

International business, as it applies to commercial advertising, is highly competitive and constantly changing. These changes make Duck Soup more pragmatic than optimistic. With the increased use of broadband communications, low labor rates and exchange rates that may favor a competitor, implications exist that more and more business will be subcontracted overseas. Since television commercials are done piecemeal with schedules only 4 to 10 weeks in duration, Duck Soup finds itself in direct competition with many overseas firms. Therefore, the favorable effects of entering into an alliance with an overseas partner is highly unlikely. A factor that may change this view would be a collaborative effort on a longer format project (ie., T.V. series or feature).

Technology

Faster computer hardware, as well as software with more functionality, are giving Duck Soup the ability to rapidly turn around a project. The most significant achievement has been in rendering. As hardware costs decrease, the systems become more affordable; the more affordable a system, the more in-house activities are performed.

The evaluation of new technology is done on a continuous basis. Duck Soup has a revolving "wish list". When a job has been awarded, management reviews the wish list and may make a purchase. Because the list is continuously updated, it is always current.

There is no procurement cycle for technology within Duck Soup. It's simply done as the job requires.

Investment

The typical budgets are \$150,000 for a 30 second cel production, and \$200,000 for a 30 second computer generated project.

Project financing is strictly internal. Since much of the work is for clients they bring with them a budget. Duck Soup operates within the confines of those fiscal constraints.

There were no suggestions offered for creatively raising financing.