

Overview

The animation and visual effects industries have grown at a tremendous pace over the last several years. Each major new production tries to create effects that no one has used before. Dentons represents many of the best known animation studios, which we advise in connection with product creation using talent located in multiple jurisdictions.

Dentons has also helped clients pursue unique animation projects, where our role included negotiating rights with sports organizations in the United States and Europe, as well as agreements with international celebrities. Call upon us to guide you concerning the production, co-production, distribution and merchandising of your animation productions.

The growth of the visual effects business has been particularly swift. Proper structuring allows the production company and visual effects studio to maximize the tax credits that are available in an increasing number of jurisdictions. We have advised production companies and many of the best known visual effects studios on visual effects agreements used for some of the most expensive films ever produced.

Animation and visual effects work can be done anywhere in the world where there is a deep pool of talent. Many of the leading studios are establishing themselves in Europe, China, India and Canada, as well as in California. At the set-up stage of a studio's new location, Dentons can provide you with advice on tax planning (including tax credits), immigration laws, labor relations and contracts, leasing and construction, settling key production agreements, incorporation and organization of the company operating the studio, and all necessary regulatory notifications as well.

Representative Experience

- **Chinese-based purchaser:** Advising a China-based corporation in the proposed acquisition of the business assets of Rainmaker Animation Inc., a Canadian public company operating an animation studio in Vancouver, B.C. This included settling undertakings under the Investment Canada Act with Canadian Heritage and obtaining Ministerial approval of the acquisition.
- **SAP AG:** Advising on its acquisition of Right Hemisphere, a 3-D virtualization software company, which will enable comprehensive visual communications for SAP customers across all lines of business, from design and manufacturing to sales and service.
- **Several US-based animation and visual effects companies:** Advising on the establishment of their Vancouver studios, including filing notifications and obtaining the necessary approvals under the Investment Canada Act, arranging for work permits and immigration clearances for key foreign workers, preparing forms of employment agreements, non-disclosure agreements and labour policy manuals, construction and leading advice, and providing cross-border tax planning.