

Shop 'til you drop

Studios that don't leverage overseas talent are at a huge competitive disadvantage, analysts claim. But how much does outsourcing cost?

Outsourcing is usually referred to with all the same negative connotations of 'runaway production'. But offshore outsourcing is rapidly growing and is predicted to be a \$10 billion market by the end of the year. Companies specialising in graphics and animation are playing their part and establishing themselves in every corner of the world.

The demand for faster development and product turnaround times makes offshore development an attractive cost-saving measure. However, Senior Producer Adam Parsons at Codemasters, who has been responsible for successfully outsourcing artwork and code for the past four years, says: "One of the biggest myths of outsourcing is that you can make massive savings. Naively, companies outsourcing for the first time often

don't realise they need a dedicated internal management structure for quality assurance and managing the contractual and production side of the work"

Outsourcing work can also provide the convenience of having staff ready to work on a project, instead of ramping up and then having staff sit around until the next project begins. "It's hard to judge but I'd estimate there is a saving," says Parsons. "Maybe 25 per cent per project, if it's done right and in a country where the dollar is strong.

Animation Series Producer Bill Schultz at Mike Young Productions, a company currently working with India-based Crest Animation Studios, adds that strong relationships are key: "People shouldn't rely on contracts, budgets, schedules, pipelines and all of these great buzzwords. Don't get me wrong, they're all important, but the number one factor in all of this is trust"



Netherlands

SERVICE

Partner studio for film, TV and next-gen games development

ESTIMATED COST COMPARISON

Less expensive than the UK. On a par with the US

PRODUCTION SAVINGS

Competitive

CONTACT

Streamline Studios, Purmerend
www.streamline-studios.com

CLIENTS

EA, Codemasters, Ubisoft, Epic Games, Red Storm Entertainment, Gearbox Software, Atari, Human Head Studios, Xaosn, Playlogic Entertainment

RECENT PROJECTS

CG cinematics and TV commercial for Tom Clancy's Ghost Recon 2; four next-gen projects; development of a CG TV series and film project

WHY SHOP THERE?

Proz Established next-gen pipeline; a 40-processor renderfarm available for hire; facility operates in English; bohemian spirit; Cons: Not the cheapest



VIETNAM

SERVICE

Assets creation for the games industry

ESTIMATED COST COMPARISON

\$5,000-\$20,000 average annual salary (10-20 times less than in the US)

PRODUCTION SAVINGS

Approximately 50%

CONTACT

Glass Egg Digital Media,
Ho Chi Minh City
www.glassegg.com

CLIENTS

Microsoft, Electronic Arts, Midway, Codemasters, Kuju, Atari

RECENT PROJECTS

Forza Motorsport (Microsoft); LA Rush (Midway); TOCA Race Driver 3 (Codemasters)

WHY SHOP THERE?

Proz: Low production costs; large and skilled labour pool; extremely low labour costs
Cons: International phone calls are incredibly expensive



RUSSIA

SERVICE

Games development for PC, mobiles and consoles

ESTIMATED COST COMPARISON

Projects cost 2-3 times less than in the UK or US

PRODUCTION SAVINGS

Over 50%

CONTACT

Nival Interactive, Moscow www.nival.com

CLIENTS

Codemasters, Empire, Jobboob, Ubisoft, Manadco, GameOver Games, CDU

RECENT PROJECTS

Heroes of Might and Magic II; Blitzkrieg II; Night Watch Ex Machina; Hammer & Sickle; Silent Storm; next-gen projects

WHY SHOP THERE?

Proz: High quality; low production costs; skilled workers; large teams for major projects; competitive for next-gen console games development
Cons: Language barrier may be an issue (although Nival Interactive also has offices in Florida, US)

AUSTRALIA



SERVICE

Programming, 3D engines and plug-ins, and graphics development work

ESTIMATED COST COMPARISON

Competitive

PRODUCTION SAVINGS

Time, labour and headaches rather than financial savings

CONTACT

Bytegeist Software, Sydney
www.bytegeistsoftware.com

CLIENTS

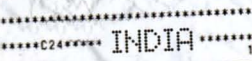
Right Hemisphere, Microsoft, Codemasters, smartUR, Plastic Wax, 3D Interactive, Brilliant Digital Entertainment

RECENT PROJECTS

3D engines and optimisations; 3D plug-ins & exporters; ActiveX technologies; middleware implementations; GUIs; the brains behind the Xbox Preview Pipeline, Bytegeist Mopac Data Module for Deep Exploration, plus Ghost Trails and Snap2Terrain

WHY SHOP THERE?

Proz: Experienced developers; thorough understanding of project management; no language barrier; latest tools for easy communication
Cons: Similar costs; time difference



INDIA

SERVICE

Computer animated TV series

ESTIMATED COST COMPARISON

Average project cost - \$250 a day in India compared to \$500 a day in the US

PRODUCTION SAVINGS

30-50%

CONTACT

Crest Animation Studios, Mumbai
www.crestindia.com

CLIENTS

Blitz Games, Mike Young Productions, Nelvana, Lions Gate Entertainment

RECENT PROJECTS

Pet Alien; Jakers! The Adventures of Piggley Winks; Dive! Oily! Dive!

WHY SHOP THERE?

Proz: Animation production costs in India are several times lower than rates in other major centres
Cons: Costs rising as the industry becomes more established; cheap competition in other territories