

Taking Indian animation by storm

This two-year-old animation and visual effects studio will soon be coming out with two movies.

VINAY DWIVEDI

There are startups founded by 20-something, fresh college graduates—dropouts, in some cases—and then there are those founded by industry veterans.

Assemblage Entertainment, a 3D animation and visual effects studio, belongs to the latter category. It banks on the experience of its co-founder, animation industry veteran, A.K. Madhavan—Madmax, as he is popularly known in industry circles.

Madhvan co-founded the company in 2014, along with Upen Desai, 43, another industry veteran, with the vision of creating a world-class animation studio to deliver content for global consumption.

“I wanted to create an organisation based on excellence and this inspired me to start Assemblage,” says Madhavan, 55, who has spent 15 years in the animation industry. His understanding of the market, the key players, locally and internationally, relationships with clients globally, and the goodwill earned from artists and technicians over the years came in handy while launching the company. Recently, Milind D. Shinde, 37, another experienced production and business development hand, and Arjun Madhavan, 25, a former investment banker and Madhavan’s son joined the company as partners.

Barely 18 months into its existence, Mumbai-based Assemblage has already produced a few DVDs, prominent being one for



Arjun Madhavan

A.K. Madhavan

the Oscar-shortlisted movie *Alpha and Omega*. It has also created a few television pilots for Canadian and French production houses that are awaiting the green light. Currently, the studio is working on two full-length animation movies for global audiences—*Blinky Bill* and *Norm of the North*—slated for early 2016 release. Assemblage is responsible for the production of the entire 90 minutes of these films. “Besides remuneration for the production services, we also have a small back-end interest in recoupment and copyright, which makes us co-producers of these films. This a step in the direction of being in-

tellectual property rights/content partners in the future,” says Madhavan. Being content partners, as opposed to animation service providers, like most Indian studios, is what sets Assemblage apart in the CGI (computer-generated imagery) industry. “We aspire to participate in the higher-end of the value chain by co-owning the intellectual property rights and creating our own content,” says Madhavan.

Till date, Madhavan, Shinde and Desai have put close to ₹50 lakh into Assemblage, but it is largely internal accruals that help meet operational expenses. “Payments re-

production schedule is what funds our business,” says Madhavan. The studio generated ₹9 crore in revenue in 2014-15 and expects a 100% increase this fiscal. “Projects on the floor and new mandates are likely to double our top line in 2015-16,” says Madhavan. In addition to its core entertainment business, Assemblage is also looking at gamification of education and medical sciences, to bolster revenues.

The studio’s current challenge lies in ensuring that movies it is working on are delivered on time and they meet the quality standards. “Given our business is cash-flow funded, potential delays and over-runs need to be managed and working capital cycles well balanced. While we work hard to meet these operational and technical challenges, financing is always a concern,” says Madhavan. The company, which managed to overcome the initial challenge of capital constraints to kick-start the business, will soon be scouting for investors.

“Assemblage is in a highly capital intensive business of animation, yet, without infusing significant amount of capital, we are on course to deliver two full-length movies. Now, as we enter our next phase of growth, we’ll be looking at external funding,” says Madhavan.



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