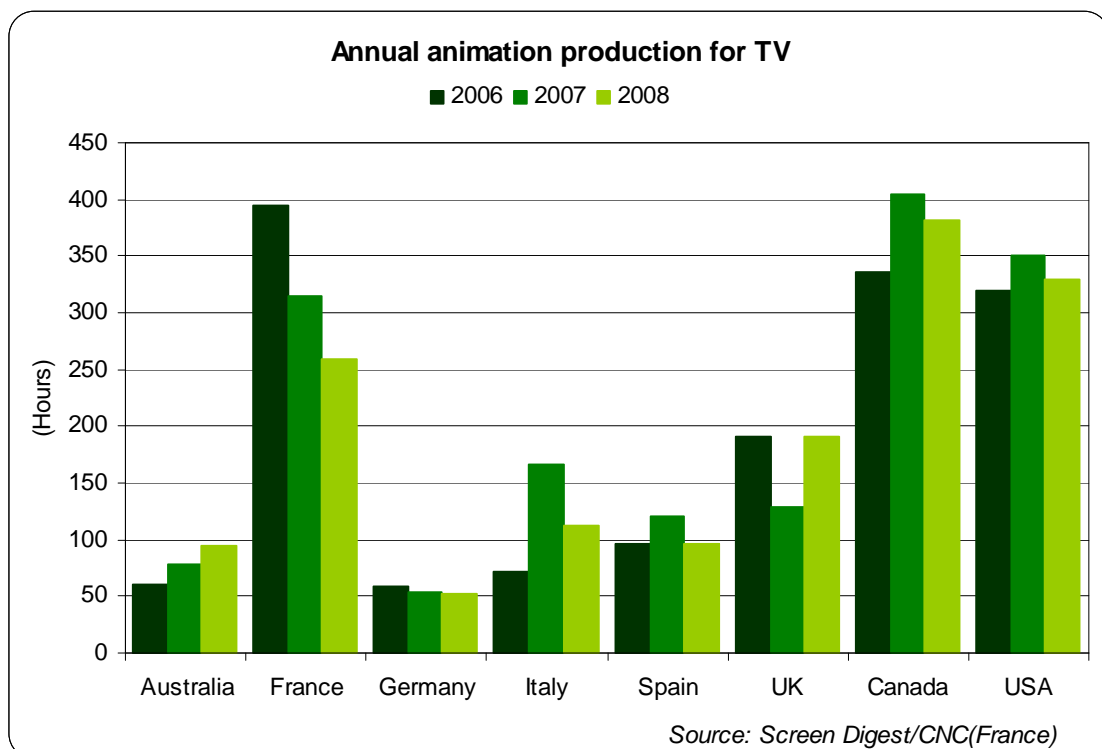


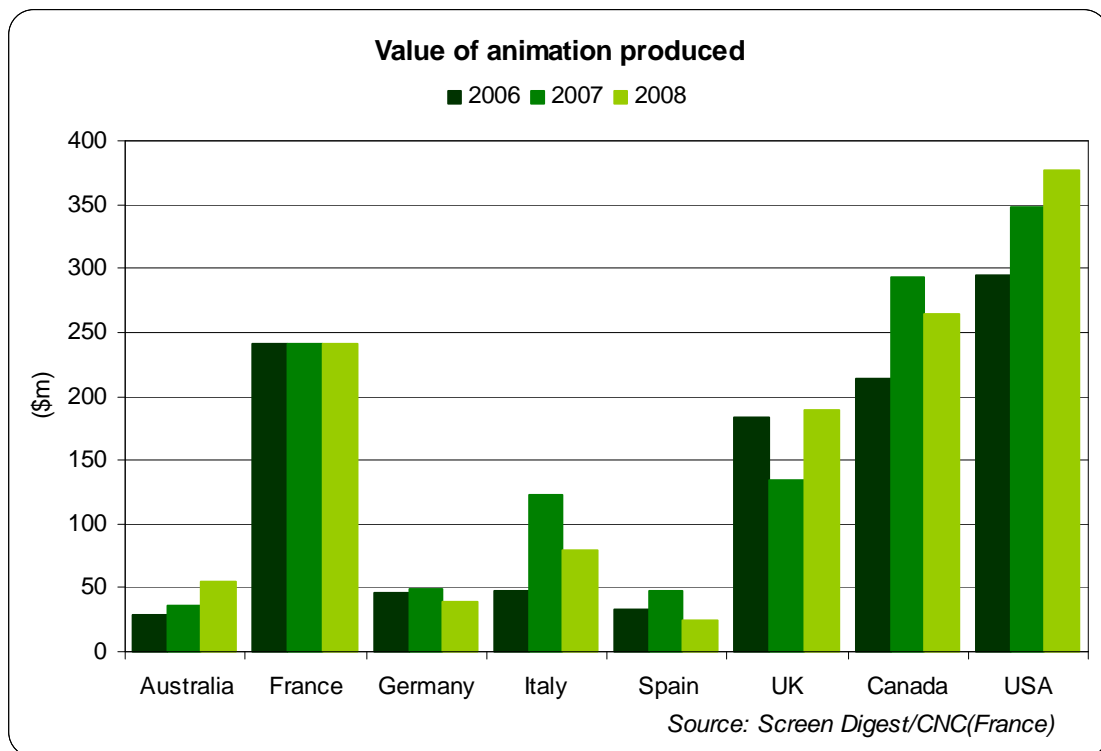


Global animation market: The US leads the world in spend as sector suffers impact of downturn

London 2nd October 2009: *The Global Animation Industry*, a new report from media analysts Screen Digest (www.screendigest.com) features exclusive research indicating which countries and companies are leading the industry in annual animation output.

Canada has emerged ahead of the USA and France as the most prolific source of animation for television, with 382 hours produced in 2008 worth €181m (\$265m). US production output totalled fewer hours—330—but was worth €256m (\$376m)—a mark of the higher budgets invested by the major US players.





France was the leading producer in Europe by a long way, with 259 hours produced in 2008, although output has fallen from a high of 395 hours in 2006. The UK was the next largest producer in 2008, with a significant rise in production taking it past Italy.

The report by Screen Digest Senior Analyst Tim Westcott also ranks the leading companies in each country by annual output. Canada's Nelvana, owned by Corus Entertainment, was the leading producer worldwide by average output over the last three years, ahead of Walt Disney Co. and Nickelodeon.

"There is perhaps no genre of film or television more global than animation," says Westcott. "A popular film or TV series in one country can quickly translate into a global phenomenon. And success in these primary markets can feed through into DVD and licensing and merchandising revenues.

“On the other hand, it is a fad-driven, highly cyclical business where even companies with a hit property can find investor expectations hard to manage.

“There is also an increasing disparity between the kind of business in which the Hollywood players are involved and the unstable market for independent producers in Europe and elsewhere. Programme budget cuts by broadcasters and the flat DVD market can make animation a tough business.

“While the rewards for success can be high, animation is also costly and time-consuming and a return on investment can be slow to arrive. Government-run support schemes offering loans and subsidies, tax breaks or other facilities are giving producers in the countries that offer them an increasingly important edge.”

Top 20 producers by average annual output (hours) 2006-2008			
1	Nelvana	Canada	67
2	Walt Disney Co	USA	50
3	Nickelodeon Animation Studios	USA	47
4	Cookie Jar	Canada	44
5	TV Loonland	Germany	36
6	BKN International	Germany	36
7	Studio B Productions	Canada	31
8	Decode Entertainment	Canada	30
9	Bardel Entertainment	Canada	28
10	20th Century Fox Television	USA	26
11	Moonscoop/Moonscoop IP	France	25
12	Tele Images Kids/Marathon Group	France	23
13	Cartoon Network Studios	USA	23
14	BRB	Spain	22
15	Warner Bros TV Animation	USA	22
16	BeNeCe	Spain	20
17	Telepool	Germany	19
18	Fresh Animation	Canada	18

19	Rainbow	Italy	17
20	Futurikon	France	17

Source: Screen Digest/CNC (France data)

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About this report

As well as exclusive research, the report features:

- An analysis of the value chain of production and the wide range of companies involved—from intellectual property owners like Marvel Entertainment, Chorion and Media Participations, through to companies making a living on the classic animation studio model of fees for service
- Where film and TV animation properties generate revenues, and how intense competition and the global economic downturn are affecting the industry
- The development of the global broadcast market, in particular the dominance of the three big US groups, Walt Disney Co, Viacom Inc's Nickelodeon, and Time Warner unit Cartoon Network
- The so far largely disruptive impact of the internet and video-on-demand, and the possibility of new revenue streams for animation production companies and intellectual property owners.

About Screen Digest

Screen Digest is the pre-eminent firm of industry analysts covering global media markets. Headquartered in London, with offices in New York and Monterey, California, we employ a team of 40 specialist analysts covering film, television, broadband, mobile, cinema, home entertainment and gaming. Our online services and reports provide the information and analysis that hundreds of media companies worldwide base their decisions on. Most recently we have launched Global Media Intelligence (GMI), a new service which provides research and analysis specifically for media-focused institutional

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