often-overlooked part Australia's film and TV industry which has successfully exported uniquely Australian stories to children around the world - eg: *Blinky Bill* (Yoram Gross), *The Silver Brumby* (Media World), *Dot and The Kangaroo* (Yoram Gross), *Old Tom* (Yoram Gross).

Australia has an established animation skill-base with a proven reputation for high quality work and innovative animation designs. Our animation production costs are lower than in Europe, Canada and the US, thereby making Australia an attractive production centre - as the Walt Disney Company's Sydney studio testifies.

However, if the industry is to prosper in the long-term it must:

1. Raise more production finance from international sources;
2. Better train animation professionals for TV production;
3. Have access to broadband internet throughout Australia.

## **INTERNATIONAL CO-PRODUCTION FINANCE**

The financing of animated TV series and films has become harder over the past five years. International broadcasters have reduced the licence fees paid for children's programs and distribution finance has become less available. In addition, investment from government sources (eg: the Australian Film Finance Corp.) and private sources has shrunk in the past decade.

Most animation projects (film and TV) are lucky to return 25% of their cost from Australian licence fees and other local revenues. Therefore, securing international finance is of crucial importance. During the 1990's, Australia's then largest animation studios received substantial amounts of production finance from German program distributors (Yoram Gross from EM-TV and Energiee from RTV). However, these German companies have recently incurred huge losses and are no longer as active.

In the new millennium, Australian producers are increasingly turning to international Co-production arrangements to raise production finance. This is a world-wide trend: the great majority of animated series produced outside the United States are now made under Co-production Treaties.

However, Australia's Co-production Treaty regime is inadequate. We currently have no Treaty with any of our Asian neighbours; our 'Treaty' with the largest European co-production territory for animation, France, has the status of a 'memorandum of understanding', and is therefore ineffective.

Therefore:

**The Australian Film Commission should expand Australia's Co-Production Treaty regime in order to permit Australian producers to raise more international finance and become less dependent on local investment sources.**

## **TRAINING ANIMATION PROFESSIONALS**

The Australian animation industry faces a major problem in the training of animation professionals, which is a result of the structure of the local industry.

In order to keep costs competitive, most Australian producers of animation subcontract to overseas (usually Asian) studios the more repetitive and labour intensive parts of the production process – animation, in-betweening and colouring. This makes it difficult for less-experienced Australian animators to get 'on the job' training in these areas, which in turn compromises their overall knowledge of the animation process.

Australia is fortunate to have a number of Technical Colleges offering animation courses, but the training they offer does not replace the valuable 'hands-on' experience of larger scale animation production.

This problem might be tackled by a government Training Incentive Payment to encourage animation producers to carry out at least part of the animation of their projects in Australia. The payment should be calculated to negate the financial disadvantage of hiring Australian animators. Thus, producers could give local professionals a full working knowledge of the animation process and enhance their skills and experience.

Therefore:

**On the job training of animators should be increased by giving Australian producers a financial incentive to retain part of the animation of their projects in Australia.**

## **NEW TECHNOLOGIES & BROADBAND INTERNET**

The animation industry worldwide has benefited greatly from recent computer-based technologies, which have reduced the costs of animation, particularly through the introduction of Flash software and new 3-D animation techniques.

Australian producers cannot make full use of these new tools without access to broadband internet connection. But unfortunately, broadband is not available in many areas outside the capital cities.

Therefore:

**Broadband Internet connection is needed urgently throughout Australia to enable the animation industry to reach its potential in the future.**

## **ABOUT PACIFIC VISION Pty Ltd**

Pacific Vision is dedicated to the creation, production and marketing of high quality animation. The company operates as Executive Producer and Consultant in partnership with program makers, distributors and broadcasters around the globe.

Pacific Vision was established in 1999 by Tim Brooke-Hunt, a leading Executive Producer with over twenty years' international experience of children's television and animation.

Pacific Vision currently partners a number of Australian animation studios and project creators as Executive Producer. These include the following animated TV series (each comprising 26 half-hour episodes):

- **TASHI** (Film Graphics Entertainment, Sydney) – now financing.
- **YAKKITY YAK** (Kapow Pictures, Sydney) – now in production.
- **BAD HAIR RAE** (Fudge Puppy Productions, Sydney) – now financing.
- **THE MISADVENTURES OF MASTER TOAD** (Burbank Animation Sydney) – now financing.
- **ELLIOT PIE** (Kapow Pictures, Sydney) – now in development.
- **LUCKY LYDIA** (film Graphics, Sydney) – soon to commence production.

## **ABOUT TIM BROOKE-HUNT – EXECUTIVE PRODUCER**

Tim is a leading Executive Producer of animation, responsible for a number of highly acclaimed international productions.

During the 1990's, Tim was a Director of the leading Australian animation company **Yoram Gross - Village Roadshow**. As the studio's Executive Producer, Tim was responsible for the financing and marketing of the studio's animated films and television series including **BLINKY BILL, SKIPPY, TABALUGA, FLIPPER, DUMB BUNNIES** (co-produced with **Nelvana** of Canada), and **OLD TOM** (co-produced with **Millimages** of France).

During the 1980's, Tim held diverse management positions in the film and television industry, including: General Manager and Animation Producer of **Burbank Films**, Sydney; Animation Consultant for **Marvel Productions** in Los Angeles and for **New World Pictures** in Sydney; and Executive in charge of Operations at **Beyond International Group**, Sydney.

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