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EnterAktion pacts for CG projects

Studio joins Asia Legend on four-film deal

By [VICKI ROTHROCK](#)

L.A.-based EnterAktion Studios, part owned by the Hilton family, has joined with Asia Legend for a CG toon deal in China.

Deal is for four pics with storylines, characters, models and storyboards provided by EnterAktion and animation done between Hong Kong and China.

The first two pics will go into production within the next 90 days, said Tom Walsh, who principally owns EnterAktion with the Hilton family and is also the co-chairman and founder. Each pic will have a \$12 million budget and all are co-productions between Hong Kong's Asia Legend, Legendtoonland and EnterAktion.

Legendtoonland is the first animation studio in China to be wholly owned by a Hong Kong company, thanks to relaxed ownership regulations through the Closer Economic Partnership Arrangement (CEPA).

Asia Legend owns 42% of the Hong Kong-based Legendtoonland, while two individual Hong Kong investors hold the rest. It's skedded to open in April with some 300 animators.

The first pic under the deal, "Life With Dwegons," will begin production in Hong Kong and then shift to China at the end of the year. The pic, with an as-yet undisclosed plot, is expected to wrap in early 2009.

Second pic, "Los Opolis," centers on a building with a lot of underground creatures. Production will start in China and will also take about two years to wrap.

Last two pics in the deal are "Electric Forest," a musical about a fantasy island with beautiful trees, sky and creatures, set to begin production at the end of 2008, and "Adventures of Captain Sea," set for 2009. Latter is about how a captain deals with the perils of the Bermuda Triangle.

All four CG toons will be geared toward children and adults, said Asia Legend chief exec Leo Lo.

The projects are being financed independently through a production venture between Asia Legend, Legendtoonland and EnterAktion. Walsh said discussions are under way with major studios to handle distribution.

EnterAktion and Asia Legend were brought together last year through ImaginAsian, a Hong Kong trade mission.

"After the introduction, the next day we were in the studio," said Lo, who's also chief exec of Legendtoonland.

What EnterAktion was particularly interested in, and what Asia Legend could offer, was a company with a big animation studio in China and a relationship with Hong Kong.

"It fit their requirement," Lo said.

Hong Kong itself also would have been cheaper than L.A., but there's a shortage of animators in Hong Kong, Lo said.

The Legendtoonland animation studio sits on almost 50 acres of land with plans for another two stages of development for a total of 300 acres, Lo said.

The company invested \$7.7 million for phase one of the facility. The remaining phases are "a huge project" in which the company expects to invest at least \$38.7 million.

It was proposed to build a film studio as part of the expansion, but "I don't think it's wise because you spend a lot of money but the return is very slow," Lo said. Another possibility is an amusement park related to animation, he added.

EnterAktion has been exploring such an option with Asia Legend and developing key movie projects for theme park attractions; it's also conceived and developed rides and attractions.

"My partners in EnterAktion are the Hilton family of Hilton Hotels, who certainly understand the potential of the tourist market," Walsh said.

The expansion is expected to be completed in three years, at which point Legendtoonland would like to raise funds through an IPO in Hong Kong, Lo said.

"I see the future of China computer animation production growing greatly," Walsh said. "China has very talented animators with certainly much better production costs. EnterAktion Studios with our Partners Asia Legend and Legendtoonland plans to be a leader in this direction."

Walsh also said that this is the direction that EnterAktion plans for all its future productions.

"My development department is already hard at work creating a future slate of additional projects and original creatures for additional projects," Walsh said. "EnterAktion Studios definitely is planning more productions with Asia Legend and Legendtoonland. ... The synergy and alliance working between EnterAktion Studios and Asia Legend/Legendtoonland is fabulous."

EnterAktion has invested \$5 million to date to position itself as a major creative supplier and producer of CG computer animation and CGI TV series.

"Combining EnterAktion's library of original colorful characters and properties with the animation team at Asia Legend and Legendtoonland could build us jointly into a 'low-budget' Pixar and future major content provider," Walsh said.

Read the full article at:

<http://www.variety.com/article/VR1117961358.html>

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