## Preface

Within the animation industry in Hollywood, California, there exists a tradition relatively unaltered by technology and time. That is "how business is conducted!"

Understanding the business process is not a rudimentary task. It involves analyzing the business cycles of the various segments of the industry, as well as knowing what influences the decision makers. It also deals with building communication, effectively executing a project budget and monitoring extraneous industry influences.

However, let us not lose sight of the fact that today's animation industry maintains strong roots into its creative nature. In fact, it has historically provided a fresh vehicle to dream, entertain and educate. With the development of digital animation techniques, its role continues to expand with various levels of complexity, market appeal and sophistication. The end result is a continuous broadening of animation's reach into new and diverse demographic profiles.

Make no mistake, technology continues to transform the "operations" of animation: first, with the advent of the personal computer in the 1980s then, the powerful client/server environment of the early 1990s and now broadband communications of the late 1990s. Each introduced new levels of software capabilities and recommended improved production processes. With each new level of sophistication came the promise to "stretch" animation to new realms.

Whatever the economical value of technology, its investment must be well grounded. To this end, a firm must be vigilant in monitoring its cashflow requirements; however, this single act will not ensure success over the competition. It is, moreover, a single factor in a much more complicated formula. Hence, in order to sustain business, throughout business cycles, a firm must be simultaneously focused on both the creative and the business aspects of animation.

But remember! Technological advancements are merely "tools" which accelerate the realization of the concepts. The creative ideas still remain as human, and as individual, as in the past.

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