

THE BIG AUSTRALIANS

When it comes to creativity, which companies and individuals are Australia's shining stars?

A handful of creative companies can be singled out as the Cate Blanchetts and Hugh Jackmans of Australia's creative industries – they are infamous amongst their peers, and celebrated for the ingenuity of their ideas around the world.

These quiet achievers represent Australia's 'creative giants': businesses and individuals who originate in Australia and produce some of the world's most popular films, architecture, design, music, and advertising services. They are significant contributors to the national economy and shining examples of Australian innovation.

In the production sector, Sydney-based Animal Logic [www.animallogic.com] ranks amongst the top digital animation and visual effects (VFX) studios in the world. Animal Logic was the creator of *Happy Feet*, Australia's first digitally animated feature film, which grossed \$20.7 million at the Australian box office in 2007 and more than US\$380 million worldwide.

In the early 1990s, Animal Logic made the bulk of its revenue producing TV commercials for local advertising agencies. But in 1996, the studio began to diversify into feature films, which required a significant cultural shift within the organisation through the acquisition of new staff and skills, and successfully pursuing relationships with Hollywood studios.

Today, Animal Logic's portfolio includes VFX for Hollywood blockbusters such as *The Matrix*, *300* and *Hero*, and Australian hits such as *Babe* and Baz Luhrman's *Moulin Rouge* and *Australia*.

At its peak, Animal Logic employed 550 staff while making *Happy Feet* in 2006, though in early 2010, staff numbers were nearer 450 at its Sydney and Los Angeles studios.

Animal Logic's VFX team is currently busy completing *Guardians of Ga'Hoole*, directed by American Zack Snyder, which will premiere in 2010.

Adelaide's Rising Sun Pictures (RSP) [www.rsp.com.au] tells a similar story. The company has created visual effects for some of the world's highest grossing films such as *Lord Of The Rings: The Return of the King*, *Harry Potter & The Goblet of Fire*, *X-Men Origins: Wolverine* and *Terminator Salvation*.

According to Tony Clark, who co-founded the company with Gail Fuller, Wayne Lewis and Steve Roberts in 1995: "Our success took us a bit by surprise when we first launched. It was always our intention to work on large films, but the founders of the company were all craft practitioners with no background in business. We were aghast at the idea we might ever employ 25 people. As we grew, we had to learn a lot," says Clark.

This is a common conundrum for many creative professionals who excel at their craft, yet lack the management skills required as business owners. Clark, Fuller and Roberts established RSP in 1995 by seeking work with local advertising agencies before securing work on Australian and international feature films. Since then, the trio has learned to become managing directors, as well as experts in the craft of visual effects, and now oversee a company with turnover exceeding \$15 million per year.

Animal Logic and RSP have commercialised their investments in research and development by licensing software to other production houses, which is now a lucrative revenue stream for both players.

Australian games developers are similarly inventive. The video games industry consists of more than 50 companies, 2,000 people and annual revenue of nearly \$200 million, according to the Interactive Games & Entertainment Association (iGEA), with sales growing 47% to \$1.96 billion in 2008.

Within the sector, two companies are particularly noteworthy for their aggressive growth: Krome Studios [www.kromestudios.com], Australia's largest video game developer with 10 successful titles, and Tantalus



[www.tantalus.com.au], creator of Australia's largest selling single-platform video game, *Pony Friends* for Nintendo DS, which has sold more than one million copies.

Tom Crago established Tantalus in Melbourne in 1994 and says the company has been funded purely by its own profits ever since.

"The gaming industry is very dynamic with new platforms and devices always just around the corner. We've been able to adapt to a very volatile environment and in fact turn that volatility into a strength," says Crago, who is CEO.

"Like any company in the content industry, our people are the key to our success. We've hired and nurtured some of the most talented people in the industry – people who would shine in any game development studio anywhere in the world," says Crago.

Tantalus generates 100% of its revenue from making a small number of high-value deals with clients in the United States, Canada, the United Kingdom, Japan, Finland and Germany each year.

When pitching for business, it combines creative ideas with due diligence and a solid business case. It also conducts financial due diligence on its own clients and hedges foreign currency to 80% to mitigate its financial risks. As a result, Tantalus was the winner of the Information and Communication Technology category at the 2009 Governor of Victoria Export Awards.

Krome Studios is a similarly robust business, with more than 330 staff at its Brisbane, Adelaide and Melbourne offices.

Krome CEO Robert Walsh believes the company's investment in research and development is crucial to its success: "We have about 40 to 50 people just working on internal tools and technology, so a huge investment is required to support delivering games for a number of gaming consoles."

Milestones include the latest *Transformers* game for Nintendo Wii and Playstation 2; major deals with Electronic Arts, Disney Interactive and Vivendi; while its flagship series, *Tasmanian Tiger*, is Australia's best-selling video game franchise.

In the advertising sector, Australian David Droga is the founder of Droga5 [www.droga5.com.au], an agency which is acknowledged widely for redefining the parameters of traditional 'advertising'.

Raised in the Snowy Mountains of New South Wales, Droga observed that traditional advertising agencies were struggling to remain relevant in the digital media age. He left a prestigious job at a global agency to launch Droga5 in New York in 2006, which has flourished by virtue of being younger, nimbler and more experimental than conventional agencies.

Droga5 strives to be the world's most "influential" advertising agency, and its most publicised campaigns include 'Million' for the New York City Department of Education, which distributed free mobile phones to students as an incentive to improve their grades. Another campaign, 'The Great Schlep' [www.thegreatschlep.com] encouraged elderly Jewish voters in Florida to swing their votes in favour of Barack Obama at the 2008 US Presidential election.

The success of both campaigns proves advertising can influence people more meaningfully than simply persuading people to buy things. Both campaigns were awarded 'Black Pencils' at the 2009 D&AD Awards for design and advertising in London, which are notoriously difficult to win.

In 2008, US business magazine *Crain* named Droga in a list of 'New Influentials: 25 people shaping New York', praising him for sitting, "at the forefront of the movement to redefine advertising, making it a union of marketing and entertainment instead of a disruption model of the uninvited guest". [<http://mycrains.crainsnewyork.com/newinfluentials/view/9>]

In the United States, Droga5's billings have grown to US\$300 million and counts brands such as UNICEF, Puma and Activision as clients. The agency's success is now being replicated in Sydney, where Droga5 employs 35 staff and won the B&T Australian Advertising Agency of the Year Award in December 2009 less than two years after opening its doors.

However, many of Australia's top performing creative businesses do not operate multiple offices or employ dozens of staff, but rely solely on their own talents. Industrial designer Marc Newson [www.marc-newson.com] is a prime example of a creative professional whose success results from his visionary approach to designing everything from furniture, to home wares and jets.

Described as a "bona fide superstar" by the Design Museum in London, Newson was born in Sydney in 1963 and today resides in London and Paris. He contributes to Australia's design culture as creative director for Qantas, his biggest client, designing their first class lounge and the interior of the airline's A380 jets in 2009.

Newson believes growing up in Australia allowed him the freedom to explore a distinct visual 'look'.

"If I'd been studying design in Italy, I'd have been taught by people who'd been taught by Ettore Sottsass or Mario Bellini, and I'd have found having that tradition stuffed down my throat really stifling. Coming from Australia and studying jewellery and sculpture, my design was self-taught and instinctive," said Newson in a recent interview with the Design Museum. [<http://designmuseum.org/design/marc-newson>]

The visual arts world is also full of people who have achieved immense fame as individuals. Top Australian photographers include Bill Henson, Tracey Moffatt and Trent Parke, while visual artists such as painter Ben Quilty, sculptor Ricky Swallow, indigenous artists such as Emily Kngwarreye and Dorothy Napangardi, or video artist Shaun Gladwell rank among Australia's most collectable artists.

In the graphic design sector, many of Australia's top studios are similarly built on the reputation of one flagship designer such as Lancashire Design (David Lancashire) [www.davidlancashiredesign.com.au], Emery Design (Garry Emery) [www.emerystudio.com] and Cato Design (Ken Cato) [www.catopartners.com], which are based in Melbourne.

These studios have leveraged the talents of their founders to expand into mature design practices, which have played a pivotal role in shaping Australia's graphic design culture over the past few decades.

Today, Lancashire Design is renowned for creating designs that intelligently reflect Australian culture and landscapes, while Emery Design and Cato Design have expanded into the Middle East and Asia, proving that a global market exists for Australian graphic design. Cato Design employs 50 staff in Australasia, with global partners based everywhere from Mumbai to Dubai and Argentina, making it one of the most far-reaching design practices in Australia.

When Australian creative companies export their goods and services internationally, it can enhance the reputation of other Australian industries by proxy.

It's a phenomenon described as the 'Winslet algorithm' by the UK Film Council, which has devised a formula for measuring the monetary value of Britain's creative industries. In November 2009, the UK Film Council valued Oscar-winning actress Kate Winslet's contribution to the British economy at £60 million thanks to the high salary she commands, combined with the "general promotional effect" she has for Britain itself.

Similarly, when an Australian designer, architect, musician or artist attracts international acclaim, their success promotes Australia's creative reputation as a whole.

PTW Architect's [www.ptw.com.au] National Swimming Center in Beijing, the Water Cube, is an excellent example of an Australian design that has captured the world's imagination. Created for the 2008 Beijing



Olympics, not only is it visually arresting, it is ingeniously executed using lightweight materials to mimic the structure of foamy bubbles contained within a cube.

In collaboration with American engineering firm Arup and China Construction Design International, PTW replicated the mathematical properties of soap bubbles using advanced computer techniques.

Sydney-based architect Chris Bosse made a major contribution to the design. He specialises in using virtual and organic structures to push the boundaries of architectural form, and is a Research Innovation Fellow at the University of Technology Sydney, and co-founder of LAVA, the Laboratory for Visionary Architecture. [www.l-a-v-a.net]

The Water Cube won the 2009 MacRobert Award, the UK's biggest prize for engineering innovation, and won the 'Atmosphere Award' at the 9th Venice Biennale.

There are dozens of other standout performers in Australian architecture – Glenn Murcutt, Johnson Pilton Walker, Hassell, Bligh Voller Nield are just a few of many firms worthy of being singled out for the inventiveness of their designs.

It's impossible to name all of the companies that are similarly shaping the future of Australia's television, radio, music, performing arts and other creative industries.

What is certain is that the 107,000 companies making up Australia's creative industries are making an invaluable contribution to the health and diversity of the Australian economy.

Within this group, a handful of companies and individuals deserve 'superstar' status as Australia's most ambitious, innovative and powerful creative businesses who are exporting Australian creativity to a global audience, while making Australia a far more interesting place in which to live and work.