



CTAN 505: The Business of Animation

Units: 2.0

**Spring 2022—Mondays—4:00 PM to 6:50 PM
Pacific Time**

Location: SCB 205 (Asynchronous Learning, Online via Zoom, as Needed)

Instructor: Richard Goldsmith, Adjunct Associate Professor
School of Cinematic Arts
John C. Hench Division of Animation + Digital Arts

Office Hours: By appointment.

Contact Info: rgoldsmi@usc.edu

Teaching Assistant:

Office Hours:

Contact Info:

Course Description

“The Business of Animation” provides an overview of the global production, media and entertainment industries as well as fundamental business skills, with an emphasis on animation and the animation professional. Understanding both the industries surrounding animation and related business skills can enhance students’ careers in whatever area of animation that they pursue.

This course provides a comprehensive look at animated content on media platforms ranging from Disney to Netflix to YouTube, and animated feature film and television entertainment produced by companies from large studios to independents. Included are focuses on intellectual property that animation professionals create, how to own and protect creative works, and a basic understanding of business practices to develop, finance, distribute and market animated productions and derivative assets like consumer products. In addition, we will look at the role of the animation professional in these industries and also how to seek employment and “market” yourself. Lectures will be enhanced by guest speakers from top animation production and media companies. Past guests have visited from companies including Netflix, Apple, Amazon, Hulu, Disney, WarnerMedia, Nickelodeon, Stoopid Buddies and Bento Box.

The Final Project is a complete “pitch package” for an animated production (either a feature film or television production) intended for commercial exploitation, including a creative bible, pitch deck and business plans developed by each student. It is a goal that the Final Project can be used by the student to pitch their idea outside of the classroom.

Learning Objectives

The goal of “The Business of Animation” is to empower students with a working understanding of animation-related industries and best business practices for whatever career path chosen.

This course compliments the other coursework of graduate students by providing knowledge about careers, business and economics as they relate to animated productions. Combined with other historical, theoretical and creative courses that students take, this course is designed to produce well-rounded, well-informed professionals for a career in animation.

Course Notes

This semester, we assume that “The Business of Animation” will meet weekly in person. That said, University policy regarding COVID may require at-home Asynchronous Learning (via Zoom). In such cases, the instructor will provide the Zoom participation information to students before each class.

The format of class will generally be:

30:00 Opening Remarks, Group Discussion to Review Weekly Industry News and Homework
 60:00 Lecture, Q&A
 15:00 Break
 60:00 Guest Speaker(s)
 5:00 Closing Remarks, Group Discussion

Visuals will be utilized in the classroom (and on Zoom) to enhance the Lecture materials.

Students are encouraged to participate and have dialogue in the classroom with the instructor, Guest Speakers and fellow students.

There will be a short break between the Lecture and the Guest Speaker portions of class.

Guest Speakers will normally be announced the week before class.

Students are expected to attend all classes. If a student has a conflict or a problem that will cause them to be absent, late or have early dismissal, please notify the instructor in advance by email.

Your instructor is available to you for questions, advice and guidance regarding this class and your academic and professional careers. Feel free to email the instructor at any time to communicate in writing or to request a phone or Zoom meeting. (rgoldsmi@usc.edu)

Technological Proficiency and Hardware/Software Required

Students should take notes in lectures electronically or with paper. Lectures will be posted after class on Blackboard. Throughout the course, you will need to store some of your assignments and elements of the Final Project electronically and/or as a hard copy.

Assignments, such as essays, presentations and plans, can be enhanced with word processing, spreadsheet and presentation software (such as Microsoft Excel, Word and PowerPoint, however, it is not required). The Final Project is expected to be particularly well presented and enhanced with a reasonable amount of graphics and artwork added.

Required Readings and Supplementary Materials

Being well informed about current industry developments and trends can enhance an individual's academic and professional careers. Each week, students will read major online publications about current industry-related news (both general media and entertainment and animation-related) and will write a short essay summarizing one article of interest along with their personal observations as to why they chose the article and what they found to be relevant to the class curriculum and/or their career in animation. Weekly reading analyses should generally be 1 to 1 ½ pages in length. Two students per week will be chosen to discuss their article in class as the news is reviewed and discussed as a group. A schedule of students assigned this task will be provided by the instructor. A list of free, online publications will also be provided to students:

- **Animation Magazine** (animation)
- **Cartoon Brew** (animation)
- **The Hollywood Reporter** (general entertainment)
- **Variety** (general entertainment)
- **Deadline.com** (general entertainment)
- **Kidscreen** (kids' entertainment)
- **Worldscreen** (TV)
- **TBI Vision** (TV)
- **Rapid TV News** (TV technology)

Description and Assessment of Assignments

In addition to the news assignment, weekly written Assignments will be a combination of (a) essays related to topics from Lectures and (b) various creative and business assignments related to Lectures that will help prepare for the Final Project. Weekly essays should generally be 2 or more pages in length.

Students will also take turns researching the Guest Speakers and their companies. Students will be expected to introduce themselves to the speaker, comment on the Speaker and/or their

company and ask a relevant question to the Guest Speaker. A schedule of students assigned this task will be provided by the instructor.

Grading Breakdown

The Final Grade will be determined as follows:

Class Participation:	10%
Assignments:	65%
Final Project:	25%

Grading Assessment

Students will be graded, in part, by class participation, but mainly on completion of weekly news analysis, Assignments and the Final Project. Students will not be judged on their creative ability, drawing or financial skills, but will rather be assessed on work that demonstrates their knowledge of the curriculum and its application to the Assignments. Incomplete assignments will negatively affect grades, if not approved by the instructor in advance or if the instructor and student do not agree to an alternate plan in advance.

Assignments and the Final Project will be evaluated on the following criteria:

- a. Accuracy of assignment guidelines.
- b. Demonstration of principles covered in class.
- c. Communication and presentation of ideas.
- d. "On time" delivery.

Grading Scale

Course grades, including the final grade, will be determined using the following scale:

A	95-100
A-	90-94
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
C-	70-72
D+	67-69
D	63-66
D-	60-62
F	59 and below

Assignment Submission Policy

Assignments shall be delivered to the instructor via Blackboard and will be considered to be "on time" if received before the beginning of the next scheduled class.

Grading Timeline

Weekly grading will normally be posted on Blackboard before the beginning of the next scheduled class.

Additional Policies

Please be on time out of respect for your instructor, fellow students and Guest Speakers. Class starts at 4:00 PM and students should be in class or logged into Zoom for a prompt start, including after the break in the middle of class.

It is expected that all students will regularly attend the scheduled classes and complete the reading and Assignments on time. Please inform the instructor in advance in writing if you have any issue or problem that would prevent you from meeting these requirements (rgoldsmi@usc.edu).

If you are in a time zone where our class time is outside of the hours of 7:00 AM to 10:00 PM, please let the instructor know so that accommodations can be made, if necessary.

The instructor requests (and appreciates) that all cameras remain ON during class to maximize the online learning experience for all students and also to be respectful to our Guest Speakers who take the time to visit with us. That said, students should use their best judgment based on their individual situations. Alternate accommodations are available to students who contact the instructor directly with reasonable requests.

The University requires that all Zoom classes are recorded and posted on Blackboard or Zoom until the end of the semester. Students must maintain their responsibilities towards the appropriate use and handling of these recordings under existing SCampus policies regarding class notes (<https://policy.usc.edu/scampus-part-c/>). Students are also reminded that they are not permitted to create their own class recordings without the instructor's written permission.

Enjoy your semester!

Course Schedule (By Week)

WEEK 1

January 10

The Business of Animation: An Overview – We begin with a look at the semester's curriculum, including weekly Lectures and the Final Project. Topics will focus on the media and entertainment industries and how they relate to producing, distributing and marketing commercial animation as well as lectures about general business practices for animation professionals, such as owning intellectual property that you create and how to finance your future productions. Finally, the instructor and the students will provide some background about themselves and their goals beyond graduate school.

Reading Essay: Online publications (list to be provided).

Assignment: This is a three-part assignment:

1. Write an outline of your key accomplishments since graduating high school to prepare your CV (*resume*). You should have four main categories:
 - a. your professional experience
 - b. volunteer experience
 - c. education
 - d. awards and honors.

For each, you should list

 - (1) the name
 - (2) the dates that you were there
 - (3) the city it was located in
 - (4) your degree (for education experiences) or your title (for work-related) experiences,
 - (5) your top achievements for education experiences or your main responsibilities and top achievements for work-related experiences.
2. Second, write a separate list of your *creative credits* to include:
 - (1) the name of the project
 - (2) your role
 - (3) the type of media
 - (4) the date.
3. Write a separate list of your *professional references* to include:
 - (1) the name of the person
 - (2) their title and company/institution
 - (3) how you know them
 - (4) their email address

If you have finished CVs and/or credits and/or references and they are comprehensive, you can submit those.

WEEK 2

January 17

HOLIDAY: MARTIN LUTHER KING DAY

NO CLASS

WEEK 3

January 24

The Animation Professional – The various companies and career paths for animation professionals. A look at how animation studios and media and entertainment companies are structured and operate, as well as individual roles of animation professionals from employee to entrepreneur. Finally, strategies for seeking employment, including how to write a CV (resume) and interviewing techniques. We will also look at the impact that the pandemic has had on the animation industry.

Reading Essay: Online publications (list to be provided).

Assignment: Write three separate documents: (1) a CV (Resume), (2) Credits and (3) References. Please also provide a link to your public portfolio, if available, for the instructor's reference.

WEEK 4

January 31

Television I: Traditional Platforms – Television is the biggest commercial market for animation. This week we will look at the traditional television market that began over 70 years ago with “the golden age of television:” syndication, terrestrial (broadcast) stations and networks, basic and pay networks, major global and regional players, the history of animated TV content and an insider's view of typical company operations.

Reading Essay: Online publications (list to be provided).

Assignment: Write an essay about a *traditional* TV network. What is the network and where is it located? Why did you choose this network? Did you respect it, simply liked their content, or did it have some influence on you? Provide a brief history of the network. What kind of programming did/does the network have? Who was/is its audience? What made/makes it special (creatively, from a business perspective, marketing and branding)? Was it a commercial success and is it still? Will the network survive with the next generation of viewers? What do you recommend they should do to remain relevant?

WEEK 5

February 7

Television II: Direct-to-Consumer Platforms

We continue our look at the television industry with platforms that have recently created a “second golden age” of television by reaching consumers directly via “over-the-top” (OTT) technologies with on-demand content. These platforms include subscription video-on-demand brands like Netflix, Amazon, Disney+ and HBO Max and ad-supported ones such as YouTube, traditional TV networks including CBS and Discovery, and entrepreneurial apps such as Tubi and Kidoodle.

Reading Essay: Online publications (list to be provided).

Assignment: Write a business proposal for a new subscription video-on-demand (SVOD) platform that features some form of animated and/or other type of content. Include your strategies for: (1) content, (2) target audience, (3) subscription fee and business model, (4) user interface and (5) the name and how you define the brand, (5) your marketing plan to gain subscribers, (6) your rationale for this idea as a viable business and (7) any other unique aspects or visions that you want to highlight.

WEEK 6

February 14

Feature Films – The second largest industry for animated content is the feature film industry. Today, we explore the commercial feature film world from independent producers and distributors to major studios like Disney, Sony and NBC Universal, along with the thousands of movie theaters and ancillary distribution to other platforms that provides other revenues.

Reading Essay: Online publications (list to be provided).

Assignment: Write an essay about a favorite animated film, or one that had a memorable impact on you, and why. What made the film unique from a creative perspective? Do some research about the business perspectives of the film's release, such as how it was marketed and advertised and if there were any other revenue streams such as DVD, Video games, toys and other consumer products and recorded music. Was it a global or regional commercial success? If successful or not, why? What would you have done differently? Is the film still relevant for today's audience?

WEEK 7

February 21

HOLIDAY: PRESIDENT'S DAY

NO CLASS

WEEK 8

February 28

How to Sell Your Project – The steps to sell animated TV series and feature films, including preparing creative pitch materials, business plans, sales strategies, business etiquette and tips for pitching live. Included will be a look at navigating the various options to finance content via studios, networks and independent distributors. We will also look at the difference between traditional distribution and self-distribution.

Reading Essay: Online publications (list to be provided).

Assignment: Write a "sales pitch" that describes the project that you would like to do for your Final Project, either a commercial animated TV series or feature film. This should be an introduction to the creative aspects including the general storyline, your inspiration for the project, your key characters, key settings, key props, vehicles and other unique elements, the animated style and creative vision that you intend to produce. The document should "sell" the instructor on your idea.

WEEK 9

March 7

Brands & Marketing – What is a brand and what are the attributes of a successful brand? What are the world's most popular and valuable brands? What are your responsibilities as the owner of intellectual properties (brands) that you create? How is awareness built for animated content with both the consumer and the trade via traditional advertising and social media techniques as well as festivals, sales markets (conventions), public relations, and fan engagement.

Reading Essay: Online publications (list to be provided).

Assignment: Write a Marketing Plan for your project for the trade and the consumer, including a timeline of what will be done and what the goal for each step is. Include strategies for advertising, social media, YouTube content, fan engagement and other ways to reach your target audience. Your plan should include marketing to support (a) the first window distribution, such as in movie theaters or on a television platform, and (b) any significant distribution of ancillary products.

WEEK 10**March 14****SPRING RECESS****NO CLASS****WEEK 11****March 21**

Ancillary Revenues – Given the nature of animated productions, there are many opportunities to distribute the content itself and to produce consumer products based on the artwork and stories from the same content. Combined, these are considered to be important “ancillary revenues” for a production to be profitable. These are revenues which are in addition to the core, or first, distribution of the production such as in movie theaters or on a television platform. Content can virtually be viewed everywhere, including airlines, hotels, the corporate market and clip licensing. Consumer products, as part of the world of licensing and merchandising, range from t-shirts to toys to music as well as advertiser-promotions based on characters and other intellectual property derived from animated characters and content.

Reading Essay: Online publications (list to be provided).

Assignment: Write a Business Plan on how you plan to develop, monetize and market the ancillary products from your project. What are the unique and most prominent graphics, vehicles, props, gadgets, music or other creative elements that will make your Final Project special? In addition to these, as well as the storyline, characters and settings of your project, which ones can translate to consumer products? What types of products can be licensed and what other ancillary revenue sources can be pursued, such as recorded music?

WEEK 12**March 28**

Business & Legal – This week’s lecture provides a basic understanding of business and legal matters for the animation professional. Included are the fundamentals of legal agreements, negotiating strategies and how to own and protect what you create via trademarks, copyrights, and other means. Since many artists outsource this kind of work, we also look at how to get representation from agents, attorneys and accountants.

Reading Essay: Online publications (list to be provided).

Assignment: Assume that you are an attorney for an animation artist who has been offered a senior position on a production (you can pick the role and the type of production, either a feature film or television series). Write a letter to the studio requesting what deal points you would like to be included in your client’s deal, including the terms of their employment and any revenue or equity participations in the production. Included should be: Parties to the Agreement (Company and Person), Project Name, Services to be Rendered, Credits on the Production, Work-for-Hire or Profit and/or Equity Participant, Term of Services, Compensation, Payment Schedule, Benefits, Vacation and Sick Time, Work Location and any other items that you would like to request for your client.

WEEK 13**April 4**

Elements of Modern Animated Feature Films - Watch WAKING SLEEPING BEAUTY about how The Walt Disney Company modernized animated feature films or THE PIXAR STORY about how technology further modernized animated feature films.

Reading Essay: Online publications (list to be provided).

Assignment: 1. Write an essay about the top 3 reasons (in your opinion) that The Walt Disney Company or Pixar transformed the animated feature film industry, why these were important to the industry, how they ultimately changed the industry and if these changes are still relevant for modern-day audiences. What does the company and its influence on animation mean to you personally and professionally?

WEEK 14**April 11**

Production Economics & Finance - The basics of preparing materials to determine if your animated productions are viable from both economic and time perspectives. We review the elements that are key to include in Production Budgets and Production Schedules. Once you have this information, you can draft a Production Plan of how you intend to operate your production.

Reading Essay: Online publications (list to be provided).

Assignment: (1) Draft a Production Budget for your Final Project (this should be a chart). (2) Draft a Production Schedule for your Final Project (this should be a chart). (3) Write a Production Plan for your Final Project (this should be a narrative) that describes the animation style(s), studio(s) and/or co-production partners, how the production will be managed, the work split, potential talent, and other elements that will get people excited about your production. For the items above, estimate the numeric figures to the best of your ability, as it is more important to demonstrate your understanding of the process than to be accurate with the numbers.

WEEK 15**April 18**

Distribution Economics & Finance – How to finance productions and to profit from distributing animated content. The role of co-producers, government subsidies, pre-sales, private investment, bank loans and otherwise to finance productions. A look at the various types of distribution revenues associated with animated productions, including royalties, residuals and equity, and how to maximize financial opportunities with both “windowing” distribution and exploiting ancillary revenues.

Reading Essay: Online publications (list to be provided).

Assignment:

(A) Write a Production Finance Plan of how you will raise the financing for your Final Project production (this can be a narrative or a chart).

(B) Write a Distribution Plan for your project, including:

(1) a general statement of how you plan to distribute your production, the audience you are targeting and the rationale for your strategy

- (2) the “windowed” Release Plan (or Schedule) of (a) first and (b) second windows including specific types of platforms (and some examples of which ones) and the timing of each release (this can be a narrative or a chart)
- (3) the Ancillary Revenues Plan (this can be a narrative or a chart)
- (4) the Distribution Projections of what revenues you expect to achieve (this should be a chart).

For the items above, estimate the numeric figures to the best of your ability, as it is more important to demonstrate your understanding of the process than to be accurate with the numbers.

WEEK 16

April 25

The Final Project – As a Final Project, students will create their own creative bible, pitch deck and business plans for an animated feature film or television production, its financing and distribution. This session will focus on what is expected of students, will provide professional examples of materials and give students an opportunity for questions that they may have about how to be successful with their project. For the last part of the class, each student will have the opportunity for individual time with the instructor to review their plans and to ask any questions.

Reading Essay: None.

Assignment: Complete your Final Project.

WEEK 17

May 2

STUDY DAYS

WEEK 18

May 9

FINAL EXAM

TIME TBD

Final Project Presentation - Each student shall submit a written/electronic copy of the Final Project and give a live pitch to the instructor (of no less than 5 and no more than 10 minutes in length) utilizing multi-media presentation materials and/or a hard copy.

Statement on Academic Conduct and Support Systems

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are

equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct.

Support Systems:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call
studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

Student Health Leave Coordinator – 213-821-4710

Located in the USC Support and Advocacy office, the Health Leave Coordinator processes requests for health leaves of absence and advocates for students taking such leaves when needed.

<https://policy.usc.edu/student-health-leave-absence/>

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call
suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention and Services (RSVP) - (213) 740-9355(WELL), press "0" after hours – 24/7 on call

studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX – (213) 821-8298
equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following *protected characteristics*: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations. The university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298
usc-advocate.symplcity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

The Office of Disability Services and Programs - (213) 740-0776

dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Campus Support & Intervention - (213) 821-4710

campussupport.usc.edu

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-1200 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.

Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)

ombuds.usc.edu

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.

PLEASE NOTE:

FOOD AND DRINKS (OTHER THAN WATER) ARE NOT PERMITTED IN ANY INSTRUCTIONAL SPACE
IN THE SCHOOL OF CINEMATIC ARTS COMPLEX