



## Animated success for Jordan

A Jordanian animation studio has received a multimillion-dollar investment from a regional private equity fund.



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**Region** A Jordanian animation studio has received a multimillion-dollar investment from a regional private equity fund in another success for the country's community of technology entrepreneurs. A 30 per cent stake in Rubicon, which has grown to become the Middle East's largest animation workshop, was sold to GrowthGate Capital, a private equity fund based in Bahrain.

The investment is the second major success for Jordan's technology industry, following Yahoo's acquisition of the Maktoob web portal in August, estimated at more than US\$75 million (Dh275.4m). The deal was seen by many of the country's entrepreneurs and venture capitalists as the beginning of an internet boom in the Arab world, centred on the many start-up web businesses based in Amman. Randa Ayoubi, the founder of Rubicon, said the company's current owners and management aimed to keep running the business, but a full acquisition by a larger player was a real possibility.

"That's the million-dollar question. Having worked on this for so many years, I would like to see it become substantial on a global scale," she said. "We'll play it by ear and, if three years down the line, someone can manage this better, then so be it. For now, we are concentrating on growth and cementing these huge achievements." Rubicon is currently working with MGM Studios in the US to produce an animated television series based on the Pink Panther franchise of films.

It is also involved in production ventures with studios in India and the Middle East. It also produces a range of educational content that is used by schools in Jordan, Oman, Algeria and Morocco. "Our market will grow because people are becoming more and more aware of the need for Arabic-language content," Ms Ayoubi said. "As the need grows for the young generation to have content in their language, so will the demand for what we can do."

The value of the transaction was not disclosed, but Rubicon said it expected more than \$100m in revenues next year and would spend at least \$75m in the next three years on boosting its output. The company aims to one day compete with Pixar, the animation studio that was acquired by Disney for \$7.4 billion in 2006. For the time being, it said it would focus on co-production and forming partnerships with other media companies looking to produce films and TV shows.

GrowthGate, which has invested in regional businesses ranging from aviation to construction and logistics, said the growth opportunities both within the Arab world and globally made Rubicon an attractive investment. "The leadership, vision and experience of the CEO and senior management, coupled with the projects pipeline, sealed the deal for us," the company said. GrowthGate stressed that it was not interested in acquiring management control of Rubicon. "Control is a balanced act in regional companies," it said.

"The founders and visionaries should have sufficient elbow room to execute strategy, while the non-executive owners should have proper oversight on material and other game-changing matters." Ms Ayoubi said Jordan was a natural location for knowledge-based businesses such as her own, which now employs almost 400 people. "Jordan is the right place for any business that depends on skilled, talented young people," she said.

"This is a country where education means a lot, and unlike many of our neighbours, we have no natural resources. So people have to really make something of themselves if they want to succeed."

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