It has become a cultural and commercial necessity for media firms to promote themselves as dynamic and innovative ‘creative companies’ and therefore attractive to potential employees, associated companies or funders. Although the concept of creativity has been extensively discussed, as Philip Schlesinger argued a decade ago in his critique of the ‘doctrine’ of creativity, the central question for critical empirical research is ‘in what form ideas about creativity and innovation become organizationally embedded and to what extent they shape the actual management of creative practice [...] how ideas about creativity are actually interpreted in the practice of production’ (2007: 387, original emphasis). A central problem, which Mark Banks argues ‘is the distinctive feature of cultural production’, is the tension between the rational, accumulative and standardising logic of capitalist production and the irrational, unruly, unpredictable and potentially disruptive demands of the creative worker who values her autonomy (2007: 30, original emphasis). Although creativity and commerce are often polarized, in modern media firms they are always ‘intermingled and interfused’ in an unstable and shifting interplay that evolves over time (Negus and Pickering 2004: 46–67).

This chapter develops an extended analysis of the management of creative practice in one of the most successful UK film and television companies, Aardman Animations, which has evolved from a hand-to-mouth two-person operation in 1976 to a medium-sized firm with a £22.3 million turnover in 2014 and over 150 employees, a number that rises to more than 600 when two films are being produced simultaneously (Baker 2014). My account is based on several observational site visits to its offices and the critical interpretation of extended interviews with six of its employees and freelance staff, including Aardman’s Executive Chairman and co-founder, David Sproxton (see table of interviews); all unattributed quotations
come from this source.¹ These face-to-face interviews and documentation have been contextualized through a detailed examination of other extant sources: articles and interviews in the trade press; analysis of the company’s website and promotional materials and critical engagement with Aardman’s output. However, there is no space in this chapter for detailed analysis of its products or their reception, nor is there room to consider Aardman’s complex relationship with Bristol as its production base and its civic activities within that city that are discussed elsewhere (Spicer and Presence 2017).

My focus in what follows is on Aardman’s management strategies – this chapter is the first analytical account of how the company functions as a creative business.² Although an in-depth study of a particular company, this account is organized through six general analytical categories: (1) the role played by the founders; (2) the company’s values and creative ‘vision’; (3) its business model; (4) its location and working environment; (5) its internal organization; and (6) its external relationships. These categories – which provide what Amanda Lotz (2014: 31) designates as a ‘framework of variables’ that enable understanding to move from the particular to the general – have been taken from theoretical and analytical paradigms derived from organization, management and business studies, which have shown a keen interest in the management of ‘creative’ companies because of their perceived economic and cultural importance (Bilton and Cummings 2014: 2). Additional insights have been drawn from studies of creative labour, which explore the particular kind of activities, mentalités and working relationships that the production of symbolic forms entails (see Banks 2007; Hesmondhalgh and Baker 2011; McKinlay and Smith 2009; Ross 2009). It is also guided by the insistence of production studies scholars (e.g. Holt and Perren 2009) of the necessity to relate micro studies of particular organizations to their macro social, cultural and economic contexts and to broader historical processes. Therefore, this chapter discusses Aardman’s activities within the context of the evolution of animation in the United Kingdom and its emergence as a global business that has to compete in a volatile international marketplace dominated by American multinationals.
Section 1) Creating a company: The founders

Accounts of media companies (e.g. Küng-Shankleman 2000) and of organizations generally (see especially Schein 2004: 223–27, 273) emphasize the critical importance of the founders – their backgrounds, passions, talents and personalities – in developing a company and shaping its culture. Aardman’s founders, Peter Lord and David Sproxton, school friends whose first experiments with animation took place on their parents’ kitchen tables, set up the company in 1976 in an attempt to convert a hobby into gainful employment by making short animated films for Vision On (1964–76), a BBC series for deaf children. They have continued to play a central role in the company’s activities through to the present. In its formative stage, both men were engaged in making programmes and had complementary skills: Lord in modelling characters and directing; Sproxton in the more technical aspects and in editing. However, as Aardman has grown and become much more complex, their roles have diverged. As Executive Chairman, Sproxton now leads the senior management team (see section 3), taking major responsibility for ensuring Aardman’s commercial viability and ‘an overall strategic view of what we’re going to do next’. (Sproxton dates his shift into a more managerial role from the late 1990s when the company had to cope with the complications of filming its first feature film, Chicken Run.) As Creative Director, Lord has remained closer to the production process and spends the majority of his time developing feature films and working with writers and fellow animators. Although this division might seem to exemplify the classic split between the business and creative sides of a company (Bilton 2007: 12–13), it is sutured through Sproxton’s continued involvement in the production process, especially the final editing stage, and Lord’s important business role in negotiations with the major funders, the American studios (see section 6).

Sproxton and Lord’s complementary partnership is underpinned by a fundamental shared purpose: ‘to make an enjoyable living doing something we believe in’. They are able to set their own agenda and priorities as co-directors of the trading company Aardman Animations and of the parent company, Aardman Holdings, which owns the buildings and the land. There are no shareholders expecting a dividend and no board to which they are accountable. Lord and Sproxton have used their freedom and independence to forge a company whose identity has been shaped by their tastes, preferences and core values.
In his classic study *The Modern Firm*, John Roberts defines a company’s culture as the fundamental values and beliefs shared by its workers ‘in why it exists and what they are collectively doing and to what ends’ ([2004] 2007: 18). These values, Roberts argues, shape the company’s strategy and its priorities. Because Aardman’s founders are artists rather than businessmen by disposition, the company’s vision is based on a passionate commitment to the importance of animation as an art form that can also be entertaining and generate a global business. In one of its mission statements, Aardman espouses ‘creative integrity’ as one of its core values, glossed as ‘a commitment to produce work that is sincere, authentic, original and not produced to a formula’. This creative integrity has a material basis: an attachment to stop-motion animation and to the haptic qualities of Plasticine or modelling clay (Claymation), which gives Aardman its distinctively hand-made look. Lord insists that because there is a ‘fundamental difference between working with your hands and your arms and your fingertips, and working on the keyboard’, a discernible ‘warmth’ and ‘humanity’ persists throughout the entire creative process that makes Aardman’s characters so engaging (Jackson 1997: npn). This commitment to the hand-made entails a concomitant resistance to anything that removes the artist from her materials, hence Aardman’s highly selective use of Computer Generated Imagery.

This distinctive visual style is deployed in what Sproxton referred to as ‘celebrating great humour which is well-observed, quirky and true’. Aardman owes much of its success to the comic exploitation of a deeply rooted cultural tradition of English eccentricity that embraces strangeness, the extraordinary and the bizarre (Spicer 2007: 102–14). One of the major influences on Lord and Sproxton’s generation was *Monty Python’s Flying Circus* (1969–74) that incorporated Terry Gilliam’s animated sequences; Lord recollected: ‘There was a lot of physicality in their humour. It was based on surreal situations. I loved the absurd physical juxtapositions of costumes, characters and locations’ (quoted in Kitson 2008: 106). Like most English comedy, Aardman’s creations feature losers or incompetents, what Lord refers to as
‘flawed characters who find a way to rise to the occasion in surprising, funny and clever ways’ (quoted in Sibley 2012: 40).

When Lord and Sproxton started to expand the company they recruited animators who shared this sensibility. The most prominent has been Nick Park, lured away from the National Film School where he was working on an early version of Wallace & Gromit, to join Aardman in 1985. Winner of four Oscars, Park has become Aardman’s most celebrated and influential writer, director and animator. Park also draws deeply from the well of English eccentricity, his work clearly influenced by the anarchic, occasionally surreal, children’s comics, *The Beano* and *The Dandy*; the whimsical weird machines of English cartoonists Rowland Emett and William Heath Robinson; but above all by the post-war Ealing comedies with their cast of eccentrics and their ‘mild anarchy’ that celebrated the underdog’s plucky fight against the forces of bureaucracy and corporate greed. Park’s ‘Plasticine Ealing’ can be characterized as a combination of the homely and the surreal in which the everyday and the bizarre coexist.

Park’s output has been remarkable for its consistent quality and popularity; it is his creations, principally *Wallace & Gromit* and *Shaun the Sheep*, which constitute the Aardman ‘brand’, leading Sproxton to summarize the company’s creative vision as the production of ‘broadly family entertainment. We develop compelling stories based on engaging characters and aim to build those, ideally, into a playable franchise’. Within this framework there is considerable creative space for sophisticated wit and humour. Almost all Aardman’s creations are ‘double coded’ (Norris 2014: 50) containing multiple allusions that reward repeated viewings as well as delivering a series of spectacular visual set pieces that carry the story, thus providing pleasure for both children and adults and affording the company critical acclaim as well as commercial success.

The Aardman brand is highly distinctive and instantly recognizable, clearly different from both the slick, rather showy style of American animation and the darker more adult Eastern European tradition. It also projects, as discussed, the deeply ingrained Englishness that is one of Aardman’s core values as Sproxton acknowledged: ‘We’re born and bred in England, immersed in British culture. We couldn’t make a Hollywood film […] We make films which have effectively
a British sensibility, because that’s what we can do honestly and anything else would be dishonest’. However, rather than disguise or dilute that Englishness, Aardman embraces it as the basis for its business model and commercial strategy; as Peter Lord discerned: ‘The world is dominated by US popular culture so there’s no creative point in our entering that arena [...] We have to make British movies and to try to sell them to the world’ (quoted in Hall 2007).

Section 3) The commerce of creativity: Business model

To be a successful company that can generate the resources for its creative personnel to work effectively, Aardman has to have a viable business model, understanding that term to encompass the underlying economic foundations and characteristics that shape its entire operations, how financial flows and returns are generated (Picard 2011: 33). Although Park’s creations constitute Aardman’s core identity, they do not encompass the range and diversity of its activities, which are the product of its evolution into a global business. Sproxton argues that ‘Aardman has several different economies rather than “one business model all the way through”’ (Creamer 2009: 34). Currently, Aardman now ‘operates on a number of different types of project on a number of different scales’ (Sproxton in McKenna 2012: 123) and encompasses five separate divisions – feature films; series, specials and shorts; advertising; apps, games and interactive; rights, branding and development. Because of this complexity, Aardman’s principal commercial strategy is ‘[t]o build a balanced portfolio of brands that drive profitability enabling continual investment and diversification’ that will ‘ensure [...] long term sustainability’. This is typical of the sector as a whole. As the European Audiovisual Observatory’s report noted, because all animation production companies now need to create and exploit brands rather than single programmes this requires a licensing and merchandizing strategy: ‘the new core business in animation is not anymore the production process itself, but IP management: creating a portfolio of copyrighted projects and exploiting it’ (Pumares et al. 2015: 90, 103). This section will analyse the evolution of Aardman’s business model, focusing in particular on the ways in which creativity and commerce are intermingled and how this ‘balanced portfolio of brands’ generates a range of creative challenges and opportunities.
Aardman’s initial business strategy was built entirely around expanding its television work for BBC children’s programmes such as *The Adventures of Morph* (1981). However, since the 1990s, like all UK animation companies, Aardman has struggled to achieve profitability from making television programmes, as commissions from public service broadcasters have declined significantly and their budgets now constitute only a fraction of the programmes’ cost (Kenny and Broughton 2011: 12–13, 29–30). Now that both ITV and Channel 4 have ceased to fund animation programmes altogether, the BBC is the only potential indigenous commissioner and the proliferation of children’s channels has not compensated because they are too small to commission original programmes (Pumares et al. 2015: 5, 122–24). Consequently, Aardman has concentrated its recent television production not, as previously, on experimenting creatively with new aesthetic forms and characters (see section 6) but through exploiting its existing strong brand characters – *Shaun the Sheep* (2007–) and its spin-off *Timmy Time* (2009–12) for pre-school children – which will play internationally; *Shaun* has been sold to 170 different territories often in partnership with BBC Worldwide. Aardman uses the BBC’s imprimatur as part-financier (no matter how small the proportion) as a stamp of quality to persuade foreign broadcasters to purchase. Although this means that Aardman has to sustain the major costs of producing a series itself for two to three years before it can recoup, this business model enables the company to exploit its intellectual property rights. Sproxton averred:

> We’ll retain as many rights as we can, because we actually handle our own distribution and keep the 30 per cent commissions to ourselves [...] because it’s our property and our passion, we will sell it better than a third party would ... You don’t make money making TV these days, you make it in distribution.

Aardman also distributes other UK animation companies’ products.

Had Aardman relied solely on television for its revenue, the company may have remained quite small, but a major expansion occurred in the mid-1980s through advertising commissions. Their scale increased significantly following the success of the ‘Heat Electric’ campaign (1990) that featured animals animated to embody the reflections of ordinary people about their living conditions that was derived from Nick Park’s *Creature Comforts*, his
contribution to the television series *Lip Sync* (1989) for Channel 4. Producing commercials has become the financial backbone of the company and now generates revenue of around £5 million a year, providing cash flow and economic stability. However, although an unplanned development and a commercial decision, advertising commissions provide significant creative opportunities as Sproxton emphasized: ‘It’s the best fully-funded training academy in film you can have because you’re working with extremely demanding Ad agency people [who are] highly imaginative, culturally knowledgeable and creatively stimulating’. The exacting standards required in creating advertising shorts and promotional videos with their high production values are seen as the ideal stepping stone to larger scale projects, graduating through episodes of a television series to working on a feature film, which Sproxton considers requires ten years training.\(^5\) Aardman continues to develop its advertising division and acquired a majority share in the New York-based animation company Nathan Love in September 2015. The new company, Aardman Nathan Love, constitutes Aardman’s first permanent production facility outside the United Kingdom, providing an entry point into the notoriously difficult American advertising market. Heather Wright, Head of Partner Content, argued that this partnership with a firm noted for its imaginative ideas and bold aesthetics was a creative as well as commercial synergy because, ‘as the worlds of advertising and content become increasingly intertwined, it will give us the opportunity to develop longer format and interactive projects in the US’.

Aardman has also adapted its business model to seize the opportunities afforded by the rapidly expanding online marketplace. A separate division dedicated to ‘apps, games and interactive’ has evolved in response to the proliferation of devices and sites and has been earmarked for sustained growth in the company’s overall strategy. Aardman now ‘repurposes’ many of its characters and stories across various platforms, and a multiplatform strategy is built into every new project from the outset. The company now has over 30 digital partners such as LoveFilm and iTunes on a revenue-sharing basis (Silver 2010). However, Wright emphasized that although Aardman’s ‘digital strategy’ resembled that of any forward-thinking company – ‘everything needs to be multiplatform in some way [...] all companies now need an online presence’ – those developments have been controlled so as to afford creative opportunities for experimentation rather than fulfil a ‘predetermined logistical agenda’. Production for online
platforms thus starts with what the firm’s creative personnel wish to do rather than what the market ‘wants’ (see Ryan 1992: 159), for example the re-launch of Morph online (on YouTube) in 2015 through a Kickstarter campaign.

As Van Norris notes, the Internet has replaced television as the site ‘where more difficult and less formally predictable work will continue to be released, distributed and consumed, as funding and exhibition opportunities become increasingly difficult to secure’ (2014: 183; see also Pumares et al. 2015: 6). In Aardman’s case this includes a YouTube Channel – Aardman’s Darkside – which, the company’s website proclaims, is its platform for ‘more leftfield work’. These programmes are often provocative adult fare such as A Town Called Panic, The Adventures of Jeffrey and Darren Walsh’s Angry Kid, whose one-minute escapades, released online by Atom Films under Aardman’s licence, have become very popular. In December 2015, a relatively young animator, Tim Ruffle, working under Lord’s supervision, developed Aardman’s first original story, ‘Special Delivery’, for Google’s ATAP (Advanced Technology and Projects) Spotlight Stories, which provides a 360-degree VR platform with some interactivity. Thus, in addition to providing additional commercial opportunities, the Internet has become an important creative arena for Aardman, affording chances for animators with different tastes and aesthetic interests to its ‘mainstream’ productions.6

In order to part-fund this experimentation, Aardman has exploited the merchandizing possibilities of its major characters. Typically, companies of Aardman’s size receive 40 per cent of their finances from merchandizing and ancillary revenue (Pumares et al. 2015: 103). As a consequence, Aardman’s Branding and Development division has grown considerably over the last five years and is now organized into four integrated sub-divisions: licensing and publishing; product development; TV/DVD digital sales; brand marketing and live events. In addition to apps, videogames, syndicated cartoon strips, toys, books and other merchandizing such as clothes, stationery, figurines and accessories, the company has developed Disneyesque entertainments including the Wallace & Gromit ‘experience’ in Blackpool and Shaun the Sheep Land at Skånes Durpark in Sweden. Such activities represent the most straightforwardly
commercial activity of media companies in which the tightest control is maintained over the creative process (Hesmondhalgh 2013: 233–34; Ryan 1992: 30).

Although these activities have creative and commercial value, they are subordinate to the production of feature films, which has been the company’s major focus since the mid-1990s. Features are regarded as the ultimate creative challenge and the culmination of a long apprenticeship in the craft of animation. They confer cultural prestige and ensure the company’s international standing as a major animation firm. However, they also represent the most complex logistical challenge and the highest commercial risk. Features often require more than three years to develop, take far longer to make than live action and it may be over five years before any financial return can be expected (Pumares et al. 2015: 89). It is a tough marketplace dominated by American companies whose animated films generate 71.6 per cent of European admissions and where the average market share of European films in America is a mere 2.96 per cent (Pumares et al. 2015: 6–7). Although the income derived from advertising and brand exploitation provides the financial means for Aardman to undertake some of the initial development work, their huge costs are beyond its resources and necessitate the ‘negotiated dependencies’ on American studios discussed in section 6.

As an international company committed to undertaking high-risk feature film production, Aardman is subject to the vicissitudes of global capitalism. The company was quite badly hit by the worldwide recession in 2008 when the US advertising market contracted; it recorded a loss of £1.2 million in 2012 when some expensive developmental work did not result in any completed outcomes. To obtain some protection and to try to stem the talent drain abroad (see Kenny and Broughton 2011: 47–48), Aardman joined Animation UK, an organization formed in 2010 to represent the UK animation industry and to lobby the government for the kind of support enjoyed by animation firms in the rest of Europe. Aardman had even threatened relocating abroad unless the government offered some tangible support (Campbell 2011). In response, the then Chancellor of the Exchequer George Osborne announced tax relief for the industry in his 2012 budget that amounted to around 20 per cent of production costs, famously commenting that ‘we want to keep Wallace & Gromit exactly where they are’. In the
April 2013 budget this figure was raised to 25 per cent of qualifying expenditure alongside a modified cultural test (see chapter 12) that meant animated programmes could be set in an ‘undetermined location’. These measures have given the UK animation industry as a whole a significant fillip (Brown 2014), thus encouraging Aardman to continue production in Britain and to sustain its current level of activity.

Overall, as an independent company without shareholders, Aardman is able to exercise an unusually high degree of control over its business affairs. It is able to use part of its revenue to enable its creative personnel to develop what Sproxton referred to as ‘more personal’ projects, to experiment and to risk failure. It has chosen, like many creative SMEs (Bilton 2007: 118), to reinvest its profits into further production rather than expansion through acquisition and to privilege the production of high-cost feature films in which its animators are afforded the time and creative space to work out complex aesthetic and logistical problems without compromising their quality. Thus, its business strategy of building a ‘balanced portfolio of brands’ is dictated by its core values and its creators’ passions rather than a straightforwardly commercial logic.

**Section 4) Cultivating creativity: Working environment**

As Banks (2007: 86–93) notes, the image of a laid-back working environment with relaxed dress codes and the ethos of an ‘unforced’ and unregulated creativity is a significant element in forging a ‘creative workplace’ (see also Gill 2002; Ross 2003). Aardman exemplifies this ‘relaxed’ atmosphere but has taken this concept much further in the actual design of its buildings. Attention to this dimension of creativity is important because scant attention has been paid to the importance of the working environment in organization, management and business studies (Amabile 1996: 210, 230–36; Küng 2008: 151–52) despite the important role it often plays in fostering the cohesion and commitment of the labour force and in promoting company identity. As Aardman has expanded and frequently relocated – in Lord’s words ‘moving slowly like a hermit-crab inhabiting ever larger shells’ – it has paid increasingly careful attention to the design and décor of the buildings it occupies in order to make their working space as attractive
as possible. According to one freelancer, Aardman’s studio in Aztec West on the north-western outskirts of Bristol – where feature films are shot – is a pleasant place to work, with a spacious canteen and scheduled lunch breaks that allow different craft workers to interact, creating a sense of a community with shared values. She commented that the photographs of workers celebrating at the end of long-term projects that line the walls help create the ethos of a ‘family company with a long history’, one that is ‘very collaborative on a creative level’. This stress on history and the celebration of success acts as a binding agent for company employees (both contract and freelance) and contributes to their self-worth in having contributed to the production of a high-quality output for a prestigious company as well as enhancing their own professional standing (Aris and Bugin 2009: 349, 353; Hesmondhalgh and Baker 2011: 182–90; Smith and McKinlay 2009: 44).

Aardman spent considerable time and money – £7.7 million – on its current purpose-built headquarters building on Bristol’s former docklands to which they relocated in April 2009. It was designed and planned over a five-year period by a local architectural firm with significant input from Lord and Sproxton. Its design is open-plan and spacious, built around a tapering three-storey atrium with wide bridges, landings and walkways arranged in order to ‘mix people up […] to encourage casual contact and space to meet, both inside and out … We deliberately placed the canteen to make sure everyone would pass other areas and other people on their way there’ (Lord 2012), thus countering the potential ‘silo mentality’ of working in separate departments. Some areas are designed to ensure that artists and their production teams sit side-by-side, whereas in the commercial area designers, directors and artists occupy a separate area, away from the production team, ‘mentally free from mundane practical constraints’ (Lord 2012). Throughout the main areas, there are displays of drawings and sketches by its staff and by local artists. These, Lord claims, create ‘a wonderful visible reminder of the hand-made, the intimate and the human’, which, as discussed, is part of Aardman’s core values. Overall, Lord contends,

[W]e’ve tried to strike a balance between, on the one hand, the virtues of space, light and freedom and on the other, intimacy, concentration and energy […] creativity is always the
Thus for Aardman’s founders, attention to the working environment is part of trying to forge a ‘studio’ rather than simply a business:

We always talk of Aardman as a studio, as a collection of individuals whose only purpose in being gathered together is to be creative. So, by definition, we’re diverse, we have hugely varied roles and skills and we’re unified by the intended end result, ideas made real.

Because, as Donna Kornhaber (2014: 146) points out, animation is a ‘particular industrial form of artistry’ with factory-line tendencies, a pleasant, stimulating workspace is an important consideration. Externally, the company’s headquarters projects the image of Aardman as a modern, progressive organization, committed to green values, to local talent and to the varied inventiveness of its employees.

Figure 1: Aardman’s headquarters: the modern, progressive ‘green’ firm (courtesy of David Sproxton)
Section 5) Fostering creativity: Internal organization

As argued in the introduction, companies in the cultural industries are characterized by the inherent tensions between the aspiration of their staff for artistic creativity and commercial demands. To manage these tensions, accounts of media organizations emphasize the need for ‘soft’ management that accommodates the unpredictability of creativity by offering a degree of autonomy and self-direction (Amabile 1996: 261; Bilton 2007: 6, 27, 34–35; Hesmondhalgh and Baker 2011: 31, 40–43; Smith and McKinlay 2009: 30). This delicate balancing act is recognized in one of Aardman’s mission statements, which undertakes to ‘set up management structures and processes that allow creativity to flourish, and manage it to meet the needs of the business’. Sproxton characterizes the company as ‘very collaborative. We try to be as open as we can, and we don’t have a big hierarchy’ (quoted in Baker 2014). How do these intentions work in practice now that Aardman has grown into a complex multifaceted firm?
Although, as discussed below, Aardman fosters collaboration and collegiality, its strategic goals are set by its founders and owners, Lord and Sproxton, who, together with Park, constitute what one freelancer approvingly called the ‘Brains Trust’. This is a reference to the way in which Pixar is run whereby strong leadership is coupled with a production culture that fosters the sharing of ideas, opinions and candid but constructive critique: crucially, one in which creative teams are trusted to solve any problems that are diagnosed (Catmull 2014: 61, 64, 86–105). As Executive Chairman, Sproxton leads the senior management team consisting of the heads of the five separate divisions that focuses on business aspects; Lord and Park are at the heart of the creative decision-making, providing, in Park’s words, a ‘clear strong vision from the top’ coupled with a ‘rigorous coaching process’ that ensures the consistency of the Aardman style (South Bank Show 2006). By giving a guiding artistic lead as well as overall control, Lord and Park function as ‘creative managers’ who become ‘comrades-in-arms’ during the production process (Ryan 1992: 116, 120). They are typical of the animation industry in which heads of studios, most famously Disney, provide ‘a powerfully self-consistent creative vision’ (Kornhaber 2014: 153, see also Wasko 2001). However, these two sides of the company are not rigidly separate. Sproxton, as noted, remains involved in the creative process and during negotiations with American studios discussed in section 6, Park and Lord switch from being collaborative colleagues to hard-nosed executives anxious to secure the best deal (see Hesmondhalgh 2013: 232). In addition to the three directors, the ‘Brains Trust’ includes other senior production staff: animator-directors Richard Goleszowski (now Starzak) who joined Aardman in 1983 and Steve Box who joined in 1990. The other key member is Alicia Gold as Head of Development who leads a team of developers that constantly searches for new projects, reads and evaluates possible material and liaises with potential writers, publishers, agents and also Aardman’s own staff, who may have ideas that could be developed. Sproxton considers this development team performs a vital creative role, ‘bringing what is the germ of an idea to what will hopefully work’ (quoted in McKenna 2012: 123).

Once an idea has been approved at senior level, a project team is assembled that can exercise a considerable degree of autonomy within the overall constraints of time and budget, a characteristic organizational strategy employed by creative firms (see Ryan 1992: 124–34).
Sproxton’s general management style is to ‘intervene only where I need to […] I trust people to get on with things’ and a greater degree of autonomy is accorded to teams working on smaller scale projects such as advertising shorts where expenditure and consequent risks are minor. Within the team, it is the producer’s task to ‘shepherd resources and suggest solutions’ that are within the overall budget and to construct as much creative space for the director as possible (Lane 2003: 82). The director is involved in all the creative decisions through orchestrating the production process, working with a team of animators, designers, model-makers and other technical staff, using their particular strengths to encourage a degree of individual interpretation within the agreed framework (Lane 2003: 120–21). Project teams are encouraged to be collaborative, characterized by what Rejean Bourdages, Head of Story, described as ‘a lot of give and take … it’s a constantly evolving process’. All those involved are invited to contribute, especially to the visual jokes for which Aardman is famous (Sibley 2012: 22).

This sense of a culture of open, constructive dialogue was corroborated by a freelance designer, Sarah Hauldren, who recalled that during her time working on Wallace and Gromit: Curse of the Were-Rabbit (2005) both Lord and Park were friendly and pleasant, having exacting standards but always appreciative and forthcoming with praise, creating an atmosphere of collaborative creative endeavour: ‘I have a huge amount of respect for the way they handle their staff, the way they speak to everyone and what they do’. Studio Production Assistant Adam Cook also described a friendly, collegiate atmosphere and frequent visits by Sproxton because of his continued keen interest in craft of animation. This constructive dialogue continues into the editing stage where any deficiencies in the story are addressed by senior staff once the story reel has been completed. Candid appraisals of strengths and weaknesses are applied irrespective of status, including Park, who is subject to constructive criticism by other members of the ‘Trust’. A Matter of Loaf and Death (1993), for instance, was considered to lack emotional resonance after his initial storyboarding and Park was asked to go back and re-storyboard the whole piece (McKenna 2012: 126). Despite being subject to critique, Park has exerted a dominant influence on the Aardman style, leading some animators to approximate the ‘Nick Park look’ rather than develop their own aesthetic (see Lane 2003: 103). Park
recognized this problem himself as early as 1996 when he remarked that his powerful presence was less encouraging of diversity ‘than in the early days when each individual project was different’ (quoted in Macdonald 1996: 72). As discussed, Aardman now encourages experimentation, diversity and risk on Internet platforms in an attempt to counteract these homogenizing tendencies.

Project teams are assembled on the basis of staff’s specialist craft skills, but it is possible to shift direction; Sarah Smith, hired as Head of Development in 2006, directed the feature film *Arthur Christmas* (2011). Such cross-overs and creative opportunities are encouraged because, as Sproxton acknowledged, the company’s major issue with staffing is not recruitment but retention: ‘it’s about creating exciting opportunities so they’ll stay. The top talent wants to work on the most interesting projects’ (quoted in Baker 2014). The company deliberately uses the different demands and timescales of advertising commissions as opposed to film or television work to stimulate its staff. As Lord observes, the ‘rapid turnover [of commercials] is refreshing compared to the slow motion of movies. And it gives individuals options to swop between different ways of working’ (quoted in Creamer 2009: 34). Adam Cook, a studio production assistant, emphasized the variety of short-term productions that use the studio, including numerous commissions from charities and other institutions looking to find an appealing way to embody their message. These relatively low-budget productions often provide a significant degree of creative latitude for those who work on them. Such opportunities are also attractive for the freelance staff on which Aardman relies heavily, who are recruited on the basis of their specialist talent; the company draws extensively from a pool of experienced freelancers it knows and trusts or who have worked on previous projects. Aardman now has the status to attract high-profile, international talent such as Hugh Grant who voiced the Pirate Captain in *The Pirates! In an Adventure with Scientists!* (2012). Grant and other actors bring with them a repertoire of creative performative skills around which the Plasticine models’ facial expressions are moulded. Although they have scope for interpretation, the director has the final say thereby ensuring Aardman’s overall control.
An even more privileged group of freelancers are writers, accorded high status because Lord, Park and Sproxton all consider that a ‘strong story’ is the most important element in an animated feature. However, their sensibility also has to fit Aardman’s identity. Thus Gideon Defoe was hired to adapt his own novel for *The Pirates!* because Lord had immediately recognized Defoe’s anarchic, weird and madcap humour as exactly in tune with the Aardman world-view (Sibley 2012: 12). The same criterion applies to the most frequently used freelance writer, Mark Burton, who had extensive experience as co-writer of television comedy series including *Spitting Image* (ITV, 1984–96) and *Have I Got News for You* (BBC, 1990–). Burton was initially brought in (alongside his then writing partner John O’Farrell) on *Chicken Run* (2000) to ‘punch up’ the dialogue, make it more pointed and anarchic. His skill led to further and more extensive commissions, including a major contribution to the screenplay for *Curse of the Were-Rabbit*. Burton co-wrote *Shaun the Sheep* (2015) and also co-directed with Starzak, which provided Burton with a major creative opportunity as he had not directed previously. Although the co-directors were given free rein in the development of the storyline, ‘Trust’ members would occasionally visit the set, view progress and ask, Burton recalled, ‘some tough questions’. However, because their advice was informed by lengthy experience and a deep understanding of the creative process of animation, it was, according to Burton, a valuable and constructive critical dialogue rather than an unwarranted intrusion.

In order to sustain the business, Aardman has to locate and train emerging creative talent. Although the company does not accept unsolicited scripts, it will review show reels from potential animators. Aardman has forged strong links with the University of the West of England Bristol, running masterclasses for its postgraduate animation students. It also runs the Aardman Academy, an annual twelve-week postgraduate training course in character animation delivered in collaboration with the National Film and Television School. Aardman provides the teaching but also ‘the environment of a real studio with all the challenges and the inspiration that involves’ (www.aardman.com). As the largest and most successful UK animation company, Aardman now considers itself to be responsible for nurturing new creative talent for the industry as a whole rather than simply supplying its own needs.
Aardman’s attempts to foster flexible, non-bureaucratic structures where leaders set strategic goals but encourage diversity and experimentation and the exercise of independent judgement in the ways tasks are fulfilled is consistent with its whole ethos. It exemplifies what Davis and Scase argue is a characteristic of successful SMEs in ensuring that it is the ‘creative work process, which depends upon the interactions of relatively autonomous employees, [that] determines the management process rather than vice versa’ (2000: 21). However, there is a clear hierarchy that ensures an overall cohesion and focus. Although Aardman can exercise control over its internal organization, its sternest test comes through its relationships with external funders.

<CAP>Figure 2: The Aardman ‘family’ photographed on the ground floor of the company’s headquarters; David Sproxton and Peter Lord in centre; Nick Park foreground right centre (courtesy of David Sproxton)
An important aspect of how media companies manage creativity is their skill in adapting to changing external circumstances (Küng 2008; Ryan 1992; Schein 2004). Because SMEs in particular are not financially self-sufficient, they have to engage in a variety of relationships with larger corporations and public institutions. These relationships can be characterized as ‘negotiated dependencies’ (see Spicer and Presence 2016) because, although the funder has overall control and sets the fiscal parameters, there is often considerable dialogue about how the project is executed and trust and reputation are important components of the ‘terms of trade’ (Pratt and Jeffcut 2009: 15). In Aardman’s case, the huge expense of producing animated television programmes and features has necessitated developing relationships with the various organizations that provide production finance. The nature and evolution of these relationships therefore needs to be analysed carefully in order to determine how far Aardman was able to retain control over the production process, realize its creative ambitions and preserve its distinctive identity.

Aardman’s initial dependency was on the BBC. Because the corporation was, in the 1970s, feeling its way in the use of animated figures on children’s programmes and the budgets were tiny, Lord and Sproxton enjoyed more or less complete creative freedom in what Sproxton recalled was a ‘quite relaxed and open-ended’ relationship. However, they struggled to get the BBC to commission more adult, socially orientated and experimental work, gaining only one commission of two five-minute films, *Down and Out* and *Confessions of a Foyer Girl*, in 1977. However, these films, which were groundbreaking in their use of recorded conversations of real people as the basis of the script, attracted the attention of Jeremy Isaacs, the incoming chief executive of Channel 4 whose public service remit was to foster diversity and innovation using a ‘publishing’ production model that required a supply of programmes from outside companies. Under its commissioning editors Paul Madden and his successor Clare Kitson, Channel 4 was willing to champion left field work providing ‘uniquely generous’ funding in which Aardman was paid for its programmes and an additional fee intended to provide ‘thinking time’ for the development of new projects (Kitson 2008: 27–28). This was crucial for the company’s creative evolution. Lord’s *War Story*, Starzak’s *Ident* that detailed a day in the life of a beleaguered
Everyman and Park’s *Creature Comforts* were all both released as part of the *Lip Synch* series (1989). This was broadcast at 9.00 pm, peak viewing time; as Sproxton recalled: at this point, Channel 4 ‘was the only channel in the world [...] which was commissioning animation that wasn’t in the children’s space’.

As Küng (2008: 159) argues, relationships with public service broadcasters frequently provide the necessary initial cushioning from market forces that allow SMEs to become established. These BBC and Channel 4 commissions enabled Aardman to develop the resources and creative expertise to take on more ambitious projects, notably making feature films, which, as noted, have been the company’s principal creative focus since the mid-1990s. Although Aardman initially secured development funding for its first feature, *Chicken Run*, from Europe – the French firm Pathé and its English partner Allied Films – the scale of the production budget required investment from an American studio. Aardman rejected overtures from 20th Century Fox, Warner Bros. and even Disney, before signing a deal with DreamWorks in December 1997, a recently formed artist-led company devoted to animation with which Aardman felt it could work creatively especially as Jeffrey Katzenberg, one of DreamWorks co-founders, was a huge fan of Aardman’s work. Thus, although DreamWorks brought in its own team of animators to speed up production and appointed an American writer, Karey Kirkpatrick, to work on the film, Lord and Park were allowed to retain overall creative control and learned a great deal from DreamWorks about how to operate on the scale required by a feature film without compromising Park’s original conception of a very English parody of the prisoner-of-war genre. DreamWorks also considered that the partnership had worked well and announced a further four-picture deal valued at $250 million in October 1999 before *Chicken Run* had actually been released. Although the next project, *The Tortoise vs the Hare*, was abandoned, DreamWorks supported Park in realizing his major ambition in bringing Wallace & Gromit to the big screen in *The Curse of the Were-Rabbit*. Although DreamWorks’ executives chafed at Wallace’s lack of ambition, his shabby home and rusty van – as Sproxton noted, Americans expect even comic characters to be aspirational – there was little interference in this quirky Hammer Horror spoof, a quintessentially English film about a vegetable growing competition.
However, by the time *Curse* was released in 2005, DreamWorks had changed into DreamWorks Animation (DWA), a much more commercially orientated, publicly traded production company answerable to shareholders. Thus, although *Curse* was a considerable success, it was not the huge hit the reconfigured company required (Meir 2017). DWA exerted greater creative control over the third film, *Flushed Away* (2006), which was filmed in CGI as opposed to using hand-made figures and shot in Los Angeles rather than Bristol. Although a much more expensive production, *Flushed Away* was considered by reviewers to lack the quirky authenticity, charm and ‘human warmth’ that are Aardman’s hallmarks. Its critical and relative commercial failure (especially in the American market) ended the companies’ relationship.

Aardman’s next American partner was Sony, in Sproxton’s words, ‘more corporate’ than DreamWorks, but with greater resources. Sony funded two films, *Arthur Christmas* (2011) and *The Pirates!* Although it was less inclined to interfere with details than DreamWorks, Sony took more persuading about the choice of subject matter and Aardman’s esoteric English wit, and exerted a constant pressure for more set piece scenes to be included to create greater initial impact, with audiences made keenly aware they are seeing a ‘big movie’ (Meir 2017). Thus although the box office grosses for both films were good, they were not the smash hits that Sony required; hence, the relationship ended after *Pirates!*

These persistent cultural and creative tensions made Aardman increasingly wary of trying to find another American partner. Although Pathé was now concentrating on live-action and adult fare, a potential new European partner had emerged: StudioCanal, which specialized in mid-range films and whose major market was Europe – also Australia and New Zealand, where British films traditionally do well – rather than North America. StudioCanal wanted an alliance with Aardman as a further step in its expanding drive into family entertainment that had begun in May 2012 with the release of *Paddington*. Sproxton considered that the partnership ‘seems a perfect fit’ because StudioCanal’s European cultural affiliations made it potentially more sympathetic to Aardman’s ‘extremely English sensibility’, trusting the company ‘to do what we do well’.
A deal was concluded in 2013 to make *Shaun the Sheep: The Movie* based on the successful television series, hence, like *Paddington*, with a pre-formed audience. It was also relatively inexpensive to produce as it had a limited range of locations, was pre-designed and ‘dialogue-free’, thus avoiding the costly and immensely time-consuming task of recording voices. *Shaun the Sheep* could therefore hope to be ready in two years and turn a profit even without the American market, which Lord found creatively liberating:

<EXT>We regard ourselves as European filmmakers and it’s galling to be constantly taking on board American culture and having to play to that culture. But with *Shaun the Sheep*, if there’s a joke or reference we feel comfortable with, we feel justified and empowered to go ahead with it and not have a thought in our minds on how it might play in America’s Midwest.</EXT>

<SRC>(quoted in Gritten 2015)</SRC>

Because of *Shaun’s* modest budget, Aardman was able to retain more of its intellectual property rights and to market the film itself in other territories, including the rapidly expanding Chinese market.

The success of *Shaun* both commercially and critically has encouraged further co-productions with StudioCanal. A second *Shaun the Sheep* film has been planned and also *Early Man*, with a budget of c. $50 million, roughly double that of *Shaun*, due for release in January 2018. *Early Man* will be Park’s first film as director since *Curse* in 2005. Its storyline of a ‘plucky caveman [who] unites his tribe against a mighty enemy and saves the day!’ is another Ealingesque celebration of lovably flawed characters that rise to the occasion, which is Aardman’s hallmark. Thus at the time of writing Aardman appears to have found a sympathetic European partner that shares its values and to have negotiated a relationship with StudioCanal that will not compromise its creative independence.

**Conclusion: ‘Our property and our passion’**

Over its 40-year history Aardman has become a ‘national treasure’, its characters, firmly lodged in popular consciousness, used to promote British goods abroad and to support major
state events such as the London Olympics and Queen Elizabeth II’s Diamond Jubilee, both in 2012.\textsuperscript{10} Aardman is important locally, nationally and globally, identified as a beacon company and regarded, in the words of one freelancer, as a ‘Rolls-Royce studio’ that people are ‘queuing up to work for’. Aardman has managed to overcome what Davis and Scase (2000: 147) argue is the most difficult challenge for an SME: how to maintain and manage growth. In his recent history of British animation, Van Norris (2014: 33) argues that Aardman has evolved into ‘a kind of “British Disney”, so embedded is it within contemporary animation culture, history and industry [...] as the UK’s primary producer of quality, conventional animation’. However, that analogy is only partially apposite. Although a global company, Aardman remains a ‘family firm’ rather than a corporate entity. Despite his managerial role, David Sproxton, like his partner and co-founder Peter Lord, remains at heart a creative animator not a businessman. Both are modest, unassuming men who do not court publicity or seek to promote themselves; nor do they appear to be particularly interested in making money. Aardman is their ‘property and their passion’, a business enterprise that they own but also a vehicle through which they can continue to pursue their love of animation as an art form and to nurture and train emerging talent.

This chapter has shown that the tastes and values of its founders, Lord and Sproxton, have been crucially important not only in Aardman’s formation but through their continuing close control over every facet of the company’s operations, including the design of the workplace. They have been careful to recruit creative staff, notably Park, in their own image, ones who share their passion for the art and craft of animation and thus whose intrinsic motivations – judged to be of crucial importance to a firm’s success by business analysts – ensures a committed work ethic and loyalty. Aardman’s staff, as has been shown, also share the founders’ allegiance to a deep-rooted cultural tradition that prizes eccentricity and delights in comic absurdities, a mildly anarchic humour that ensures its products’ appeal across a broad spectrum of tastes and political alignments.

This quirky Englishness also serves to make the Aardman brand highly distinctive in the international marketplace; developing this brand and its underpinning values has driven the
company’s business model. Adjusting to a changing marketplace and shifting financial frameworks, this model has evolved from the production of single programmes to the maintenance and development of a core brand and the cultivation of a balanced portfolio of outputs repurposed across a range of different outlets. Aardman has exploited to the full the commercial potential of its products – marketing Shaun the Sheep and Wallace & Gromit as global brands – and forging, after several setbacks, strategic partnerships with companies (StudioCanal, Nathan Love) with which it feels both creatively and culturally compatible. Thus although highly distinctive, Aardman exhibits what business analysts observe are the two principal characteristics of successful media companies: attaching a high value to the quality of their products and ensuring that all activities are derived from the firm’s ‘core competencies’, what it is distinctively good at and cannot be replicated by others (see Aris and Bugin 2009: 93, 349; Bilton and Cummings 2014: 7; Küng 2008: 115–17; Roberts [2004] 2007: 11–12, 19).

Although the ‘Brains Trust’ exercises strategic control to ensure that the core brand is maintained and developed, Aardman is also typical of media SMEs in affording its project teams sufficient autonomy so that its writers, animators and model makers are able to exercise a degree of creative independence. Even more important, perhaps, has been Aardman’s ability to understand and exploit the creative opportunities presented by commercial activities, be they advertising commissions or Internet platforms. It has used the potential of new online channels to encourage its staff to take creative risks, providing niche markets where emerging talent can experiment in a variety of ways and thus counteract the homogenizing tendency inherent in its core brands created by the dominant presence of Nick Park. Aardman has been shrewd in finding opportunities for staff to explore the creative possibilities of new technologies and to cultivate different sensibilities without damaging the core business and has thereby avoided the dangers of over-specialization and fragmentation (see Bilton 2007: 34–37).

Overall, what this analysis has demonstrated is that Aardman’s success lies in its ability to manage creativity effectively in all aspects of its operations. In doing so, this chapter has provided a detailed case study that exemplifies what Schlesinger considered was the central question for empirical enquiry: how ideas about creativity become organizationally embedded
and managed and how they shape the production process. Only through such detailed analyses, I contend, can we understand fully the production cultures of successful companies and from that grounded empirical base seek to provide an informed account of how modern media firms operate. However, although this chapter has given full acknowledgement to Aardman’s uniqueness, the product of its particular evolution and the specific contexts in which it operates, its use of general diagnostic categories offers a ‘framework of variables’ that can be applied to understanding the management of creativity in any media production company.

**Interviews**

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<tr>
<th>Name</th>
<th>Position</th>
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<tr>
<td>Aardman Film</td>
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<tr>
<td>Mark Burton</td>
<td>Freelance Writer</td>
<td>11 November 2015</td>
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<tr>
<td>Adam Cook</td>
<td>Studio Production Assistant</td>
<td>17 November 2016</td>
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<tr>
<td>Dan Efergen</td>
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<td>Sarah Hauldren</td>
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<td>David Sproxton</td>
<td>Executive Chairman</td>
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<td>Heather Wright</td>
<td>Group Creative Director</td>
<td>10 November 2015</td>
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**References**


Creamer, Jon (2009), ‘Plasticine into gold’, *Televisual*, May, p. 34.


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The analysis also draws on the company’s mission statements kindly supplied by Sproxton, and I am grateful to him both for his generosity and for taking the time to read through this chapter and point out any material inaccuracies or misconstructions.

The partial exception is Quigley, but her account dates from 2002.

For an informative but uncritical history of Aardman, see Lord and Sibley (2015). Further details were derived from David Sproxton’s public talk, ‘Aardman and the Bristol Connection’, given at the University of Bristol in November 2015. I am grateful to David Sproxton for permitting me to record the talk and for corresponding over some of the details.

The company derives its name from a very early creation described as ‘Superman gone wrong’.

Another important source of revenue was music videos that included the groundbreaking video for Peter Gabriel’s Sledgehammer (1986) through to the Spice Girls’ Viva Forever (1996), which again offered considerable creative freedom in how the client’s brief was to be interpreted.

One of the best examples is Luis Cook’s award-winning The Pearce Sisters (2007) – see http://www.pearcesisters.co.uk/production.html.

This trend was reversed in 2013 when the company made £2.1 million profit thanks to the accruing box office revenue from three successful feature films, see Bridge (2014). Aardman’s most recent return to Companies House (December 2014) records an ‘operating profit’ of £2,746,816.

This was partly a dig at the then leader of the Labour Party, Ed Miliband, who was thought to look like Wallace.

Its conception may have been influenced by Steve Jobs’ designs for Pixar’s buildings that were intended to foster collaboration and inculcate a sense of ‘unfettered creativity […] exuberance or irreverence, even whimsy [that] is integral to our success’ (Catmull 2014: x).

The BBC’s recent celebration A Grand Night In: The Story of Aardman (26 December 2015), opened with a typical laudation: ‘You may not know the name but one thing is certain, you will know their creations. It’s hard to imagine life without them’.