



**TERMS OF REFERENCE: ANIMATION SERVICES
CARIBBEAN COOPERATION BUSINESS MODEL
FOR ANIMATION STUDIOS PROJECT
ANIMATED EXPLAINER VIDEO
CDB / CIIF ENABLING ENVIRONMENT GRANT, JAMPRO**

BACKGROUND

1. The Cultural and Creative Industries Innovation Fund (CIIF) was launched in December 2018 with an initial USD2.6 million in capitalisation from the Caribbean Development Bank (CDB). It is a multi-donor Fund that supports the Creative Industries sector development, and encourage innovation, job creation and improved enterprise sustainability by providing grant financing and technical assistance (TA) to creative/cultural entrepreneurs, micro, small and medium-sized enterprises (MSMEs), business support organisations (BSO) and academia, which support the CIs sector in CDB's Borrowing Member Countries (BMC). CIIF will leverage support from the Caribbean Technological Consultancy Services (CTCS) Network in providing TA to MSMEs and BSOs through the use of its network and expertise.
2. The objectives of CIIF are to:
 - 2.1. enhance the technical capacity and knowledge of MSMEs in the CIs sector to improve their competitiveness to participate in local, regional and international markets;
 - 2.2. increase the generation of employment and income by strengthening MSMEs involved in the CIs sector with resources to finance innovative ventures, develop new products, implement new business models, and enter new markets;
 - 2.3. strengthen BSOs that support the CIs to deliver capacity building at national and regional levels;
 - 2.4. support the enabling environment for the development of the CIs sector in beneficiary countries with a focus on legislative reforms and incentive policies; and
 - 2.5. improve the quality, depth and dissemination of research on the CIs sector, and to strengthen the existing knowledge infrastructure related to CIs in CDB's BMCs.
3. The Jamaica Promotions Corporation (JAMPRO) has been selected by the CIIF for a project grant award under the CDB / CIIF Enabling Environment grant. JAMPRO seeks an Animation Company to provide Animation Services to produce a 30 second to 1-minute video explaining the objectives and intended outcomes of the Caribbean Cooperation Business Model for the Animation Industry.

ABOUT THE PROJECT

The Global Animation Industry Report 2017 confirms that the demand for animated entertainment has expanded with the increase in broadcasting hours by cable and satellite TV along with the growing popularity of the Internet. There is consensus that rapid advancement of technology has made computer animation available to the masses and the animation industry is one of the fastest growing industries. The total value of global animation industry was US\$ 254 billion in 2017 and is projected to reach US\$ 270 billion by 2020. Most of the segments in the animation industry are growing at the rate of 2% YoY. The spend on special effects as a percent of production cost is about



20%-25%. The size of streaming market for animation content was US\$ 2.4 Billion in 2017 and is growing at an annual rate of 8%. The size of global video gaming industry was US\$ 92 billion in 2017

The current international animation industry is influenced by large multinational studios as well as TV broadcast companies and cable channel companies. They are engaged in activities from pre-production to distribution, as well as new sources of revenue such as DVD sales and intellectual property licensing. The multinational studios leverage various forms of partnership, coproduction, joint ventures, and outsourcing with global partners.

The three core areas of competitiveness for the Caribbean in the film and animation sector are new talent, access to technology and authentic culture-based branding. Marrying what makes the Caribbean unique and special with the precise requirements of the markets and facilitated by a strong talent base and advanced technology adoption are the necessary ingredients for competitive success in the film and animation sector. Furthermore, given the popularity of Caribbean culture, there is an increasing demand for the development of local content for both consumption and export. As an example, a local animation studio created the Caribbean's first animated series, which was a big hit in Jamaica and has been distributed regionally and in several international markets.

Outsourcing and Intellectual Property (IP) development in animation requires scale and expertise, which exist in the Caribbean but in a highly fragmented and disjointed way. For example, there are approximately 15 animation studios/companies in Jamaica¹ with at most 10 full time employees, while Trinidad has 2 active animation companies with as many seats. These numbers often fluctuate as most animators freelance, and the animators that studios employ from training institutions often require additional training which studios have found to be costly and time consuming.

Despite these limitations, Trinidadian studios have found success in winning outsourcing contracts due in large part to their internationally competitive tax rebates (35-55%) and Jamaican studios have done so with competitive labour costs. However, servicing these contracts often requires subcontracting services to other countries which is frequently a cost to the studios due to a lack of collaboration among Caribbean studios. As a result, Latin American and South East Asian studios are often utilized to fulfill the employment requirements of these contracts.

These challenges also limit the capacity for expansion since large contracts often exceed the capabilities of our individual studios, and the fulsome requirements for servicing outsourcing contracts means that studios have less time to develop local and Caribbean projects. This has led to investor disinterest in the animation and screen-based industries. To bolster Caribbean animation, resources must be pooled.

For this to happen, training institutions must harmonize their 2D and 3D courses to meet the needs of employers, studios will have to standardize the technological pipeline for production, incentives from all countries will have to be promoted as a single opportunity, and there must be a collective approach to seeking investments. The framework for this collaboration is provided for within

¹ Animation companies in Jamaica report having received a large number of inquiries for outsourced work. Proposed projects range from a 15-month, 52-episode Saturday morning Cartoon for the European market, to a 6-month, 26-episode TV series in Canada. Industry leaders in the country are confident that due to the high demand for outsourced animation, and given Jamaica's increasingly renowned reputation in this area, there is a high prospect for future labour demand in this industry. This could present tremendous benefits to Jamaica's economy. If each of the 4 local animation companies could accept just two concurrent 6-month contracts (4 contracts over a year), this would represent earnings of an average of US \$42,000 per episode (26 episodes per series), and an influx of \$15-20 million of foreign currency per year and 500 - 1000 new jobs



JAMPRO
TRADE & INVESTMENT JAMAICA



CARICOM, and this project is intended to formalize a model for its implementation.

The project will design, test, and publish a model for pooling the available regional resources for developing local screen-based IP and for maximizing outsourcing opportunities for the creation of third-party screen-based IP. Trinidad enjoys a tax rebate, Jamaica benefits from a Special Economic Zone, and many other islands also benefit from a variety of local incentives. This project will model how screen-based practitioners across the region can utilize the Caribbean single market economy to access the various incentives and resources across our islands and collaborate business-to-business in order to advance revenue-generating projects in the screen-based industries.

The Caribbean region benefits the most when we work together, particularly in emerging business such as the screen-based industries. For the Caribbean animation industry, the global scenario points out that the industry will continue to be vulnerable to external forces and will be required to react to each new stressor. In this context government initiatives are important and useful in supporting the industry, but not sufficient to achieve the kind of structural changes that will be required for the industry to be internationally competitive. The industry remains largely informal in nature, despite the few established and well-anchored companies in operation. This informality within the ecosystem results in the region's inability significantly penetrate international markets and develop notable competitive advantage in the global animation sector. This project will utilize Jamaica, Trinidad and other partner countries to develop and test a cooperation business model for outsourcing and local IP generation which will be replicable across the Caribbean.

OBJECTIVES

The animation company will be responsible for managing the following expected project objectives:

- 1.1. Execute all activities related to the production of an animated explainer video to launch the Caribbean Cooperation Business Model Project for Animation Companies.
- 1.2. The animated explainer video, which may be between 30 seconds to maximum 1 minute in length, should inform on the following topics:
 - 1.2.1. objectives and outcomes of the CDB's Caribbean Cooperation Business Model for Animation Companies
 - 1.2.2. opportunity for a studio to use the model developed by this project as a test case for a production collectively attracting animation projects to the region;
 - 1.2.3. value of collectively developing regional intellectual property;
 - 1.2.4. opportunity of sharing regional incentives;
 - 1.2.5. value of standardizing digital workflow pipelines within the region;
 - 1.2.6. value of standardizing regional training curricula and apprenticeships; and
 - 1.2.7. increasing access to information among the Caribbean animation industries.
- 1.3. Produce the animated explainer video with the sub-contracted support of at least two other Caribbean animation studios not in the home country of the studio contracted.

SCOPE OF WORK

The scope of work is understood to cover all the activities necessary to accomplish the stated objectives of the project, whether or not a specific activity is cited below.

1. The main tasks/activities are as follows:
 - 1.1. Outline the pipeline approach to produce the animated video which is to include animation studios from at least two other territories.
 - 1.2. Sub-contract at least one other studio for the delivery of all activities related to the



- production of animated video.
- 1.3. Manage/ execute: Concept design, script development, character design, storyboarding, animatics, voicing, music selection, editing, animation testing, video delivery.
 - 1.4. Process of developing video is documented to inform the development of the animation model through the project.

METHODOLOGY

The animation company will submit a draft storyboard and an outline of proposed methodology for selection of sub-contracted studios and animation pipeline that will ensure achievement of the objective and successful completion of the scope of works.

LOCATION AND DURATION

The consultancy will require on-site and remote working arrangements with JAMPRO. The planned duration of this consultancy is three (3) months in total, with the scope of work expected to be undertaken as of May 2020.

DELIVERABLES

1. The consultancy is responsible for:
 - 1.1. Concept design
 - 1.2. Animation pipeline with sub-contracted studios
 - 1.3. Script
 - 1.4. Character design
 - 1.5. Storyboard
 - 1.6. Animation test 1
 - 1.7. Animation test 2
 - 1.8. Final 30-second to 1-minute video

Payment Schedule:

Payment will be in keeping with the negotiated payment structured outlined in the contract, according to the following schedule.

- 20% upon acceptance of concept design and sub-contracted pipeline confirmation
- 30% upon acceptance of script, character design, and storyboard
- 30% upon acceptance of rough cut tests
- 20% upon acceptance of final cut

REPORTING REQUIREMENTS

The consultancy will prepare and submit the outputs to JAMPRO as agreed.



QUALIFICATIONS AND EXPERIENCE

1. The animation company should possess the following qualifications and experience:
 - 1.1. Portfolio demonstrating areas of expertise in 2D or 3D animation, stop motion, storyboarding, character design and development, and/or motion graphics.
 - 1.2. At least three (3) years' experience in providing animation services and/or generating content (whether creating own IP or outsourcing for local or international clients);
 - 1.3. At least 3 years' experience in Project Management. Specific experience in the Film and Animation Industries is an asset. Experience working with government agencies and international donors is an asset. Experience working with remote partners is an asset.
2. Demonstrated established relationships with key players in screen-based sectors, regionally and/or internationally. Knowledge of the development of nascent animation industries, and developmental models (government and/private sector) that have been used in countries such as Canada, India, China, Singapore, Japan, South Korea and the Philippines to foster growth in the creative industries is an asset.
3. Strong inter-personal, verbal and written communication skills, with an excellent command of written and spoken English
4. Proven track record of successful completion of assigned tasks; as per references

ELIGIBILITY

1. The animation company shall be eligible to participate if:
 - 1.1. the company is officially registered in a member country of the CDB
 - 1.2. the company lead (owner, founder, CEO, shareholding director etc) is a citizen or a bona fide resident of a member country of CDB; and in all cases, the company:
 - 1.3. has no arrangement and undertakes not to make any arrangements whereby any substantial part of the net profits or other tangible benefits of the contract will accrue or be paid to a person not a citizen or bona fide resident of an eligible country;
 - 1.4. is not bankrupt or insolvent or in the process of either, or having their affairs administered by the Courts; has not entered into an arrangement with creditors, or is in any analogous situation arising from similar procedures provided for in their national legislation or regulations;
 - 1.5. has not been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
 - 1.6. has not been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the EU's financial interest;
 - 1.7. is not guilty of misrepresentation in supplying the information required as a condition of the participation in the procedure or if they fail to supply this information; and
 - 1.8. does not expose a conflict of interest.

EVALUATION CRITERIA

Minimum Technical Score: 70 points

Requirement	Assessment Criteria	Maximum Score
A. BACKGROUND & EXPERIENCE		
Eligibility	Must meet basic eligibility as outlined in the TOR in order to be	N/A



	considered.	
Experience in animation services	Number of years' experience in providing animation services and/or generating content (whether creating own IP or outsourcing for local or international clients) <ul style="list-style-type: none"> • Min 3 years' req experience = 5 pts • Over 3 years' experience = 10 pts 	10
Experience in project management	Number of years' experience in Project Management; <ul style="list-style-type: none"> • Min 3 years' req experience = 5 pts • Over 4 years' experience = 10 pts Specific experience in the Film and Animation Industries (+4); Experience working with government agencies and international donors (+3); Experience working with remote partners (+3)	20
<u>B. METHODOLOGY</u>		
Creativity & Innovation (Concept)	Strength of proposal in demonstrating the CIIF collaboration model in an effective, entertaining, and innovative way.	20
Execution Methodology & Techniques (Approach & Storyboard)	Strength of proposal in demonstrating logical approach and effective to completing animation within timeline and budget (10); Demonstrated established relationships with key players in screen-based sectors via structure of collaboration with at least one other regional animation studio. (4)	14
Knowledge & Delivery	Demonstrated knowledge of the development of nascent animation industries, and developmental models that have been used in countries is an asset (3); Strong inter-personal, verbal and written communication skills, with an excellent command of written and spoken English as demonstrated in proposal (3)	6
<u>C. PERFORMANCE TRACK RECORD</u>		
Quality of Previous Work (based on work samples included)	Demonstration of expertise in 2D or 3D animation, stop motion, storyboarding, character design and development, and/or motion graphics.	20
References	Proven track record of successful completion of assigned tasks; as per references	5
Total Technical Score	Must meet a minimum requirement of 75% of the 95 points allocated to Technical Proposal (67.5)	
<u>D. QUOTATION</u>		
Must meet fixed budget	Quotation submitted within fixed budget of USD 5000	5
Total Financial Score	The formula for determining the financial scores is the following: $S_f = 5 \times F_m / F$, in which S_f is the financial score, F_m is the lowest price and F the price of the proposal under consideration	
TOTAL SCORE		100