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Bollywood visual effects groups tap Hollywood

By Joe Leahy in Mumbai

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Indian visual effects and animation companies are setting up front offices in Hollywood to help channel work back to India in a bid to replicate in films the success of the country's multibillion dollar software outsourcing industry.

In the latest move, a division of India's Tata Group has set up a unit in Santa Monica, led by Hollywood industry veterans such as Joel Hynek, an Academy Award-winning special effects artist, which will help secure US film contracts.



Tata Elxsi has worked on films such as 'Spider-Man 3'

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This work will be divided between the Hollywood and Mumbai offices of the company, Tata Elxsi Visual Computing Labs, with the US arm handling the most sophisticated work and the rest "offshored" to India.

"One of the key strategies for us is not to be seen as an Indian company but as a global company," said S. Nagarajan, chief operating officer of Tata Elxsi VCL.

Moves by Tata Elxsi and other Indian groups, such as Mumbai-based Prime Focus and Reliance MediaWorks, to secure a greater share of Hollywood's growing visual effects and animation work are creating a new outsourcing industry in India.

India's domestic film industry, Bollywood, and its television, media and entertainment sectors have grown astronomically, generating a total of about Rs587bn (\$12.7bn) in revenue in the past year, according to KPMG, the consultancy.

This has spawned a cluster of support industries, led by animation and visual effects. According to KPMG, India's animation and visual effects sector generated a compound annual growth rate of 18 per cent between 2006 and 2009, with revenues of Rs20bn. This is expected to more than double to Rs47bn by 2014.

Earlier, western companies outsourced only the most basic functions to Indian visual effects houses, such as wire removal – brushing out the wires from which stars and stunt people are suspended during action scenes of films.

But Indian houses are winning more work. Mumbai-based [Prime Focus](#), which has offices in North America and the UK, was hired by Warner Brothers to convert *Clash of the Titans* to 3D

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in 10 weeks before its release.

Tata Elxsi has worked on Hollywood films such as *Spider-Man 3* and Nicolas Cage's *Ghost Rider*. It has also completed work on one of India's first animation features, *Roadside Romeo*, made for Walt Disney Pictures and domestic production house Yash Raj Films.

Pankaj Khandpur, Tata Elxsi creative director, said about a quarter of the most sophisticated work on a film could be done in its Los Angeles office and the remainder in India. Cost savings to clients could be as much as 40 per cent.

Jehil Thakkar, executive director at KPMG in India, said in the past, western visual effects firms had won contracts and then sub-contracted them to India.

Now Indian visual effects houses are seeking to win the entire contract for a film. "The driving philosophy is that one really needs to have a local presence [in Hollywood] because of creative nature of the industry," Mr Thakkar said. "We'll see more of it going forward."

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