

Production Incentive

Program

2009-2010



Canadian Television Fund
Fonds canadien de télévision

1. PRODUCTION INCENTIVE PROGRAM

The Canadian Television Fund's (CTF) mandate includes providing incentives to ensure production occurs across the country. As such, the CTF is introducing a \$10 million program for its 2009-2010 fiscal year called the Production Incentive. The Production Incentive Program seeks to ensure that a minimum level of English-language production occurs throughout Canada, in each of the following five areas:

1. Atlantic Canada (includes: New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island);
2. Quebec;
3. Ontario and Nunavut;
4. The Prairies (includes: Manitoba, Saskatchewan, and Alberta); and
5. British Columbia and the Yukon and Northwest Territories.

The CTF will monitor production activity in each of these areas. Where production activity falls more than 20% below a 5-year average in any area, the CTF may implement a Production Incentive for that area or areas in the following fiscal year. The CTF has determined that production activity fell by 45% in Atlantic Canada and 68.5% in British Columbia in 2008-2009. As such, two separate Production Incentive allocations have been created for English-language productions based in British Columbia (including the Yukon and Northwest Territories) and Atlantic Canada in 2009-2010. The Atlantic Canada allocation is approximately \$1.9 million; the British Columbia allocation is approximately \$8.1 million. In accordance with the requirements of the CTF's Contribution Agreement with the Department of Canadian Heritage, 37% of the total program is reserved for projects with Eligible Licence Fees¹ from the CBC.

This incentive will take the form of a CTF licence fee top-up² contribution of 10% of a project's Eligible Costs³ up to a per-project maximum of \$1 million. The incentive will be awarded to eligible projects on a first-come, first-served basis until resources for the incentive are depleted or until the application deadline, whichever comes first.

The Production Incentive may be combined with funding from other CTF funding streams; it will be awarded separately and in addition to any amounts contributed to the project through other CTF streams, and without regard to Maximum Contribution amounts applicable to those streams. Where applicable, the incentive will be applied toward the CTF's recalculation for the Historic Access factor of the licensing broadcaster's BPE. Projects with Eligible Licence Fees from Canadian broadcasters who do not have a CTF Broadcaster Performance Envelope are eligible for the Production Incentive.

To be eligible for the Production Incentive, the following criteria must be met:

- ▶ The Applicant(s) and project meet all of the applicable requirements of [section 3](#) of the CTF's 2009-2010 *Broadcaster Performance Envelope Guidelines*.
- ▶ The project's original language of production is English.

1. See section 3.2.5 of the CTF's 2009-2010 *Broadcaster Performance Envelope Guidelines*.

2. As defined in section 2.2 of the CTF's 2009-2010 *Broadcaster Performance Envelope Guidelines*.

3. As defined in section 2.3.2 and all its subsections of the CTF's 2009-2010 *Broadcaster Performance Envelope Guidelines*.

- ▶ The project is or was submitted for CTF funding for the 2009-2010 CTF fiscal year; projects that were submitted for and received CTF funding in previous fiscal years are not eligible for the 2009-2010 Production Incentive.
- ▶ The project is 100% fully financed at application (including the Production Incentive and any other CTF financing). For projects that have already applied for CTF funding for the 2009-2010 fiscal year, the financing and/or budget must be adjusted accordingly; the Production Incentive cannot result in a project being more than 100% financed.
- ▶ The following geographical criteria are met, with “area” being defined as any part of British Columbia, the Yukon Territory, the Northwest Territories, or Atlantic Canada:
 - Principal photography occurs in the area, with suitable exceptions for documentaries;
 - The Applicant is based in the area (with its head office situated in the area) and
 - exercises full control of the creative, artistic, technical and financial aspects of the project, or, in the case of an area/non-area co-production, the area Applicant has such control in proportion to its copyright ownership;
 - owns at least 51% of the copyright in the production in the case of an area/non-area co-production;
 - shares equitably in fees payable to producers and corporate overhead in the case of an area/non-area co-production;
 - initially owns and controls the distribution rights to the project and retains an ongoing financial interest in the project or, in the case of an area/non-area co-production, the markets and potential revenues are shared equitably in proportion to the financial participation of each co-producer; and
 - has meaningfully participated in the production’s development.
 - Where the control and central decision makers in a project are located outside of the area, the project is not eligible for the Production Incentive.

[Section 4](#) and the information under “Interpretation, Application, Disclaimer, and other Important Information” in the CTF’s *2009-2010 Broadcaster Performance Envelope Guidelines* apply to applications for this incentive.

Applications for the British Columbia and Atlantic Canada Production Incentives may be submitted beginning June 1, 2009 and will be accepted until the allocation(s) for the incentive are depleted or until the application deadline of December 7, 2009, whichever comes first.

The CTF will review the impact of the Production Incentive at the end of the 2009-2010 fiscal year to determine its future continuation.

2. APPLICATION PROCESS

Application Offices

The Television Business Unit at Telefilm Canada administers applications on behalf of the Canadian Television Fund.

Applicants may submit their CTF funding application through eTelefilm at www.telefilm.gc.ca.

Applicants may also submit their CTF funding application to any of the following Television Business Unit offices:

HALIFAX

1717 Barrington Street, Suite 300
Halifax, Nova Scotia B3J 2A4
Toll Free: 1-800-565-1773
T: (902) 426-8425
F: (902) 426-4445

VANCOUVER

609 Granville Street, Suite 410
Vancouver, British Columbia V7Y 1G5
Toll Free: 1-800-663-7771
T: (604) 666-1566
F: (604) 666-7754

For inquiries on the status of your CTF funding application, please contact the Television Business Unit at Telefilm Canada at 1-800-463-4607.

For inquiries regarding CTF policies, please contact the Canadian Television Fund at 1-877-975-0766 or at ctf@ctf-fct.ca.

To contact the Canadian Television Fund:

Canadian Television Fund
50 Wellington Street East, 4th Floor
Toronto, Ontario M5E 1C7
Toll Free: 1-877-975-0766
T: (416) 214-4400
F: (416) 214-4420
ctf@ctf-fct.ca.

For additional information, updates and to learn more about CTF policies, please visit www.ctf-fct.ca.