Outsourcing to North Korea: animation

Rotterdam, July 2018

For more than 25 years, companies in Europe have been conducting ICT- and BPO (Business Process Outsourcing) work in various foreign destinations. There are two main reasons for offshore outsourcing: the possibility to reduce costs and the availability of specialized skills abroad. So far, hundreds of Dutch organizations have offshored ICT-related projects, including small and medium sized firms. Especially large companies have already reaped the benefits of an offshoring business model, including well-known names such as ABN Amro Bank, Philips, KLM and Heineken. European companies currently face many challenges: they must cut costs, develop new products and find new markets. In addition, they are experiencing difficulties in finding experienced engineers. For this reason, a growing interest for offshore outsourcing is expected.

North Korea: an upcoming destination

India is still the most popular offshore destination, but many other countries can also be considered for outsourcing – including North Korea (DPRK). This country offers opportunities for collaboration in several fields, such as software development, production of computer games, mobile games, animation and cartoons, websites, data entry en digitization. Having access to a pool of highly technically skilled labour is a key rationale behind outsourcing to North Korea, and where the rates are low. This type of business cooperation is not subject to UN or EU sanctions.

A software company in Pyongyang

Especially Chinese companies have been outsourcing ICT and BPO-work to neighbouring North Korea. It has also been a 'nearshore' destination for clients from Japan and South Korea as well. For example, Samsung from South Korea has been using software made in the North in its range of mobile phones. For other clients, North Korean ICT companies have been working on central elements of NGN (next generation) networks, and integrated network management systems. They are also experienced with IP PBX, IP Videophone, Digital Media Gateway, IP TV and 4G Core Network components. R&D cooperation can be requested to embrace design optimization, authentication and route control of data communication networks based on the concepts of Software-Defined Network and Network Function Virtualization. See for a general overview: www.gpic.nl/IT-in-NKorea.pdf.

Producing animation in North Korea

North Korean animation studios have been receiving orders for the production of animated cartoons from European countries since 1986. Examples of these productions are "Gargantua and Pantagruel", "Arabian Nights", "Les Miserables" and "Titanic". The production of animated cartoons goes through three processes. The first process includes production of a scenario, a storyboard, drawing of character models and backgrounds and making of an x-sheet and a mouth code. The intermediate process includes the

A scene of "Arabian Nights"

making of layout, animation celluloid, scanning, coloring and composition. The final process includes the recording and dubbing of music, sounds and characters' words.

In general, Korean studios mostly undertake the first and intermediate process. French and Spanish companies mainly place orders for the intermediate process, and Italian companies commission the studio to do the work for the first and intermediate processes. At present, more than 70 companies have had dealings with the studios and they show and broadcast these animated cartoons in theaters and on TV.

A Korean studio realizes computerization of the process of the production of films.

Creators drawing background of cartoon films' original pictures

A scene of "Les Miserables"

Pocahontas

"More than 1,000 young creators including producers, art directors and animators work in our studio. Their animation work is highly regarded in Europe, noted as good as Disney's works," said Mr. Chong Chol Ho, 43, who works for an animation studio in Pyongyang. The studio computerizes the scanning, coloring of original pictures and background, animation, editing, special effect and the composition of pictures.

Besides cartoon films for export, domestic cartoon films, such as "Clever Badger," "Boy Hercules," "Princess Rakrang," are also recently getting popular in China and Southeast Asian countries. "Our cartoon films win a great popularity at home and abroad. This is because we

select wholesome themes and idea of films which will help children establish healthy views of the world and represent them artistically," Mr. Chong Chol Ho said.

The studio also produced a number of cartoon films on order from foreign firms, such as "Sandocan," "Child of Toromiro" and "Narigota," each of which is 26-volume work, and the 14-volumed "Billy the Cat," and so on. Introducing various and fresh patterns and techniques according to children's aesthetic sense and their childlike innocence, cartoon films made by the studio draw the audiences' attraction. "Adventures of Pig Hercules," "Bloodsucker Ernest" and "Gandahar," famous animated cartoons in the world, were also produced in North-Korea. The country is actively promoting collaborations, contract-basis work and technical exchanges with foreign enterprises in the international cartoon films market and also in the international cartoon film festivals.

"Clever badger"

"team SOS"

North-Korean animation as part of a Chinese TV-commercial (above), and as a TV production (below)

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"If we would produce animation in France, then the price would be five, six or seven times as much as what North Korea is charging, and three times more than what China would charge," according to a French director.

Other examples of North-Korean animation:

Children's animation in North Korea

Despite the macho military image North Korea likes to project to its neighbours, children's animation depicting the adventures of animal characters is one of the most popular forms of entertainment there. South Korean firms, having recognized animation as one of the business sectors the North has the potential to be competitive in, have leapt at the chance to launch joint animation ventures with Northern partners. The first ever inter-Korean animation series, "Dinga the Lazy Cat," has already proved successful in Southeast Asian markets.

More recently, a South Korean firm published the first of five "Clever Raccoon" books, a children's classics series based on popular North Korean animation, which a state-run North Korean firm owns the copyrights to.

Radio Free Asia interviewed Hong Mee-yeon, a researcher at the JoongAng Ilbo's Unification Research Institute, about North Korean animation and how North and South are cooperating in the field.

Q: Who are the main viewers of animation in North Korea?
A: Children, of course. But even many grown-ups enjoy it because it is one of the rare television programs in the North free of political messages.

Q:How do most children get access to television when buying a set is so expensive in the North? Could it be that only children of high-class families get to enjoy the shows?
A:Actually most researchers estimate that almost half of the households in the North have television sets. It's just another common misconception about the North to think that only the rich get to watch television. There are also many animated films released in theatres.

Q:What's the story line like in a typical North Korean animated program?
A:It's the same universal theme just like in other countries - good triumphing over evil. Either that or allegorical tales about the importance of social order or public morality. Interestingly enough, North Korean animators make good use of cute animal characters just like Walt Disney Co. or other well-known animation giants.

Q:So, how advanced is North Korean animation?
A:North Korean production houses mostly use three techniques: cell animation, stop motion animation and paper animation. Cell animation is the most common in commercial productions. More advanced countries use 24 frames per second to make motion look natural. In the North they use fewer frames per second, but still manage to make the motion look smooth in general. Stop motion animation uses clay and rubber figures, giving a sense of a three-dimensional picture. Paper animation features paper dolls. Though it is rarely used in South Korea, it is still employed in the North for its relatively low cost.

Q:We heard the distribution rights for "Dinga the Lazy Cat," a joint production of South Korea's Hanaro Telecom and the North's Samcholli General Corp., were purchased by Hong Kong's Medialink. Tell us about Dinga.
A:It is all 3D computer animation. The technique used on the cat characters is not widely used yet, but it has potential. And North Korea, which has been trying to move to a more information and technology-driven economy, is certainly looking forward to expanding its work in the field.

Q:How is the North's animation seen in abroad?
A:Compared to North Korea's general image around the world, their animation sector has a remarkably good reputation. The nation has been receiving many orders from abroad for quite some time, including many from France and Italy. The workers usually participate in original drawings and coloring. Some of the well-known foreign animation projects the North has been involved in include "Lion King", "Les Miserables", "Pocahontas" and an Italian production of "Hercules" and "Billy the Cat" from France.

Q:Is there special institute to study animation in the North?
A: Although there isn't any special college that singles out animation as a whole department like in South Korea, the country teaches animation at schools and universities. They say the North focuses more on software development than hardware due to its lack of resources.

Q:How is the social status of animation workers?
A:Thanks to the nation's ongoing enthusiasm for ICT, any technician involved in the computer or information technology fields is looked upon with prestige.

Q:Any final comments on North Korean animation?
A:I once made a brief survey of South Korean children's responses to North Korean animation without revealing the source. The children suspected something was unusual from the start, commenting on the 'strange' accent of the voices and the somewhat unusual atmosphere the picture provided. Nevertheless, they were taken aback when I revealed it was from North Korea. They generally responded they never expected the North could produce such quality animation, and on the whole said they enjoyed it. They were split about the pace of the story. While those more familiar with fast-paced Japanese animation found the slower pace of the North Korean productions annoying, others said the slower speed made the story easier to follow. Pieces dealing with principles of science, like "Mong-Mong the Talented Dog," were generally well received by the children.

Also famous in South-Korea: Pororo

Examples of animation stills, produced in North Korea:
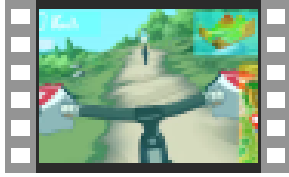
Some video examples of North Korean animation:
www.youtube.com/channel/UCHJnfqR11Lz6B_8t5-A3ydA

Interested in exploring options for collaboration?

To investigate options for collaboration, we can connect you with animation studios in North Korea. It is also possible for us to organize dedicated missions, in order to visit firms in Pyongyang in the field of animation (or ICT, computer games or Business Process Outsourcing). Such a trip will start in Beijing, and after returning from North Korea, an extension of the stay in China is possible.

These dedicated missions will have a broad character, since they also cover some political, economic and tourist topics, in order to give the participant a general introduction to North Korea as well. They are initiated by GPI Consultancy, a specialized Dutch consultancy firm in the field of offshore sourcing.

Paul Tjia, founder and director of GPI Consultancy, is the co-author of the handbook: "Offshoring Information Technology - Sourcing and Outsourcing to a Global Workforce" (Cambridge University Press). It contains a section on North Korea: www.amzn.to/xegoU9

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For an impression of an earlier (general) study tour: www.gpic.nl/impressionDPRK2017.pdf