



Training Proposal for:
DreamWorks Animation SKG, Inc.

Agreement Number: ET16-0352

Panel Meeting of: January 22, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Multimedia/Entertainment Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The Animation Guild, IATSE Local 839		
Number of Employees in:	CA: 1,985	U.S.: 2,050	Worldwide: 2,135
Turnover Rate:	5%		
Managers/Supervisors: (% of total trainees)	6%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$563,850		\$169,155 (30%)	\$0		\$394,695

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,022,879
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Advanced Tech, Business Skills, Computer Skills, Cont. Imp.	1,253	8 - 200	0	*\$225	\$16.48
				Weighted Avg: 25			

*Reflects Substantial Contribution

Minimum Wage by County: \$16.48 for Los Angeles County
Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.
Used to meet the Post-Retention Wage?: Yes No Maybe
 Up to \$4.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support Staff:		
Clerical		46
Executive Administration		22
Senior Executive Administration		7
Laborers and Helpers		3
Professionals (Artists):		
Artist TA		15
Artist		720
Artistic TD		65
R&D		100
Technicians		200
Managers:		
First Level Manger		43
Mid-Level Manager		24
Senior Manager		8

*It will be made a condition of contract that trainees will never be paid less than the State of local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

INTRODUCTION

This is a request for funding by DreamWorks Animation SKG, Inc. (DWA) (www.DreamWorks.com) headquartered in Glendale. DWA specializes in computer-generated animation for film and television, visual effects, television specials and series, live entertainment, commercials, and other types of digital products. DWA also produces, distributes, and releases films and market-licensed consumer merchandise. The Company is credited with developing new proprietary software and animation technologies that contribute to the advancement of the animation industry as a whole. Although headquartered in California, the Company operates worldwide with locations in New York, Florida, Tennessee, London, the UK, and India.

DWA operates independently from DreamWorks Studios (DreamWorks) an entertainment company formed in October 1994 by Steven Spielberg, Jeffrey Katzenberg and David Geffen. DreamWorks acquired Pacific Data Images LLC (PDI) in Redwood City in 1996, a company that provides computer animation and visual effects for film and television. The acquisition helped build the animation business division of DreamWorks, which spun-off to form DWA in October 2004.

This will be DWA's eighth ETP Agreement and ETP, for training its employees and those of its close affiliate DreamWorks Animation Television, Inc. The companies are co-located in Glendale, where training will take place. The Animation Guild, IATSE Local 839, represents professional employees (Artists) at both companies, which is in support of this training program.

PROJECT DETAILS

As competition in the entertainment industry grows, markets for animation, film and visual effects face ongoing challenges due to the need for adaptation to new, cutting-edge technology that changes on an ongoing basis. In response, DWA is developing and using the most current technologies and programs available. ETP funding will assist the Company in training employees to stay current in their field.

Over the last five years, DWA has focused its training efforts on a Next Generation (NxG) computer system for Lighting and Animation using its proprietary software Torch® and Premo®. The NxG system has allowed the Company to develop new entertainment products including virtual and 3D environments.

In this Agreement, training will focus on other proprietary software programs, as shown in the proposed Curriculum (Exhibit B). These software tools are changing DWA's core processes and workflow. According to the Company, this evolution will continue in keeping with advancements in technology.

Training Plan

Training will focus on the most current versions of digital software and hardware. These added skills will enhance skills and create career stability and advancement. Current industry demands and changing technology have evolved into the Next Generation of products that require training; and training from prior ETP Agreements will not be duplicated. Although some of the topics are similar to those in the previous Agreement, DWA trainees will receive training in course material in the latest state-of-the-art technology.

Advanced Technology (49%): Training will be provided to Artists, Technicians and Managers in custom programs developed to support either a broad skill set or a particular show need. Training will include PIPEX®, global workflow software that enables a flexible platform for any

character-rig DWA builds. Training will be on newly created tools as applicable to a project needs.

Computer Skills (2%): Training will be provided to all occupations in programs and tools needed to support business innovations. These programs support “back of house” business functions for the creation and development of films and other DWA products.

Continuous Improvement (47%): Training will be provided to all occupations and is a part of DWA’s culture of process improvement. Training will include topics addressing process improvements for both the business/marketing and production side of DWA. Classes will provide knowledge and skills in decision-making, communication and problem solving.

Business Skills (2%): Training will be provided to Administrative Support Staff and Managers. This will include customer service, strategic planning, project management, and forecasting. Trainees will learn how to help develop a methodical approach for forecasting trends, planning and guiding projects, new technology initiatives and new business development.

Advanced Technology

DWA is requesting ETP’s Advanced Technology (AT) \$26 per hour reimbursement for the majority of this program to train Artists and Technicians in state-of-the-art computer hardware and software. The Company needs to provide its Animators, Artists, Engineers, Lighters, and other Professionals and Technicians with the advanced technical training to maintain its role as a premier animation facility in family entertainment.

The Company states that the cost of AT training is very high, largely due to the salaries of industry experts providing the instruction and the cost for hardware, software, manuals, and specialized training materials. Each AT training course costs an average of \$130 an hour per trainee and individual courses can range between \$1,200 and \$2,700 for a 40-hour course, with some costs exceeding \$200 an hour per trainee. Also, because the content is so technical, classes must be kept small (maximum 10 trainees), which increases the number of sessions that must be delivered and the overall cost to the company. The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

Commitment to Training

DWA spends an estimated \$1,500,000 per year for training its California workers. The Company provides new hire orientation, sexual harassment prevention, computer skills training and on-the- job training. DWA represents that ETP funds will not displace the existing financial commitment to training.

➤ Training Infrastructure

DWA is ready to start training upon approval. The Company has five full time staff members to oversee the training and administration of this project as well as three interns to assist with tracking. DDWA has prior ETP experience and is familiar with ETP’s processes to capture training using rosters completed according to ETP guidelines, which help maximize earnings and performance.

Substantial Contribution

DWA is a repeat contractor with payment earned in excess of \$250,000 within the past five years, at the Glendale Facility. Based on these earnings, the Company was assessed a

Substantial Contribution (SC) at the 50% level under ET11-0110. [Note: Although ET11-0179 was also for training in Glendale, this was only for newly-hired trainees under Job Creation. As such, these earnings were exempt from the SC requirement.]

DWA is once again subject to a SC based on earnings in excess of \$250,000 for training in Glendale under ET13-0402. In accordance with governing regulation Section 4410, a second SC within five years must begin at the 30% level. From there, it may be adjusted up or down (from a low of 15% to a high of 50%). Staff recommends the 30% level in consideration of the fact that Glendale is the only location participating in this Agreement. Reimbursement has been reduced accordingly by \$169,155, as shown on page 1 of this proposal.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by DWA under ETP Agreements that were completed within the last five years.

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0402	Glendale & Redwood City	6/24/13 – 6/23/15	\$324,000	\$324,000 (100%)
ET11-0179 (Job Creation Only)	Glendale & Redwood City	4/04/11 – 4/03/13	\$298,080	\$251,581 (84%)
ET11-0110	Glendale & Redwood City	1/17/11 – 1/16/13	\$156,240	\$156,240 (100%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

- The Hackett Group of Redwood Shores will provide Hyperion Smartview training
- The Foundry of Redwood City will provide Flix and Modo training
- Microsoft of Los Angeles will provide Microsoft SCCM training
- Pixlogix of Los Altos will provide Pixologix and Zbrush training
- Elasticsearch of Mountain View will provide Core Elasticsearch training
- Appdynamics of San Francisco will provide App Dynamics and Second Circle training
- Side Effects of Santa Monica will provide Understanding DOPs with Side FX Engineer training
- Allegorithmic of Venice will provide Substance Designer for \$800/day
- Oracle of Redwood Shores will provide Consumer Products Hyperion Forecasting training
- Filmtrack Inc. of Studio City will provide FilmTrack End to end UAT

Training amounts vary as they are based on production schedules and projects; and are paid by the day, session or a flat fee, also based on production schedules and projects. Other training vendors will be identified as they are retained.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

ADVANCED TECHNOLOGY (Ratio 1:10)

- ActionFlow Overview
- ADB Shot Building
- Advanced Map Shaders
- Advanced Packages
- Advanced Wiki
- Anatomy of an Agent
- Animation for CharTDs – Body/Face Pose
- Animation Workflow
- Art Modeling Deliveries
- Basic 10
- Bluejeans
- Body Pose Homework Kick-Off
- Body System Overview
- Bonsai
- Bridge and AX
- Camera Adjustments
- Camera Rigs
- Carbon
- Cartoon Anatomy
- Casting and Crowd Render
- CFX ActionFlow Sand Training
- CFX Cloth Solvers
- CFX Data Structure
- CFX File Formats and Data Structures
- CFX Finaling Tools Overview (Maya, Houdini)
- CFX Fur Piepline
- CFX Hair Tools and Solvers (Whip, Willow, nHair)
- CFX Houdini Tools
- CFX Pipeline Overview
- CFX Render Tools
- CFX Shot Run-Through and Exercise
- Char Face System Walkthrough
- Char Hair/Wardrobe Walkthrough
- Character Rigs in Premo
- Character Structure/Performance/Animation Interface
- Cloth Art Tools/Direction/Shot Run-Through
- Collider Preparation
- Critiq for Production
- Cross Department Workflows
- Crowd Cycle Test - Blinks and Clapping
- Cutouts in Mantra
- Cycle Overview and Best Practices
- Cycle Tools and Pipeline
- Deformation Systems Overview
- DI Mattes Workflow
- Documenting Work
- Driving Dailies 2

- Dust Collision
- Dust Package
- DW Houdini Nodes
- Face System/Face Pose
- Figure Drawing
- Finaling Pipeline Overview
- Finaling Tools
- Fireball Explosion
- Fit and Base Mesh Review
- Flight School
- Flix Workflow
- FLO Camera Revisions
- FLO Command Line Tools
- Flux Fire Interaction
- Fur 1
- Fur Backing For Lighters
- Fur Wind/Smooch
- FX 101
- General CFX Tools
- Geometry and MM Files
- Geometry Shaders and Intro to Fur
- Gesture Drawing
- Github workflows
- Hair Models/Curve Preparation
- Hair Tools Setup
- Hero Promotion Tools
- Houdini
- Hyperion Smartview
- IMF
- Intro to 2D
- Intro to Accurev
- Intro to ASG Concepts
- Intro to Deformers
- Intro to Destruction
- Intro to Flux
- Intro to Hierarchy Models
- Intro to Lighting
- Intro to Mantra
- Intro to Mudbox
- Intro to Nile
- Intro to Projects 1 and 2
- Intro to Projects 2
- Intro to Rez
- Intro to Shotgun
- Intro to Surfacing 1 and 2
- Intro to Translucent Objects
- Intro to Vdev Shot
- Jira
- Jira, Handoff and Render Page for IMF
- Job Tree
- Larrikans Design Language
- Layout Bookends
- Layout Shot Building

- Library Shot - Houdini
- Light 2 for Surfacing
- Linux
- Locations
- Loop and Transitions Basics
- Mari
- Markview Invoice and Workflow
- Marvelous Designer
- Massive Basics
- Matte Painting Workflow Overview/MP Tool
- Maya
- Modeling
- MOS
- Motion Builder Crowd Basics
- Motion System Overview
- Movie Browse
- Movie Viewing/Playlist
- MP Maya
- MP Nuke Class
- Nuke 101
- Nuke for FX
- Nuke for Lighting Lab
- Overview of UV Tools
- Pam Python API for TDs
- Parts Management
- Parts/UV Management
- Photoshop
- Pipeline Workshop
- Poly and SubD Modeling
- Pose Manager
- Post Sim Edits
- Premo Crowd Workflow
- Premo First Look
- Premo for Animators
- Production Surfacing
- Production Character Workshop
- Projects for TDs
- Projects in Torch for TDs
- Python for CharTD
- Qualoth Overview
- RAPID Liquids
- RAPID Particles
- RBD Rumble
- Render Farm/Utilities/Spin Tests
- Rez and Folios/Maps (SCM)
- Rez Workflows
- RLO (POV) Studio Overview
- Rough Pass Review (Animation)
- Rough Volumes Review
- Services
- Shaders for Lighters
- Shot Work Setup and Best Practices
- Show Specific Rigs

- Simulation
- Smooth Operator
- Studio Standard Torch Rig 1
- SubD Tips and Tricks
- Systems Overview
- Tech Animation/Finaling Overview
- Tiber Basics
- Torch Basics
- Torch Data Model
- Torch Data Model for PT TD
- Torch for FX
- Torch for IMF
- Torch for Lighting
- Torch for Lighting TD
- Torch for TAs
- Torch Open Lab (Rigs)
- Torch Plugin Development
- Torch Rig Walkthrough
- Torch Sequence Setup
- Torch Transition
- Unix
- Using Maya with Linux
- UV Layout
- UV Standards and Nomenclature
- Visual Communication
- Volumetric Shaders
- Whip Overview/Practical
- Wiki Basics
- Willow Overview/Practical
- Willow Stylers

COMPUTER SKILLS

- Database Tools
- Document Control System
- DreamWorks Proprietary Employee System
- Excel (Intermediate & Advanced)
- Financial Reporting Tools
- Google Docs
- Google Gmail and Calendar
- Inventory Computer System
- Hyper Text Mark-Up Language
- Media Manager
- Microsoft Office (Intermediate & Advanced)
- Networking Tools
- Photostat
- Pipeline Tools
- Purchase Order System and Process
- Remedy
- Studio Intro 1, 2
- Systems
- Technical Management
- User Interface

- Visual Basic
- Wiki
- Web Page Design
- Windows Utilities

BUSINESS SKILLS

- Breakthrough Conversations
- Budgeting
- Business and Report Writing
- Business Communications Skills
- Business Presentation Skills
- Coaching
- Communication
- Conflict Management (Working as a Team Player)
- Cost Reduction
- Customer Satisfaction
- Dealing with Difficult People
- Effective Delegating
- Effective Meetings
- Empowering Employees
- Facilitation/Trainer Skills
- Finance for Non-Financial Personnel
- Inter-Department Development and Workflow
- International Business Techniques
- Interpersonal Skills
- Leadership Skills
- Logistics Management
- Managing Business Transitions
- Managing Projects and Resources
- Marketing Framework/Positioning
- Master Scheduling
- Material Management
- Negotiating Skills
- New Business Development
- New Purchasing Processes
- Organizational Performance Model
- Planning/Buying Techniques
- Performance Management
- Performance Reviews
- Presentation Skills
- Price/Cost Analysis
- Product Knowledge
- Program/Project Management and Planning
- Scheduling
- Strategic Planning
- Studio Infrastructure
- Writing Skills
- Time Management
- Toastmasters

CONTINUOUS IMPROVEMENT

- After Effects Case Studies
- Animation (Tips and Tricks)

- Animator Feedback
- Artistic Development
- Animation for Non-Animators
- Change Management
- Coaching
- Color Theory
- Corrective/Preventative Action
- Decision Making
- Design for Manufacturability
- Design for Testability
- Developing Talent
- Director of Photography Series
- Drawing
- Facilitating Improved Performance
- High Performance Work Teams
- Improvisation
- Leadership/Coaching Skills/Mentoring Essentials
- Leadership and Project Management Essentials
- Problem Solving
- Product and Process Improvement
- Production Coordination Workshop
- Production Engineering Class
- Production Engineering Overview
- Production Infrastructure
- Production Lighting 1, 2, 3
- Production Overview
- Production Pipeline
- Production Immersion
- Production Process Technical Overview
- Production Supervisor Workshop
- Production Supply Workshop
- Productivity Improvement
- Quality Awareness and Practices
- Quality Improvement Processes
- Quality Inspection Techniques
- Quality Management
- Quality Metrics
- Quality Production Concepts
- Puppeteering
- Screenwriting
- Sculpture
- Stop Motion Animation
- Story Forum
- Surfacing Tips and Tricks
- Team Building Skills
- Writer's Workshop
- Work Efficiency

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



October 28, 2015

Employment Training Panel

1100 J Street, 4th Floor

Sacramento, CA 95814

To Whom It May Concern:

This letter is to confirm the support of The Animation Guild, Local 839 IATSE, for the Job Creation application submitted by DreamWorks Animation to the Employment Training Panel.

We stand with DreamWorks Animation's goal of being a recognized leader in the animation industry, which requires a substantial amount of training for its newly hired employees.

Sincerely yours,

Steven Hulett

Business Representative



the
animation
guild

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