

## Request for Proposal

# A Growth Strategy for Animation & VFX in Alberta

Reference Number: RFP# 2201-01

**Issued: January 5, 2022**

**Responses Due: January 31, 2022**

**Calgary Economic Development Ltd.**

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Canada

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# Request for Proposal

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# Request for Proposal

## 2. Introduction

Calgary Economic Development Ltd. invites qualified firms to submit a Proposal for the Alberta Animation & VFX RFP 2201-01. A Proposal, in electronic form, must be submitted as outlined in Section 17. The electronic copy should be sent to the attention of the Contracting Manager by email as noted in Section 15. Late Proposals will not be accepted.

## 3. Timelines\*

RFP Release	<b>January 5, 2022</b>
Deadline for Questions	<b>January 21, 2022</b>
Proposal Submission Date	<b>January 31, 2022</b>
Meetings with Short-Listed Vendors (if required)	<b>February 4, 2022</b>
Bid Notification Date	<b>February 7, 2022</b>
Project kick-off	<b>February 10, 2022</b>
Draft Strategy	<b>April 21, 2022</b>
Final Strategy	<b>April 29, 2022</b>

\*Proposed timelines. Vendors are welcome to propose more efficient timelines to complete the proposed work.

## 4. Definitions

"CED" means Calgary Economic Development Ltd.

"City of Calgary" refers to the municipal government of the City of Calgary.

"Request for Proposal or "RFP" means this document including attached appendices.

"Contracting Manager" means the person identified in Section 15 of this RFP.

"Vendor" means an organization responding to this RFP.

"Proposal" means a Vendor's response to this RFP and includes all the Vendor's attachments and presentation materials.

"Selection Committee" means the individuals that will be reviewing submitted Proposals and overseeing work on this project.

"Services" means the duties, tasks, and responsibilities of the Vendor as described in this RFP.

## 5. Standard Form Contract

By submitting a Proposal, a Vendor acknowledges it agrees that the terms and conditions of this RFP are incorporated by reference into its Proposal. If a Vendor's

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Proposal is accepted the Vendor will be expected to execute CED's standard contractor agreement. Vendors who are unwilling to abide by these standard terms and conditions should not submit a Proposal.

### **6. Vendors Questions**

All questions regarding this RFP must be directed via email to the Contracting Manager. Inquiries and responses may be recorded and distributed to all Vendors.

The Vendor must immediately notify the Contracting Manager in writing of any ambiguity, divergence, error, omission, oversight, or contradiction in this RFP is discovered by the Vendor and request whatever clarification is required to prepare the Vendor's Proposal.

In order for CED to deal effectively with Vendor questions or concerns about any terms, conditions or requirements of this RFP, including the standard terms and conditions, such questions or concerns must be communicated in writing to the Contracting Manager in accordance with the Timeline indicated in Section 3 above. Questions received after this time will be answered if, in the opinion of CED, the circumstances warrant, and time permits.

### **7. Conflict of Interest**

Vendors must fully disclose, in writing, to the Contracting Manager on or before the Proposal Submission Date of this RFP, the circumstances of any possible conflict of interest or what could be perceived as a possible conflict of interest then known to Vendor between the Vendor and CED and/or the Selection Committee. CED may reject any Proposal where, in the opinion of CED, the Vendor is or could be perceived to be in a conflict of interest.

### **8. Vendor Expenses**

The Vendor is responsible for all costs of preparing and presenting its Proposal.

### **9. Confidentiality**

All information provided by or obtained from CED in any form in connection with this RFP either before or after the issuance of this RFP, including any confidential information is the sole property of CED and must be treated as confidential; is not to be used for any purpose other than replying to this RFP and the performance of any subsequent contract; must not be disclosed without prior written authorization from CED; and must be returned by the Vendor to CED, or destroyed if held in electronic format, immediately upon the request of CED.

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### 10. Background

Film and television production is a global powerhouse industry worth approximately \$235 billion in 2020 and estimated to reach almost \$320 billion by 2025<sup>1</sup>. With advanced technologies and a growing demand for more immersive experiences, almost all films today include elements of animation and visual effects (VFX). From enhanced stunts to beautified cinematic shots, VFX technologies are, increasingly, a necessary component of film production. Animation, on the other hand, can be utilized and defined in a variety of ways. Most often we see commercial animation in 3D form in feature movies, television shows, video games, and it is also utilized as a VFX tool for live action productions.

While there is growing demand for film and television, animation and VFX is contributing to content generated for advertising and gaming and is consumed through not only film and television but YouTube, Facebook and more. According to Mordor Intelligence, the global animation and VFX markets are expected to grow at an annual rate of 11.5 per cent between 2021 and 2026. Business Wire estimates the animation production component of a movie to be between \$20 - \$300 million with the spend on VFX comprising up to 25 per cent of movie production costs. The size of the streaming market alone for animation and VFX was estimated to be \$3.5 billion and growing at 8 per cent annually.

It should come as no surprise that competition exists between regions to entice animation and VFX business. Regions offer a variety of tax incentives, subsidies, financial supports, access to labour and labour incentives to attract reputable global studios. Ranking 4<sup>th</sup> in the nation, Alberta's film industry comprises only 0.08 per cent of GDP. Film and television production in British Columbia exceeds 1 per cent of GDP. While Alberta's animation and VFX industry has long been established in the province, it is still nascent compared to other markets in North America.

Calgary Economic Development, Edmonton Screen Industries Office, and their project partners across Alberta have plans to grow and attract larger and more lucrative budget productions to support the growth and expand the presence of animation and VFX in Alberta. They plan to accomplish this by developing an Alberta Animation & VFX Strategy to capture the economic benefits of the industry, as well as capitalize on the existing players in our ecosystem.

The demand for digital content consumption continues to increase globally and the Alberta film industry continues to grow. In order to support and be part of this growth, the Alberta Animation & VFX Strategy will provide an overview of the existing ecosystem, provide relevant comparative market data on how this sector can expand

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<sup>1</sup> <https://www.businesswire.com/news/home/20210910005333/en/Global-Film-and-Video-Services-Market-Report-2021---Opportunities-and-Strategies-to-2030---ResearchAndMarkets.com>

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in Alberta by supplying tangible action items, and in essence be utilized as a guide for business development and FDI.

### **11. Purpose of the Project**

Calgary Economic Development and Edmonton Screen Industries Office will work with the selected Vendor to develop Alberta's Animation & VFX Strategy. The Animation & VFX Strategy is an ecosystem development tool and will serve as a business development guide to attract, grow, and develop key animation and VFX ecosystem players to Alberta to build upon the robust and sustainable film production ecosystem within the province. The Strategy will also be used as an advocacy tool to create alignment across government and industry on further support for the animation and VFX infrastructure segments of the film production world in Alberta and across Canada. Further, it will inform on the necessary information to support the animation and VFX production companies that currently exist in market.

### **12. Objective of the Project**

The project partners intend for the Alberta Animation and VFX Strategy to achieve the following objectives:

- Understand the factors of success and best practices in current international and national animation and VFX hubs.
- Understand Alberta's current animation and VFX ecosystem components.
- Identify Alberta's strengths and similarities in animation and VFX compared to other animation and VFX hubs.
- Develop Alberta's value proposition in animation and VFX.
- Develop a strategy that builds upon Alberta's animation and VFX ecosystem, and provides the necessary plan of action to support the province in becoming a national and international leader in animation and VFX production.
- Identify potential investors for Alberta.

The Strategy will be developed for Alberta. While there should be a focus on Alberta's major urban centers – Calgary and Edmonton Census Metropolitan Areas – it is critical that the strategy recognize the success of the provincial Animation and VFX ecosystem and includes support for all jurisdictions, including rural communities. In addition, the vendor will discuss how the strategy will be inclusive of Indigenous Peoples, BIPOC and other underrepresented communities.

The Vendor is expected to provide a detailed approach describing how to successfully achieve the above objectives.

### **13. Deliverables**

Calgary Economic Development and the Edmonton Screen Industries Office have already explored animation and VFX hubs in Canada to understand, to some extent,

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talent development and incentives offered. We require the Vendor to conduct a comprehensive review in delivering the following outputs:

### **Part A: International and National Animation and VFX Landscape**

1. Overview of global and national animation and VFX hubs identifying:
  - a. key ecosystem components, including incentives;
  - b. Collaboration in the ecosystem, including policies and procedures;
  - c. Key enabling infrastructure including bandwidth and buildings/spaces;
  - d. talent attraction and development efforts;
  - e. market size and employment (by subsector);
  - f. Challenges/inhibitors to growth;
  - g. measures of success; and
  - h. best practices that can be lessons learned for Alberta.
2. Description of Canada's animation and VFX landscape including economic impacts of animation and VFX nationally and estimate Alberta's animation and VFX economic potential.

### **Part B: The Current State of Alberta's Animation and VFX Ecosystem**

1. Description of Alberta's animation and VFX ecosystem including:
  - a. animation and VFX associations,
  - b. ecosystem leaders,
  - c. talent development and education providers,
  - d. venues, governments, and investors,
  - e. animation and VFX demographics and economic impacts including employment and revenue data, and
  - f. Opportunities for cross-sector collaborations including live action film & TV or other creative industries and interactive digital media sub-sectors.
2. Identification of Alberta's strengths and opportunities for improvement in animation and VFX through comparison of Alberta's animation and VFX ecosystem against a selection of national and international animation and VFX hubs in Part A<sup>2</sup>.

### **Part C: Alberta's Opportunity to be an Animation and VFX Leader**

1. Description of Alberta's value proposition as a national and international leader in the sector including:
  - a. clear identification of advantages to animation and VFX in Alberta (Why Alberta is a place for investment), and
  - b. materials to be used in presentations and marketing Alberta to the world.

### **Part D: Alberta Animation and VFX Strategy**

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<sup>2</sup> Vancouver Economic Commission's Esports Strategy identifies global leaders in esports. This information should be used and integrated into this strategy.

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1. Development of a strategy including actions (what should we do to grow animation and VFX in Alberta?) to be undertaken for Alberta to become a leader in animation and VFX. The strategy must include, but not be limited to, the following elements:
  - a. Goal statement (vision) for Alberta's animation and VFX industry.
  - b. Recommendations for the ecosystem components to be addressed, objectives and stakeholders to address each component (e.g., community, tourism, economic developers, interscholastic and PSIs, industry).
  - c. Recommended actions to be undertaken to address these ecosystem components.
  - d. Recommended metrics of success to measure achievement of objectives for Alberta's animation and VFX ecosystem.
  - e. Role of complementary ecosystem players and assets such as game developers, government, investors, and other industries such as tourism and live entertainment, event hosting, and organized sports, and education systems.
  - f. Recommendations of potential companies/investors for whom Alberta's value proposition is a good fit (Who would consider investing in Alberta?).

The deliverables and outputs listed above will be provided to the project partners in the following formats:

- Final Strategy (Microsoft Word Document and Adobe PDF): includes all information outlined in Section 13 and achieves objectives listed in Section 12.
- Presentation of Strategy (Microsoft PowerPoint): summarizes the Final Strategy.
- Detailed list of current Alberta animation and VFX ecosystem assets (per Part B #1).
- Two-page summary (Microsoft PowerPoint or another visual application and Adobe PDF) with visuals highlighting key findings and insights, value proposition, vision statement and summarized actions to be taken.
- A creative, concise and informative infographic with high-level information on animation and VFX in Alberta, to be used as promotional material.

These deliverables should be provided in such a way that they could be used immediately for business development and marketing purposes. Deliverables must not require additional manipulation or edits at the conclusion of the research.

Please note the Vendor is expected to utilize and build on all existing internal research and external commissioned studies by Calgary Economic Development and Edmonton Screen Industries Office as well as all existing publicly available. Previous work will be provided to the selected vendor at the initiation of the project.



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### 14. Fees and Payment Terms

The fees for this work should be competitively priced. The project partners will take into consideration the cost competitiveness of the bid during proposal evaluations.

Proposals must include a breakdown of the Vendor's fees and disbursements to complete each deliverable listed in Section 13 and achieve the objectives listed in Section 12. Please include the following with the breakdown of costs:

- Cost detailed per deliverable in Section 13
- Travel, if required
- Prices must be stated in actual dollars and cents expressed in Canadian funds and inclusive of all taxes except for GST, which should be itemized separately.

Please provide options for the project team to contribute to reduce project costs and be prepared to consider which aspects of the Proposal might be optional.

### 15. Contracting Manager

For the purposes of the provisions of information surrounding this contract or the administration of the contract, the Contracting Manager is:

Calgary Economic Development Ltd.  
**Attention:** Tori Romano, Business Development Manager  
500 Centre St S 32nd Floor  
Calgary, AB T2G 1A6  
Canada  
Telephone: 403 767-1319  
Email: [tromano@calgaryeconomicdevelopment.com](mailto:tromano@calgaryeconomicdevelopment.com)

### 16. Proposal Evaluation Criteria

Vendors should be aware that certain mandatory requirements have been set out in the Evaluation Form (scope, methodology, experience, and deliverables). Proposals that fail to provide these requirements may not be evaluated. See Appendix A for the Proposal Evaluation Criteria.

### 17. Submission Information

Proposals must be received **by email on January 28, 2022 by 16:00 MST** to:

**Email:** [tromano@calgaryeconomicdevelopment.com](mailto:tromano@calgaryeconomicdevelopment.com)

- After the Proposal Submission Date, Calgary Economic Development may post the identity and addresses of the Vendors.
- CED may elect to not consider any Proposal that:
  - Is received after the exact time and date noted above.

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- Does not indicate the Request for Proposal's title, closing date, and Vendor's name on the Proposal in response to the RFP;
- Is delivered to an address other than that provided above;
- Transmitted Proposals will be accepted if the Proposal is received before the submission deadline to the email address provided above.

### 18. CED Reservation of Rights

CED reserves the right:

- To not consider, or to reject, any or all Proposals in whole or in part for any reason whatsoever in its sole and absolute discretion;
- To accept any Proposal in whole or in part even if it does not comply with the terms of this RFP or is not the highest rated Proposal in accordance with the evaluation criteria;
- To short list Vendors, and require a presentation by the Vendors short-listed and/or the provision of additional information by such short-listed Vendors;
- To, at any time, add, delete or modify this RFP and to have the Vendors advise CED of the effect of such changes on their Proposal and/or have the Vendors resubmit their Proposals in light of same;
- To negotiate at any time with any one or more of the Vendors to the exclusion of the other Vendors; and
- To not proceed, for any reason, with this RFP or the project contemplated in this RFP.

### 19. Intellectual Property

Unless otherwise agreed and confirmed in writing:

- All material, including but not limited to programs, reports, notes, maps, drawings, photographs, data, forms and other records prepared, created, written or recorded by ("**IP**"): (a) the Vendor, or (b) CED or ESIO or (c) the Vendor and CED or ESIO jointly, in connection with the Services under any agreement incorporating the terms and conditions of this RFP, a Proposal, or as a deliverable under any agreement arising therefrom (an "**Agreement**"), will be the property of CED and ESIO; accordingly, the Vendor hereby assigns to CED and ESIO all rights, title and interest it may have from time to time in such material and all intellectual property rights therein will vest in CED and ESIO.
- During the term of the relevant Agreement, the Vendor shall have a non-exclusive, non-transferable license to use such IP of CED and ESIO or IP which is jointly created for the sole purpose of providing and completing the Services. Upon the termination or completion of a specific project or Agreement, the Vendor will promptly return such material to CED and ESIO whether completed

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or not. Notwithstanding the preceding sentence, the Vendor may retain for archival purposes a single copy of each item of such material.

- Every invention, discovery or improvement developed by the Vendor in the course of, or in connection with, performing the Services under an Agreement where the invention, discovery or improvement has been initiated or directed or specifically requested by CED and ESIO, will be the property of CED and ESIO and, accordingly, the Vendor hereby assigns any intellectual property right to any such invention, discovery or improvement developed to CED and ESIO. The Vendor will cooperate fully in the establishment and maintenance of all intellectual property rights accruing hereunder to CED and ESIO. This provision will survive the termination of any Agreement and to the extent necessary or desirable, the Vendor will take such actions as are reasonably requested by CED and ESIO after termination of an Agreement with respect to intellectual property rights created during the term of the Agreement.
- The parties acknowledge and confirm that any intellectual property that was developed prior to the relevant Agreement, or that was developed by the Vendor independently from such Agreement with CED and ESIO, or that was developed at the sole initiative of the Vendor without any prior initiation or direction or request from CED and ESIO, will be outside the scope of this Section 16.
- If the Vendor needs access to data of CED and ESIO in order to carry out Services under an Agreement incorporating the terms and conditions of this RFP, CED and ESIO will grant a non-exclusive, non-assignable license to have access to and to use that data.

### **20. No Further Contract or Liability Arising from RFP Process**

By submitting a Proposal, the Vendor agrees and acknowledges that:

- Nothing in this RFP nor the submission of the Proposal nor the review and consideration of the Proposal by CED nor any communication between the parties in relation to the RFP or the Proposal will operate to obligate any party to enter into any further business relationship with the other party and, in particular, if CED decides to engage the Vendor in connection with any Proposal or the subject matter of the RFP then such engagement may only occur pursuant to a written agreement that has been signed by both parties and, absent such written agreement, CED will have no further liability or obligation to the Vendor in connection with the subject matter of the RFP;
- The Vendor is participating in this RFP process at its sole risk and expense, and CED will not be liable to the Vendor for any costs, expenses or liabilities incurred by the Vendor in any way arising in connection with the Vendor's participation;
- CED has made no representations other than those expressly stated in this RFP;

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- CED has the right to cancel this RFP at any time, CED may reissue this or a similar request for Proposal at any time, for any reason whatsoever or decide not to reissue it for any reason, without incurring any liability and no Vendor will have any claim against CED as a consequence; and
- The Proposal and any accompanying documentation submitted by the Vendor will become the property of CED and will not be returned.

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## APPENDIX A – PROPOSAL EVALUATION CRITERIA

### • Alberta Animation and VFX Strategy: Proposal Evaluation

Criteria	Possible Points Awarded	Mark	Comments
<b>Quality of submission:</b> 1. Clear and concise 2. Quality of writing 3. Alignment to RFP requirements 4. Creative and engaging format	10		
<b>Team competence and resources:</b> 1. Experience of the project team, including the following areas of knowledge and competencies: a. Animation and VFX industry ecosystem knowledge including ecosystem leaders locally, nationally, and globally, and trends impacting the industry. b. Familiarity, knowledge and/or direct experience working with or within animation and VFX including knowledge of production terms, pipeline processes, and trends. c. Value proposition development in the context of FDI d. Benchmarking e. Gap analyses and maturity f. Strategy development and goal setting experience g. Recommendations and roadmaps 2. Relevancy of past projects (work from 2 – 3 projects <u>must</u> be provided; references are encouraged but not required) 3. Demonstrate alignment with 'Calgary in the New Economy' and the 'Edmonton Economic Action Plan'.	20		
<b>Approach and deliverable content:</b> 1. Approach & methodology ( <b>30</b> ): a. Creativity and innovativeness of approach, engaging format delivery b. Clarity of approach to meet set objectives and outcomes	50		

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<ul style="list-style-type: none"> <li>c. Ability to gather and analyze sector data in Alberta and other 'hubs' across North America, including with stakeholder engagement methods, where needed and appropriate</li> <li>d. Include list of animation and VFX ecosystem players including post-secondaries, studios, and other periphery organizations that have a connection to animation and VFX who should be engaged for development of the strategy</li> <li>e. Leverage Alberta's existing film production ecosystem to deliver on RFP requirements</li> <li>f. Leverage animation and VFX trends in local and global markets to deliver on RFP requirements</li> <li>g. Leverage best practices for development of ecosystem to deliver on RFP requirements</li> <li>h. Ability to communicate narrative and insights from analysis</li> </ul> <p>2. Deliverable content <b>(10)</b>:</p> <ul style="list-style-type: none"> <li>a. Deliverables explicitly meet all criteria and requirements set out in the RFP</li> </ul> <p>3. Project management, including <b>(10)</b>:</p> <ul style="list-style-type: none"> <li>a. Clear and feasible schedules, work plans, and timelines</li> <li>b. Schedule of progress reporting (budget and project updates) to the Alberta team</li> </ul>			
<p><b>Fees (ranked separately):</b></p> <ul style="list-style-type: none"> <li>1. Fees have been clearly outlined and itemized by deliverable</li> <li>2. Breakdown of fees and hours by project resource (i.e. team member)</li> </ul>	20		
<b>Total</b>	<b>100</b>		