



Canada Media Fund  
Fonds des médias du Canada



# Industry Consultation 2015 Focus Groups



@CMF\_FMC  
#CMFConsults

## FUNDING CONTRIBUTORS

The CMF receives financial contributions from the Government of Canada and Canada's cable, satellite and IPTV distributors.

Canada 

Bell

BellAliant

 COGECO  
COGECO CABLE

EASTLINK 

MTS<sup>®</sup>

 ROGERS<sup>™</sup>  
CABLE

SaskTel 

SHAW )

SHAW ) DIRECT

SOGETEL

tbaytel

 TELUS<sup>®</sup>

Télé-Int TEL

 VIDEOTRON  
A Quebecor Media Company

 MEDIA



## **AGENDA**

- Welcome remarks
- Industry consultation process and timelines
- CMF mandate
- Key results
- External environment
- Visioning strategy
- Questions
- Exit survey

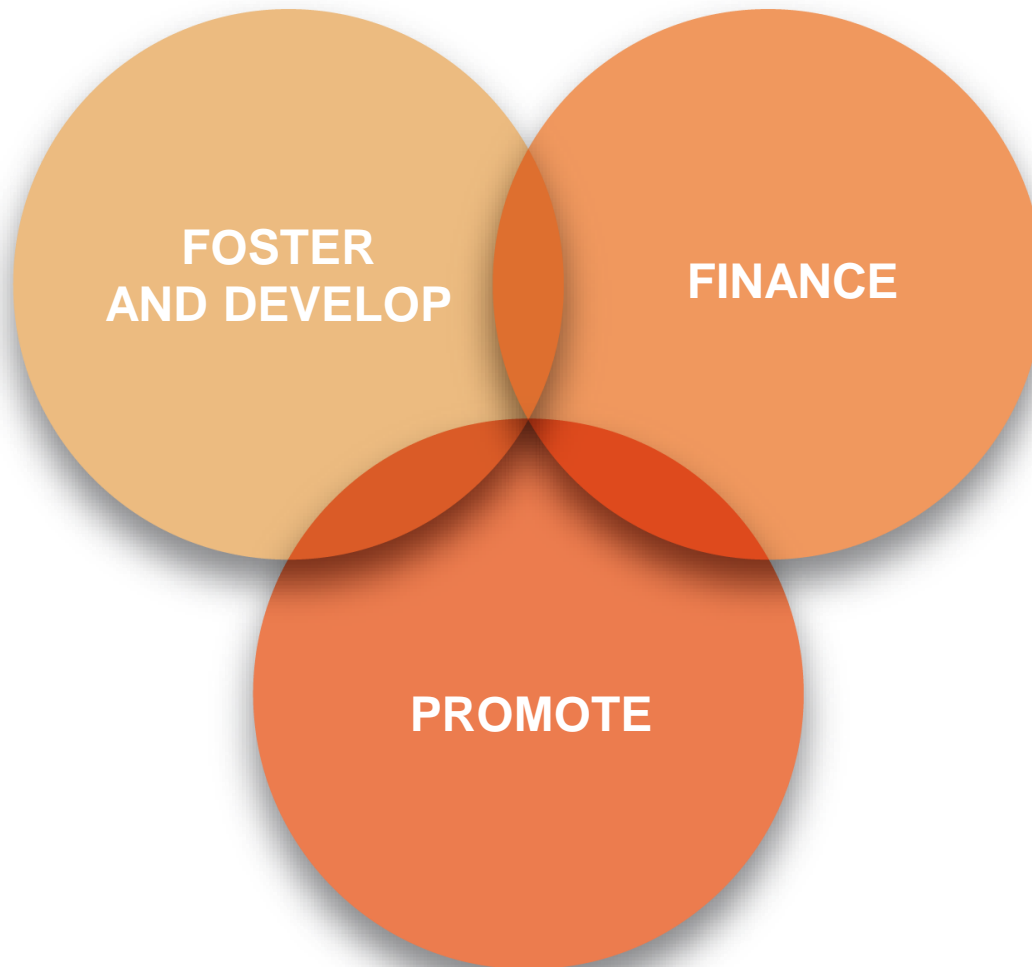
# INDUSTRY CONSULTATION – FOCUS GROUPS

Toronto	September 9
Montreal	September 10
Halifax	September 17
Winnipeg	September 23
Victoria	September 24
Vancouver	September 24
Whitehorse	September 25
Saskatoon	September 28
Regina	September 28
Calgary	September 29
Yellowknife	September 30
Edmonton	October 1
Moncton	October 6
Charlottetown	October 7
Quebec City	October 9
Ottawa	October 27
Iqaluit	October 28
St. John's	October 30

# INDUSTRY CONSULTATION – WORKING GROUPS

Toronto	September 9	Performance Envelopes
Toronto	October 15	Digital Media Measurement Framework
Montreal	October 20	Experimental Stream
Montreal	November 3	Licence Fee Thresholds and Other Rights
Toronto	November 10	Other Issues pertaining to Content Financing and Distribution

# CMF MANDATE





## STRATEGIC OBJECTIVES

- 1** Explore and identify options for implementation of the visioning strategy
- 2** Investigate increased revenue opportunities
- 3** Leverage current financial resources and relationships
- 4** Consult on the visioning strategy, program and policy developments
- 5** Ensure optimal, effective and efficient operations

A CMPA Event  
**PRIME TIME**  
in Ottawa

**RPM**

Canadian Screen Awards  
Les prix Écrans canadiens

**POWER TO THE PIXEL**

RIDEAU HALL  
MOVIE NIGHTS

**mipcom.**

**THE DIGI AWARDS**

**mipTV.**

**BANFF**  
WORLD MEDIA FESTIVAL

AVAILABLE LIGHT  
FILM FESTIVAL 15

**kidscreen summit**

Cartoon Connection

**wff** whistler  
FILM FESTIVAL

**hotdocs**  
OUTSPOKEN. OUTSTANDING.

**TAP**

TRANS ATLANTIC PARTNERS

MONTREAL  
FESTIVAL DU NOUVEAU  
CINÉMA

CANADIAN VIDEOGAME AWARDS

**GAME ON VENTURES**

**BM** Bogotá  
AUDIOVISUAL MARKET

**MIGS15**

**Strategic Partners**

BIENTÔT SUR NOS ÉCRANS  
COMING TO YOUR SCREENS

**FORUM blanc**

**imagine NATIVE**

ECONOMIC CLUB  
OF CANADA

**io** interactive ontario

**mipjunior.**

**ICTC CTIC.**

**31<sup>es</sup>** PRIX GÉMEAUX  
télévision | médias numériques

**RIO CONTENT MARKET**

**C2-MTL**

**RIDM**  
RENCONTRES INTERNATIONALES  
DU DOCUMENTAIRE DE MONTREAL  
MONTREAL INTERNATIONAL DOCUMENTARY FESTIVAL

Children, Youth & Media Conference

**YFF**

**NUMIX**

**AQOPM**

**VIFF**  
VANCOUVER INTERNATIONAL  
FILM FESTIVAL

**VIFF**  
INDUSTRY

The Banff Centre  
inspiring creativity

**FCTNM**  
FEMMES DU CINÉMA  
DE LA TÉLÉVISION  
ET DES NOUVEAUX MÉDIAS

**YOUTH MEDIA ALLIANCE**  
MÉDIAS JEUNESSE

**nextMEDIA**



<p>September 1, 2015</p> <h2>Jotun: bringing to life hand-drawn giants, from Kickstarter to your screen</h2>	<p>August 20, 2015 / Catalina Briceno / Food for Thought</p> <h3>Programmatic Beyond Advertising: A Not-So-Distant Future</h3>	<p>August 13, 2015 / Crowdfunding</p> <h3>Equity Crowdfunding in Canada</h3>	<p>August 11, 2015 /</p> <h3>Leap of Fate: developing a new tablet control scheme for fast gameplay</h3>
	<p>August 6, 2015 / Gaelle Engelberts</p> <h3>Interviews with Dailymotion and TFO: How to build an audience?</h3>	<p>July 28, 2015 / James Martin - Guest Post / Industry Transformations</p> <h3>Gen Z persists as HBO resists</h3>	<p>July 24, 2015 / Catalina Briceno / Industry Transformations, News</p> <h3>Hot and new: Our KeyTrends mid-year update report</h3>

## Editor's Pick



August 11, 2015 /

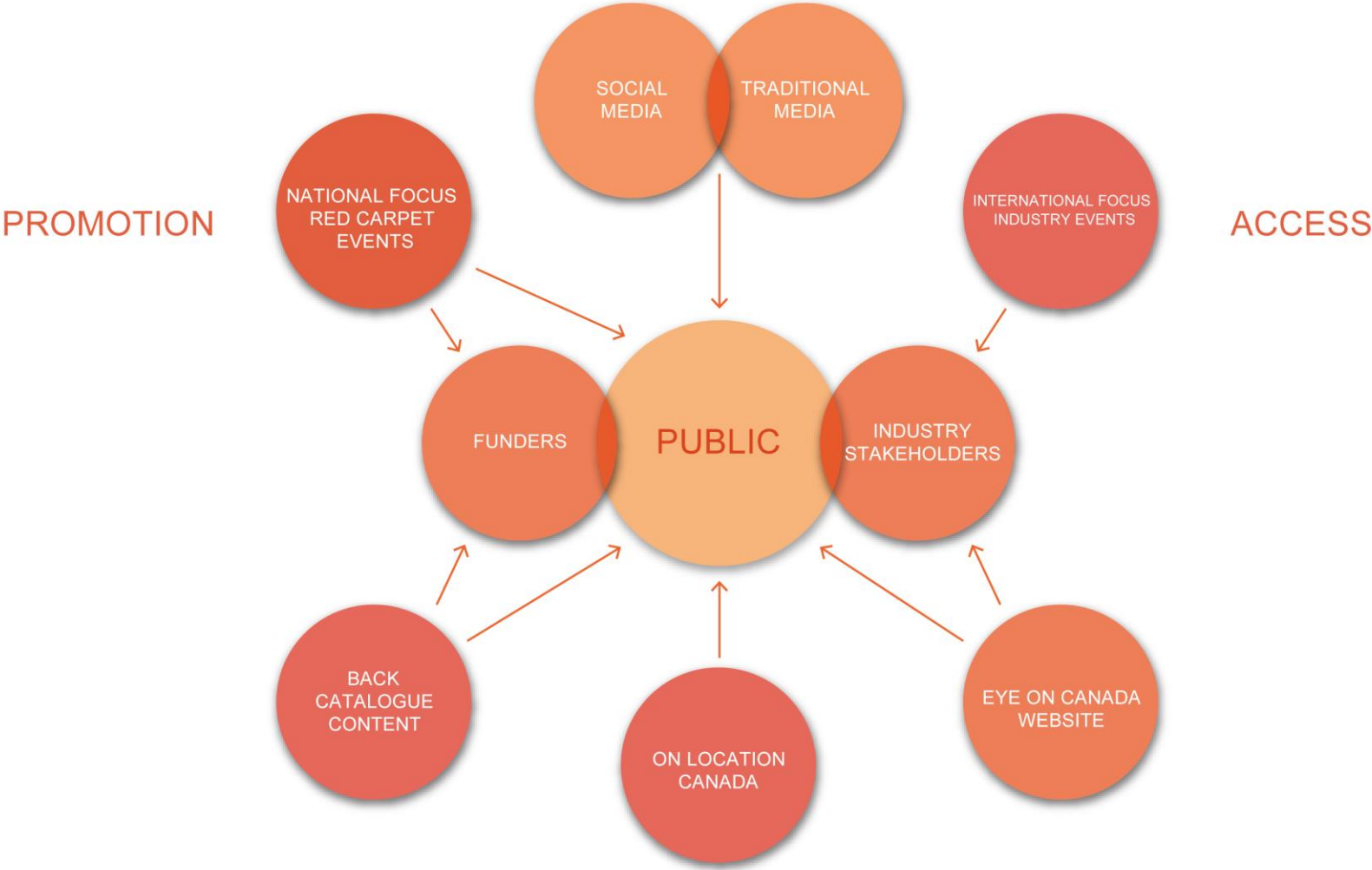


July 23, 2015 / CMF Trends Reports



May 15, 2015 / Renee Robinson / Business Practices

# Eye on Canada Promotion and Access Initiatives



CONTENT & TALENT

Canada Media Fund      Telefilm Canada      Canadian Media Production Association      Provincial and Territorial Agencies



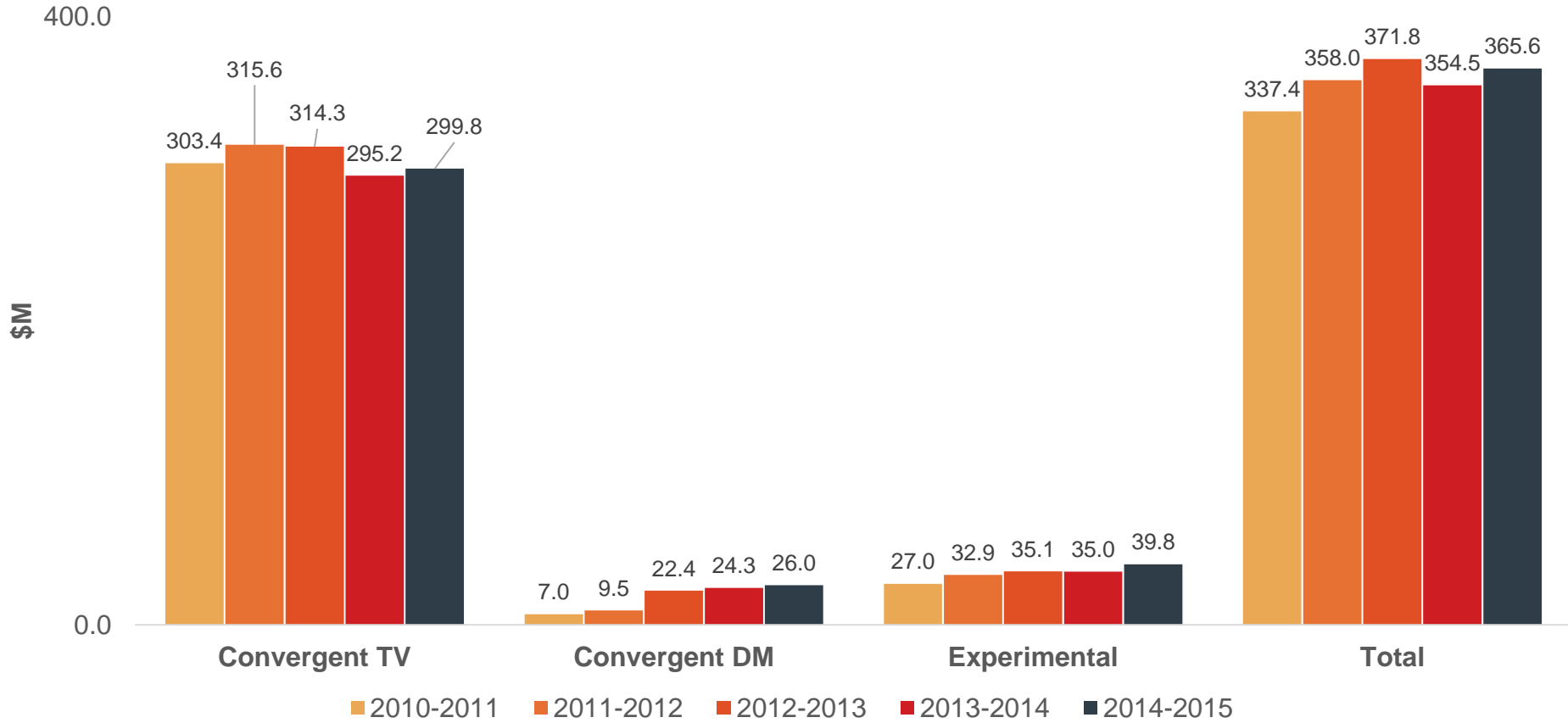
## ■ KEY RESULTS

In 2014-2015, the program budget of 368M\$

- was 99% spent;
- supported 1,380 TV and DM projects;
- triggered \$1,3B in production activity. Every \$1 of CMF generated \$3.63;
- administrative expenses were 4.1% of total revenue.

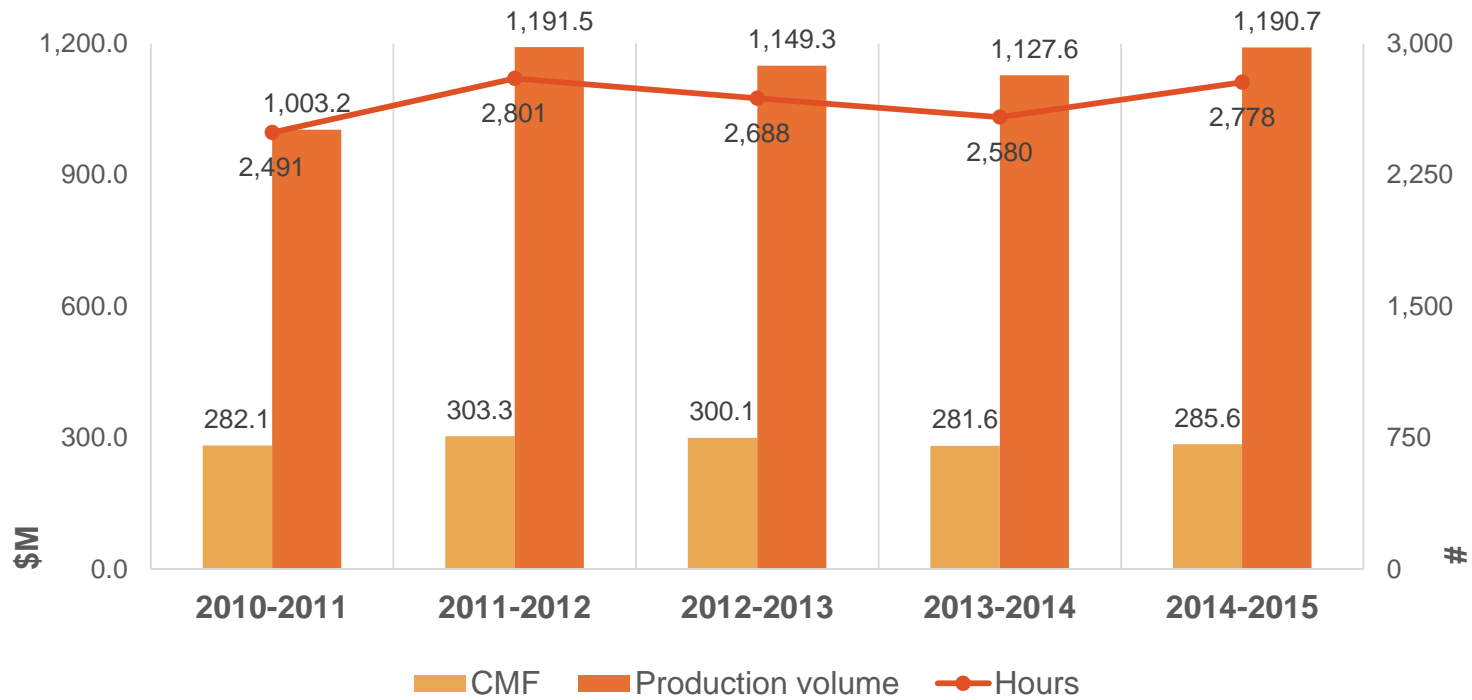
# KEY RESULTS

## Total CMF Contribution

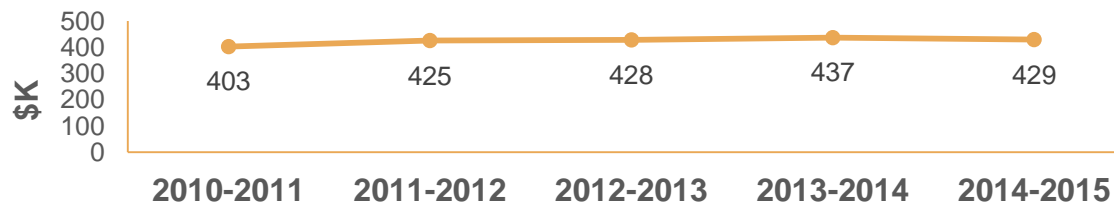


# KEY RESULTS

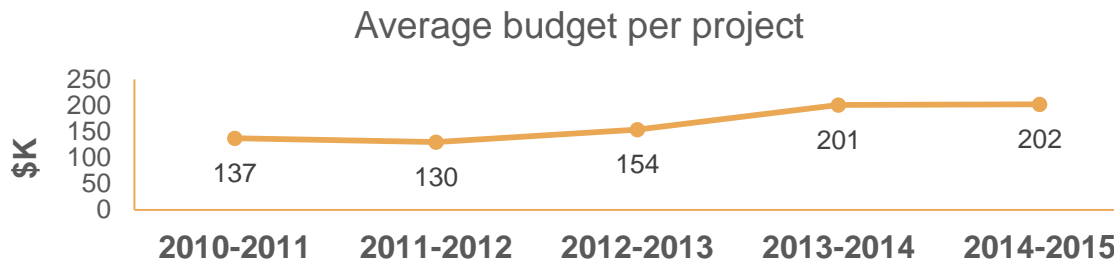
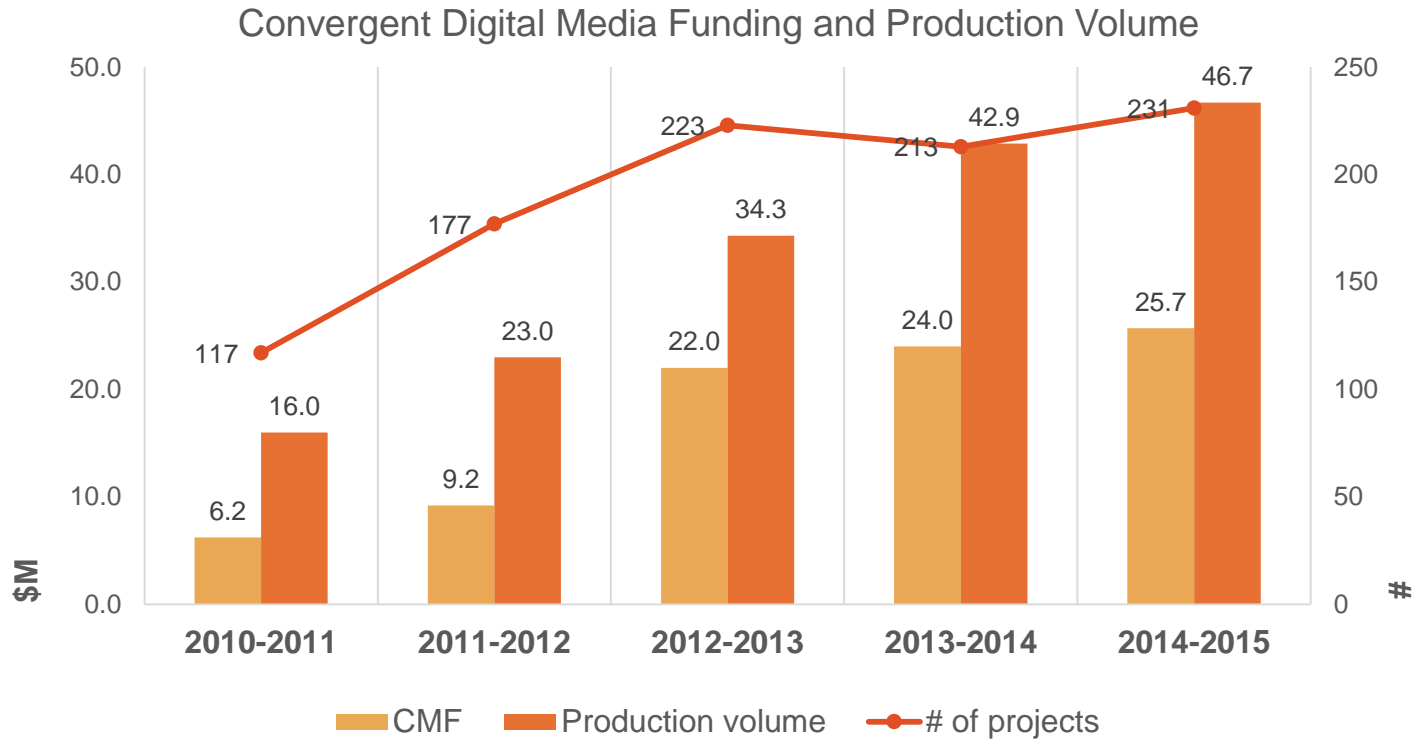
## Convergent Television Funding and Production Volume



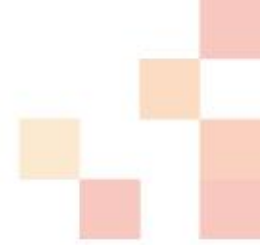
## Average Budget per hour



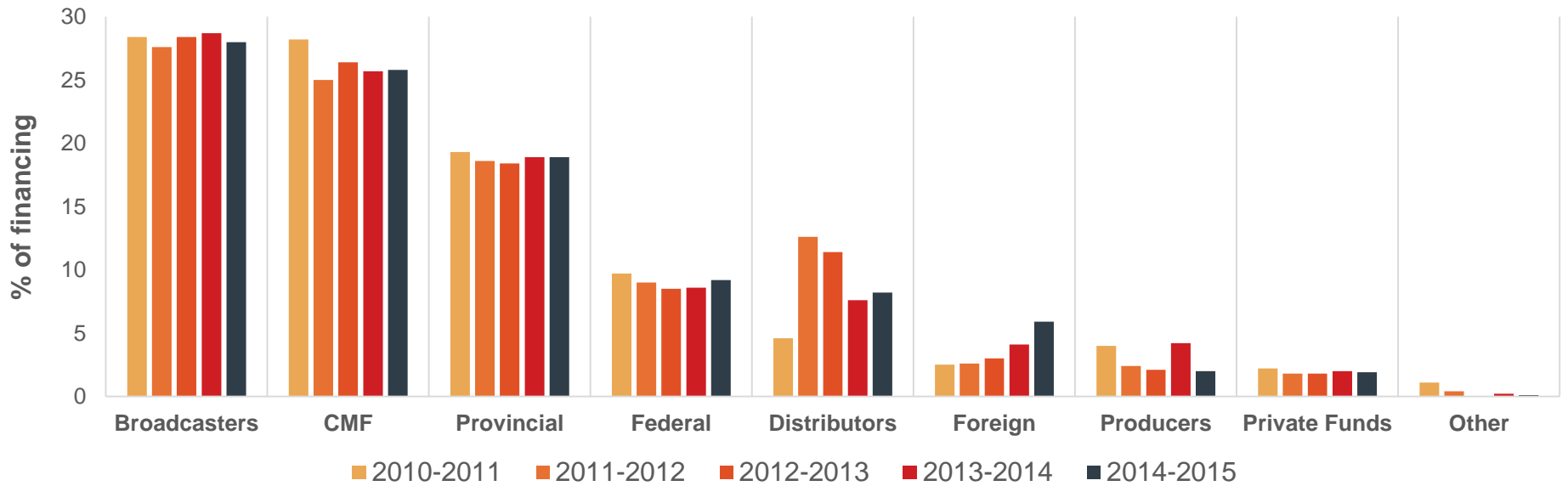
# KEY RESULTS



# KEY RESULTS

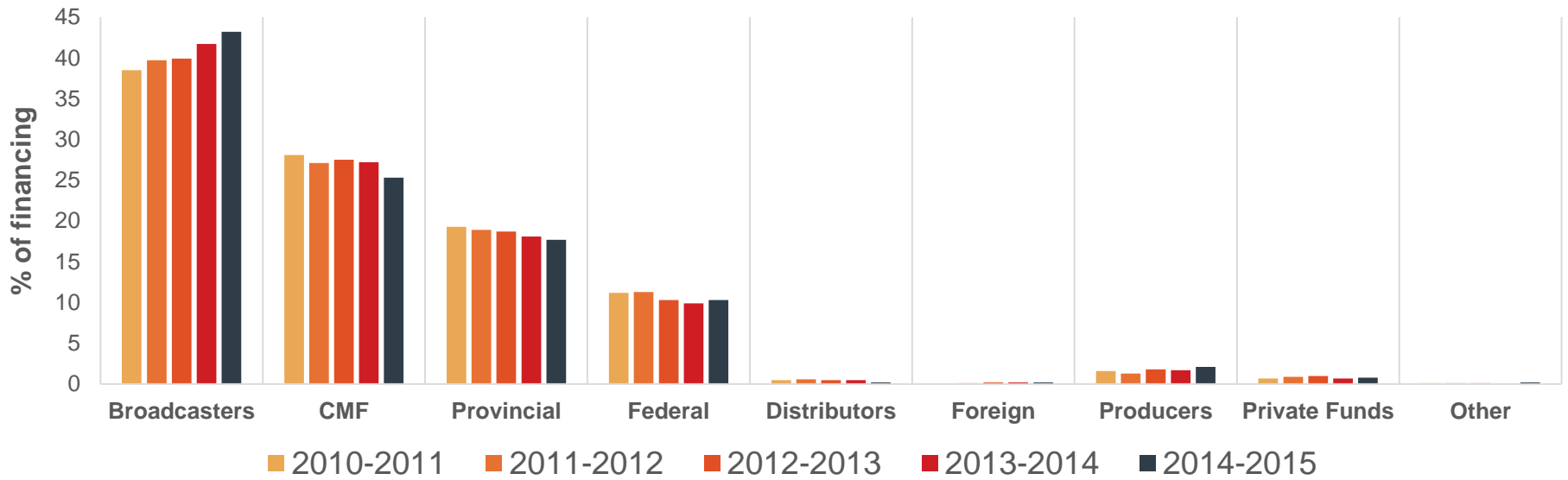


Television – Financing Sources - English



# KEY RESULTS

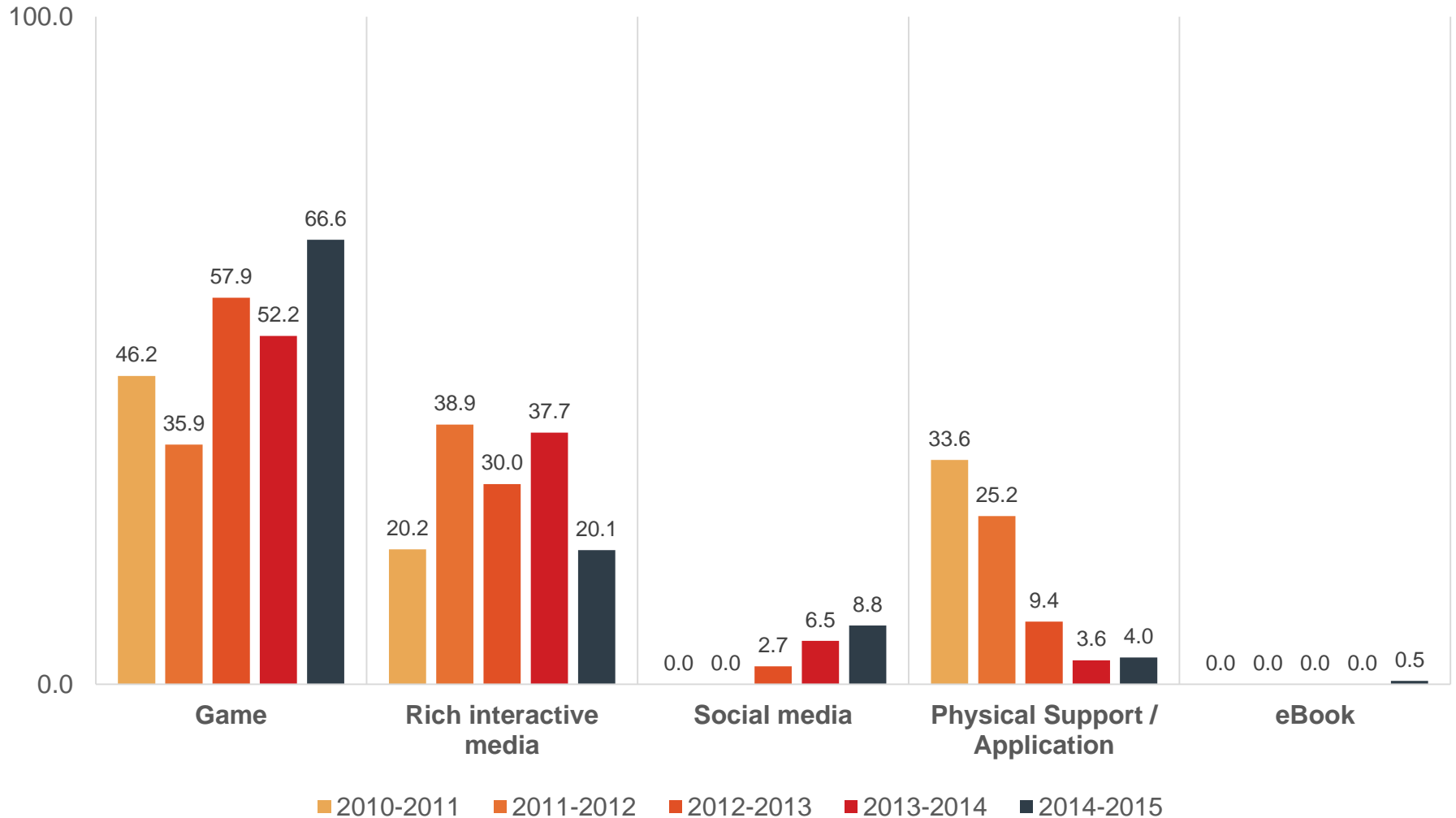
## Television – Financing Sources - French

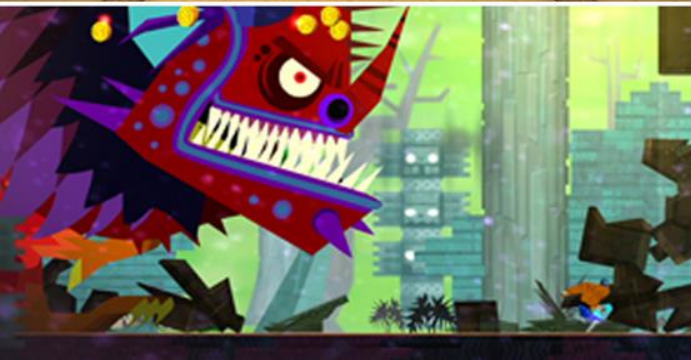
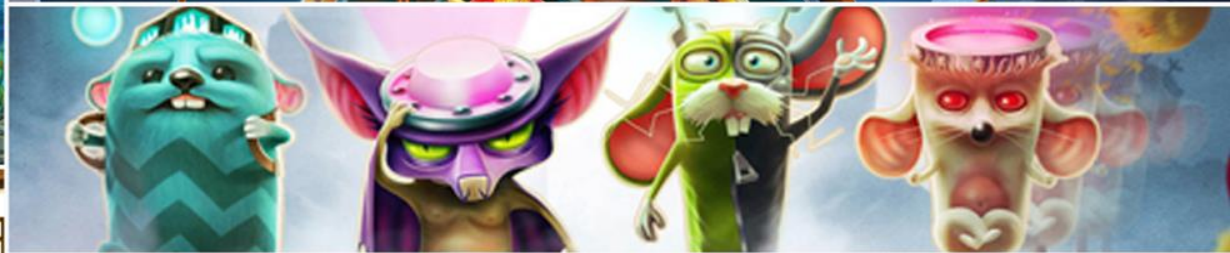




# KEY RESULTS

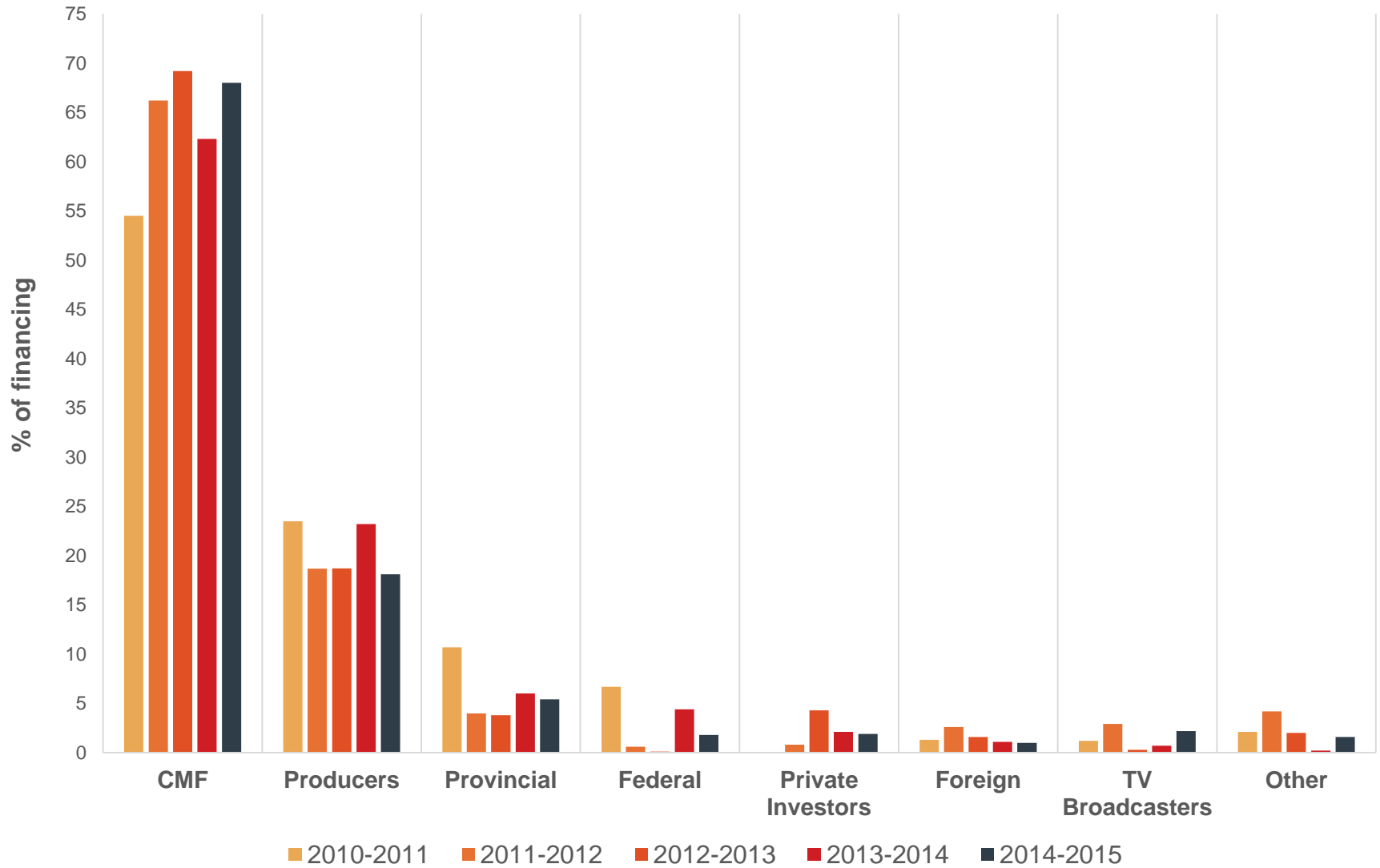
Experimental – Content type by % of funding





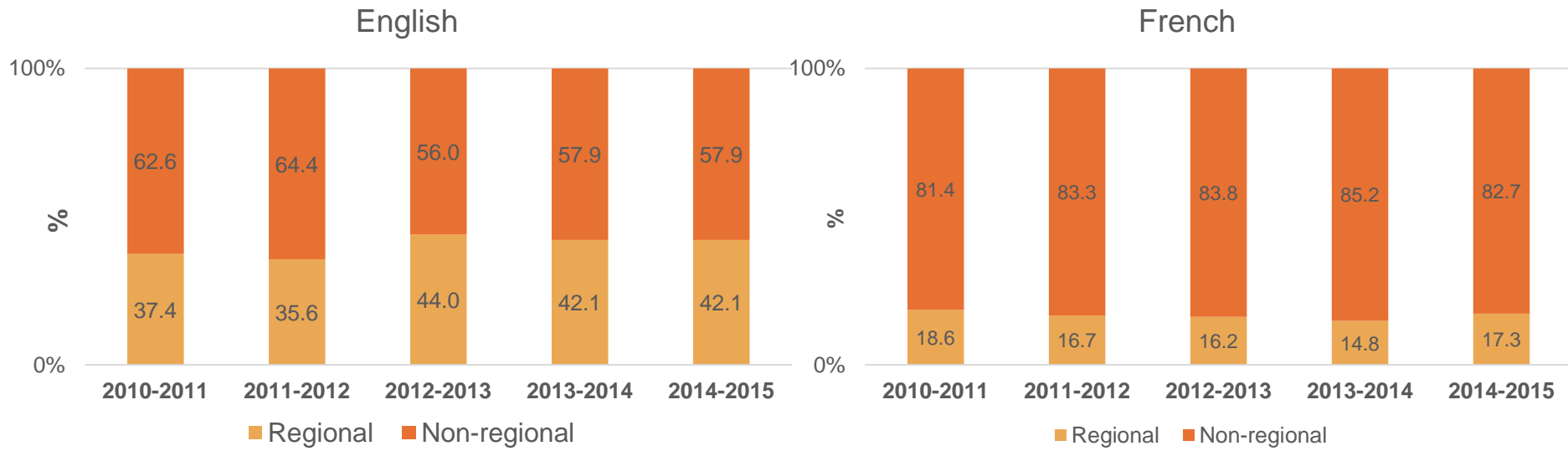
# KEY RESULTS

## Experimental Financing Sources



# KEY RESULTS

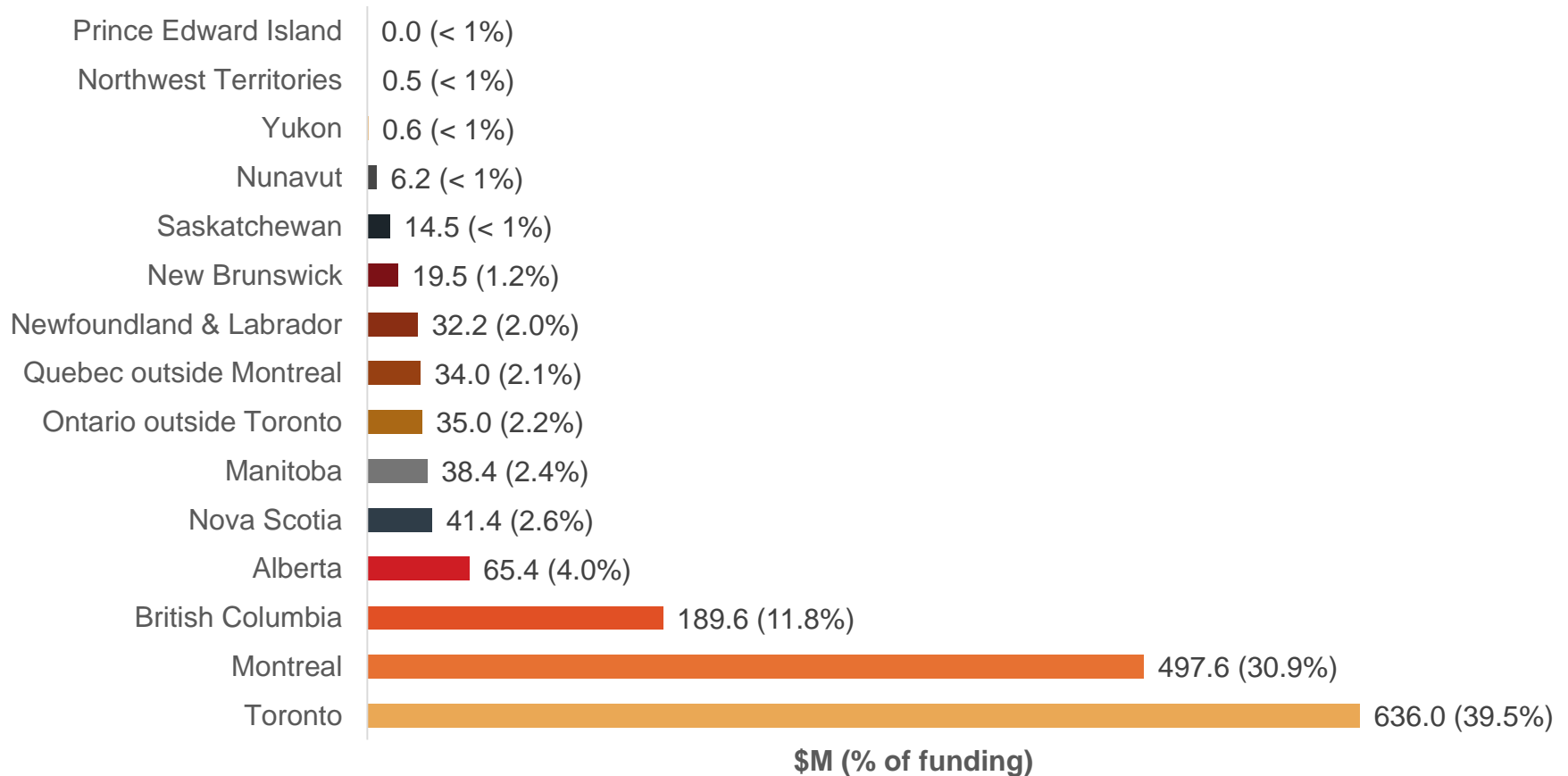
## Regional/Non-regional support



All programs, including both development and production

# KEY RESULTS

Total funding by province/territory 2010-2011 to 2014-2015



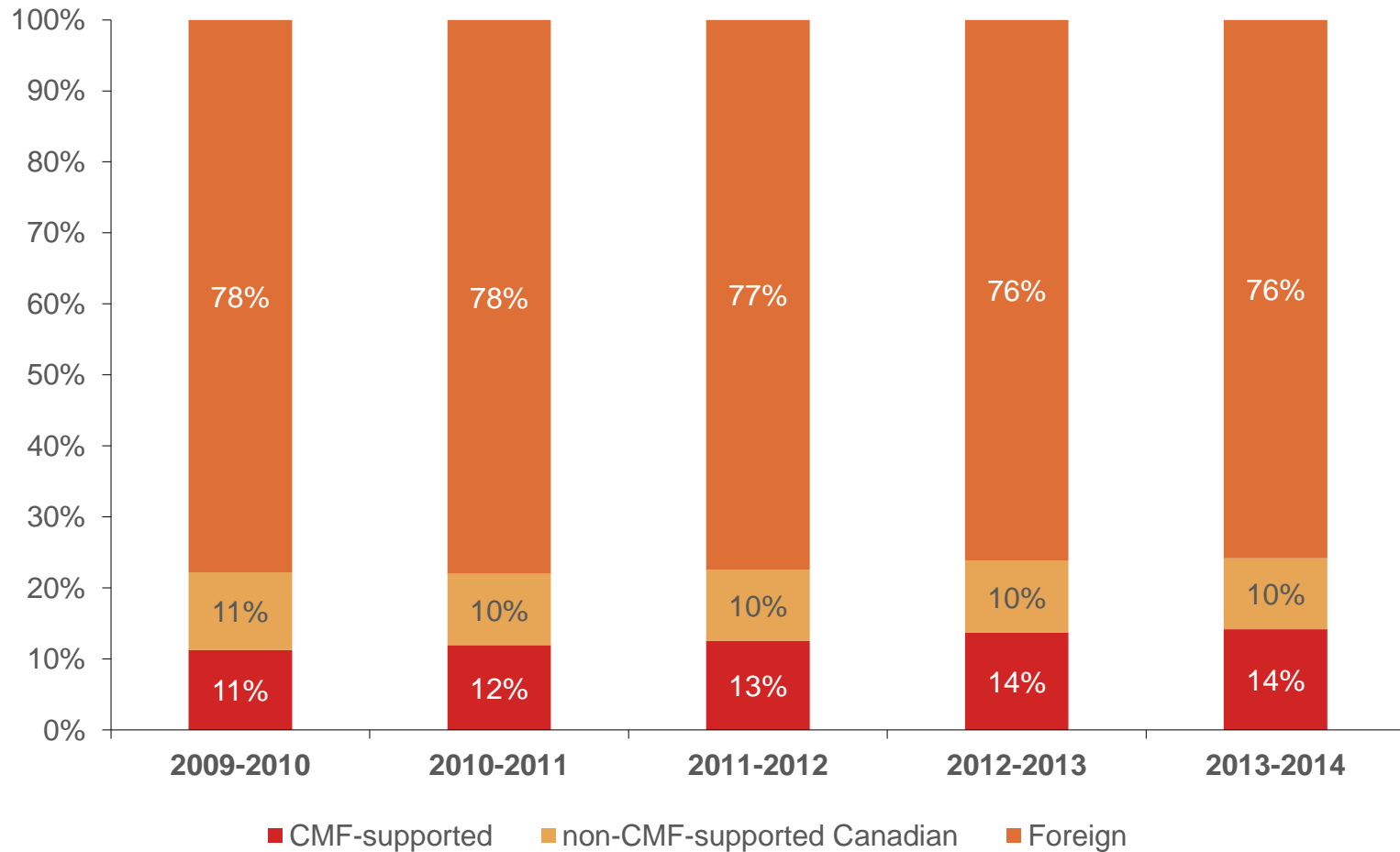
## PROGRAMS WITH AUDIENCE OVER 1M

Broadcast Year	English	French	Total
2010-2011	7	15	22
2011-2012	9	16	25
2012-2013	11	15	26
2013-2014	8	17	25
2014-2015	7	19	26



# KEY RESULTS

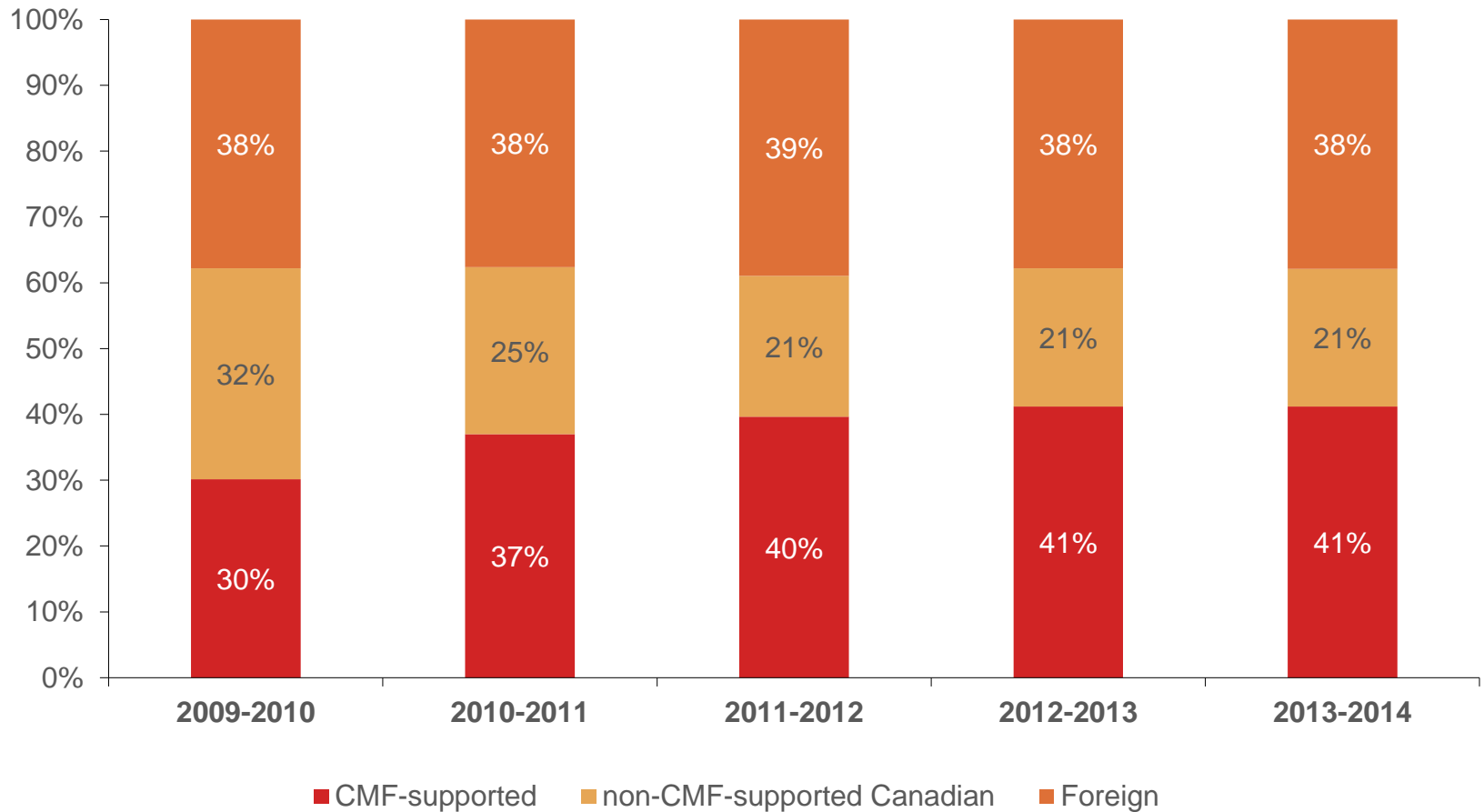
% Total Hours Tuned (CMF Supported Genres)  
CMF Funded vs. Non-CMF Canadian vs. Foreign  
English market  
Peak Viewing Hours



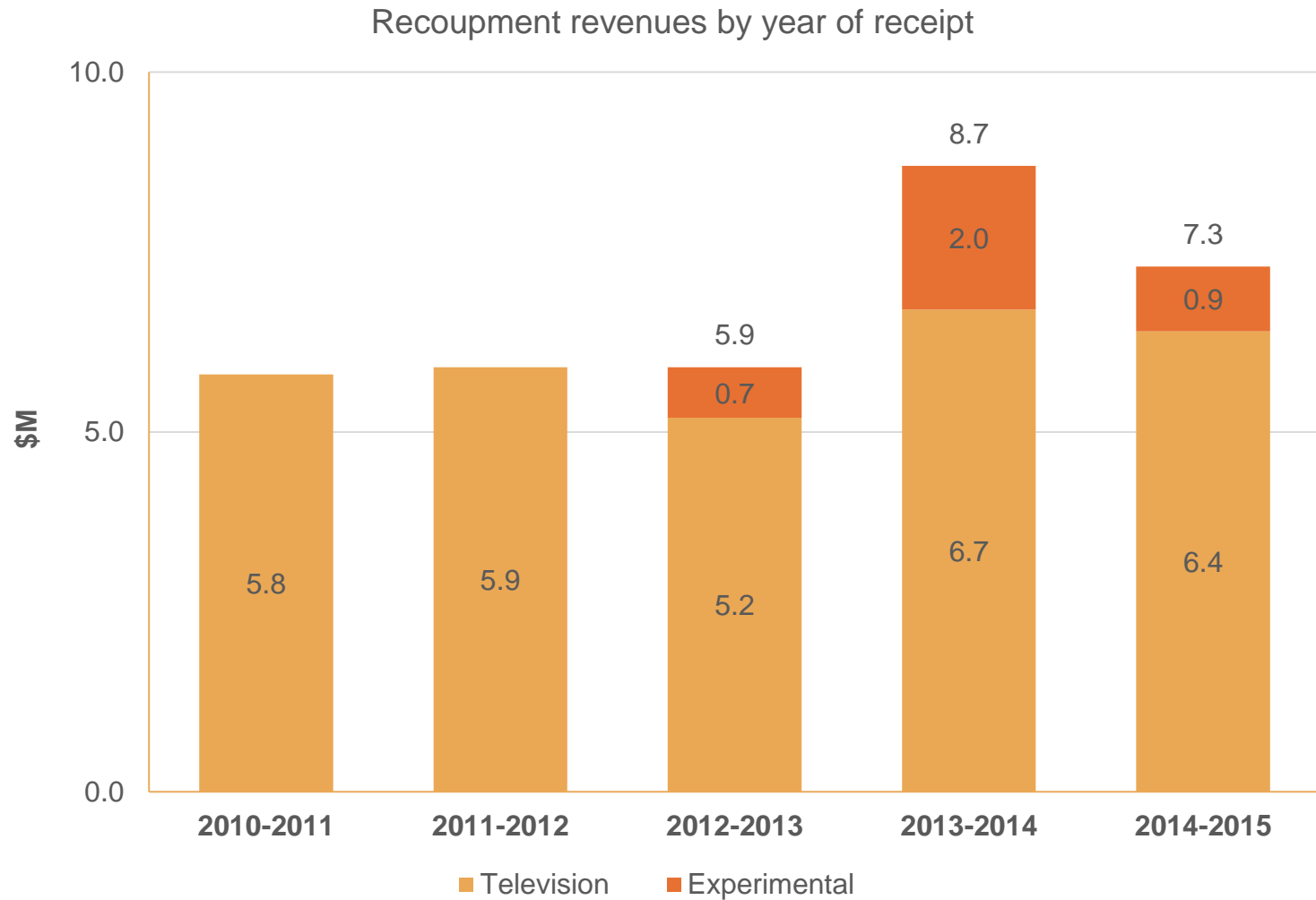


# KEY RESULTS

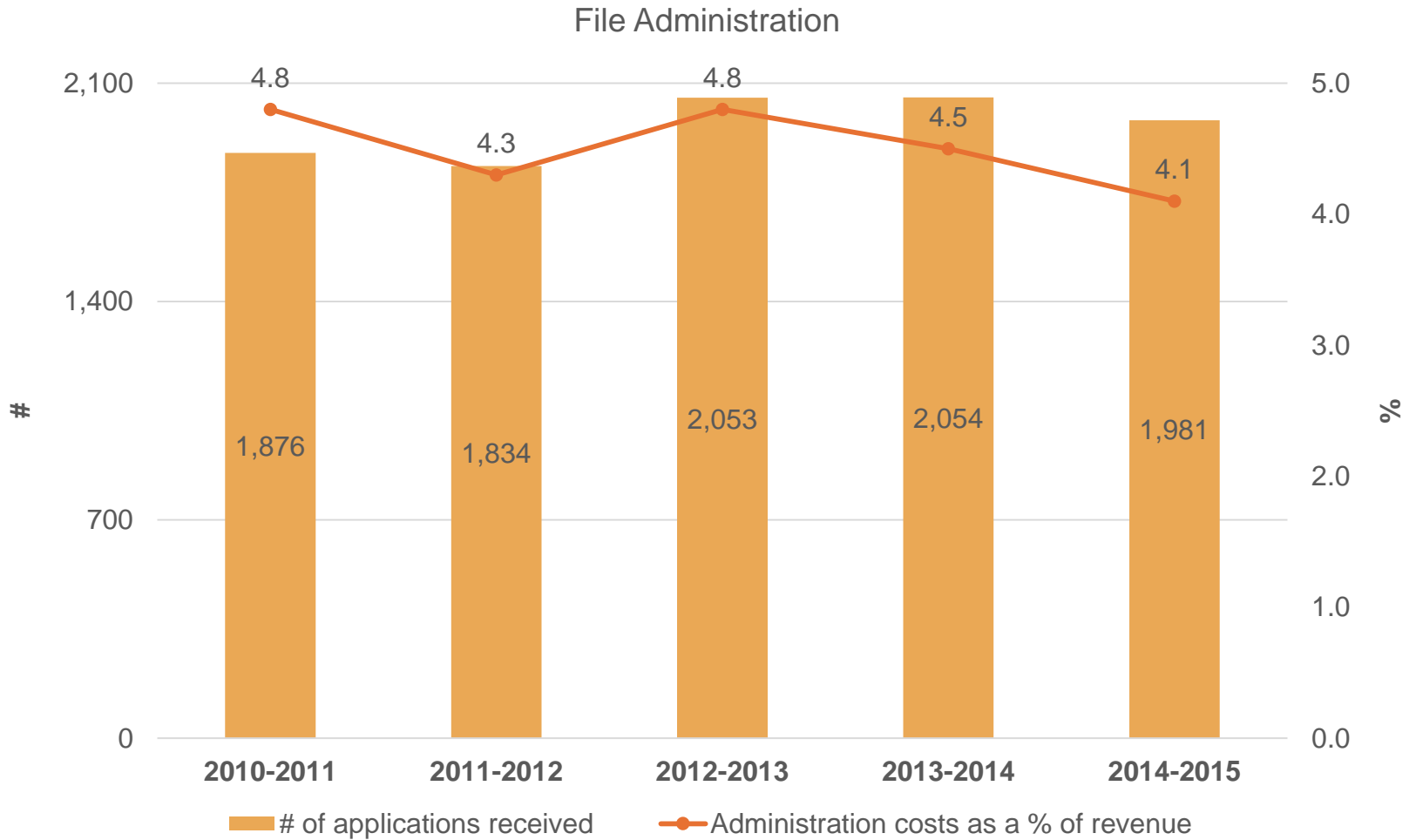
% Total Hours Tuned (CMF Supported Genres)  
CMF Funded vs. Non-CMF Canadian vs. Foreign  
French market  
Peak Viewing Hours



# KEY RESULTS



# KEY RESULTS



# EXTERNAL ENVIRONMENT

- Consumers
  - On demand viewing
  - Online video/short form
  - Overabundance
- Regulatory
  - Pick & Pay / skinny basic
  - Canadian programming expenditure / Programs of National Interest requirements
  - CRTC's Pilot Projects
- Industry
  - Consolidation
  - Globalization
  - New business models





## ■ EXTERNAL ENVIRONMENT

Potential impacts on Canadian content:

- CMF-reduced revenues / program budget;
- reduced access;
- reduced discoverability;
- new opportunities.



## ■ VISIONING STRATEGY

In 2014-2015, the CMF undertook a visioning exercise which sought to consider the potential future role of the CMF program in recognition of the changing environment.

The exercise enabled us to identify options which seek to:

- maximize our impact on the content creation industry;
- leverage our funding, industry intelligence and access and promotion strategy to the greatest extent possible.



## **VISIONING STRATEGY**

This exercise was an internal process. Policy direction for the CMF is set by the Government of Canada and defined in the Contribution Agreement between the Department of Canadian Heritage (DCH) and the CMF.

This consultation seeks to gather stakeholders' input on the concepts in the visioning exercise and provide an opportunity for industry input and additional ideas. The feedback from the consultation process will be provided to the CMF Board for consideration at its 2015/2016 planning session.



## ■ VISIONING STRATEGY

In order to adapt to changes within the industry, the CMF is of the view it should:

- support a wider array of linear and interactive content;
- increase the focus on supporting landmark content; and
- implement an approach based on supporting content along a continuum, from emergence to growth to sustainability.





## ■ VISIONING STRATEGY

The CMF also seeks to assess and consider new ways of increasing revenue for Canadian content by facilitating partnerships with industry players to increase the availability, discoverability and monetization of Canadian content online, particularly the catalogue.

# PROPOSED APPROACH

The proposed vision would enhance the CMF's role as:

- industry catalyst
- active revenue seeker
- content promoter



# PROPOSED ACTIONS - FINANCE

PROGRAM VERTICALS	EMERGENCE	GROWTH	SUSTAINABILITY
<b>Objectives</b>	Allow new production companies, new creators, new formats to emerge.	Escalate production companies to the next level. Support creative hubs and brands.	Drive production companies towards sustainability.
<b>Focus</b>	Innovation Diversity and discovery R&D	Franchise-based approach Market-driven products High potential for commercial success and export	Exploitation of IP in domestic and foreign markets

TARGETS	LANDMARK CONTENT	ENABLING TECH	LANDMARK CONTENT	IP CATALOGUE
<b>Project types</b>	New forms of storytelling, emerging voices, author-driven: <ul style="list-style-type: none"> <li>▪ Linear (for TV or web originals)</li> <li>▪ Interactive</li> <li>▪ Immersive</li> </ul>	Technologies, platforms or software applications dedicated to advance the creative industries (B2B or B2C)	Premium franchises, ambitious projects targeting broad audiences, with commercial appeal. <ul style="list-style-type: none"> <li>▪ Linear (e.g. TV – all genres, incl. formats)</li> <li>▪ Interactive (e.g. Videogames)</li> <li>▪ Multiplatform (i.e. Convergent, Transmedia)</li> </ul>	Projects aiming to revitalize high potential Canon libraries <ul style="list-style-type: none"> <li>▪ TV and Film</li> </ul>

## ■ CHARACTERISTICS OF LANDMARK CONTENT

« Landmark » content could be broadly defined as content that denotes a high potential for success, based on the following characteristics:

- Presents a fresh perspective or originality that enables it to “stand-out”;
- Presents attributes of “primetime” programming;
- Has the potential to become an evergreen property (returning seasons; brand-building; sustainable IP);
- Has proven, built-in audience demand or market validation (capable of attracting mass audiences or highly-engaged niche audiences);
- Is led by established or renowned talent (producer; writer; director; actors).



## FINANCE

1. Are the 3 proposed verticals relevant?
2. What could be the shares of funding for each vertical?
3. Is the increased focus on landmark content relevant?
4. What should be the priorities for implementation?
5. Should the CMF seek to provide more funding in partnership with third parties?
6. The proposed approach would be complemented by non-financial support (e.g. B2B support pilot project)



## EMERGENCE

### Online content

- Should the CMF support linear online content, including webseries?
- If so, what are the current gaps in funding such content and what could the CMF focus its support on?
- If so, what additional triggers would be required for such content (market validation)?



# EMERGENCE

## Enabling Technologies

- Should the CMF continue to support enabling tech initiatives?
- If so, what are the current gaps in funding such content and what could the CMF focus its support on?
- If so, what additional triggers would be required for such content (market validation)?



## GROWTH

### **Moving beyond project-based financing?**

- Would it be relevant for the CMF to allow certain production companies to submit slates of projects in development or production?
- Would it be relevant for the CMF to consider forms of corporate financing based on potential revenue generation and market success of the content?





## ■ SUSTAINABILITY

- Would it be relevant for the CMF to implement programs to better support marketing and promotion of television content?
- Would it be relevant for the CMF to implement programs specifically targeting the export of Canadian content?
- If so, what are the current gaps in financing such activities, and what forms of support could the CMF provide to avoid duplication of efforts with the broadcasting and distribution sectors?



# ■ SUSTAINABILITY

## Catalogue

- Would it be relevant for the CMF to support the revitalization of high potential catalogues of Canadian content?
- If so, what would be the best approach?



## ■ **PROPOSED ACTIONS – POSITION, PROMOTE, MONETIZE**

The CMF seeks to assess and consider how to increase revenue for Canadian content by facilitating partnerships with industry players to increase the availability, discoverability and monetization of Canadian content online, particularly the back catalogue.

Distributors, broadcasters and some larger production companies are actively building a presence for their content or their broadcast destination online, some of which are authenticated and others not. The proposed approach seeks to complement these initiatives based on gaps in market accessibility to the content.



## ■ **PROPOSED ACTIONS – POSITION, PROMOTE, MONETIZE**

Based on the assumption that CMF-funded projects should be made more widely and easily available to consumers to remain visible and sustain revenues, one option would be to establish partnerships with one or more YouTube Multi-Channel Networks (MCN).

- Would a presence on YouTube give small and mid-size Canadian content creators greater leverage and positioning, simplify rights management and help rights holders maximize financial returns?
- In accordance with the notion that discoverability leads to greater demand, should the distribution of content on MCNs should be done on a non-exclusive basis?

Comments/Questions



# Exit Survey





**Canada Media Fund**  
**Fonds des médias du Canada**

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