



***The Canadian audiovisual industry: where talent, cultural
vision and financial flair means business***

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Thank you to the Association of Quebec Women in Finance for inviting me here. It's a pleasure to be with you to talk about an industry that I admire more every day, and that I believe in with a passion. Today, I would like to share that passion with you.

Why? Because the Canadian audiovisual industry has attained international stature and is aiming to reach even greater heights. In fact, it could become the world's leading independent producer of audiovisual content within the next few years!

My hope is to bring you on board with this dream and I want to explain the conditions for making it happen. There are three key factors: 1. creativity, 2. business sense, as well as 3. promotion and marketing.

To begin, I'd like to show you a short video that illustrates the industry's impact and its recent successes.

1. CREATIVITY

Impressive, isn't it? But what's particular about our industry?

How does it operate?

- It has what it takes to attract younger generations – your children, your grandchildren... creative people. Emerging filmmakers have access to more resources now than ever before.
- It operates in R&D mode. High-risk sector. Mostly SMEs. Everything begins with an idea. Unique products. What other industry makes and markets 70 prototypes a year, with an average budget of about \$5 million?

- Creators, entrepreneurs = same passion. A matter of talent and synergies – such as when a creator like Kim Nguyen is backed by a dynamic company like Item 7, then catches the eye of the Berlin International Film Festival team and wins two awards that launch his career straight to the Oscars... Same thing for Denis Villeneuve and Philippe Falardeau, who worked with the producers at micro_scope. A meeting of great minds as is almost always the case in great success stories.
- Niche product. We have our own identity, our own know-how. To succeed, we have to stand out – that's true for you, too, isn't it? We don't compare our films to American movies – they are two different products, and there are film buffs all around the world who love independent cinema!
- Advantage: when it comes to cultural products, the principle of diminishing marginal utility is reversed. The more you consume, the more you want.

Our industry's strengths

Industries are judged by their products. So what accounts for Canadian success? There's the quality, of course. But international recognition tells us something more about our products, something that Canadians need to know.

- Diversity – all genres, all budgets, all regions, all generations.
- Subjects of universal interest. Rooted in our realities (*Le Vendeur, Monsieur Lazhar*) or presenting a Canadian view of the world (*Inch'Allah*, by Anaïs Barbeau-Lavalette, which just won a Special Jury Prize at the Beijing Festival). We get around!
- Innovation: *Enfin l'automne (Fall, Finally)*, by Patrick Boivin, the first Canadian feature film launched on YouTube.
- It's all that that makes the "Canadian brand" stand out on the international stage. And we are going to promote this prestige brand image with a new marketing push. It won't be easy, but there's nothing easy about marketing these days.

2. BUSINESS SENSE

We want to ensure that Canadians recognize this success, that they take pride in it, and inspiration. But there's work to be done to develop Canadian entrepreneurship, and even our business practices at Telefilm... in order to go even farther... the only possible direction is up!

That's what motivated me to accept the position of executive director of Telefilm in 2010. I wanted to encourage a new way of thinking, and to introduce new tools to help the industry pursue its cultural and economic growth.

I wanted to help the industry make the most of its talent and claim the place it deserves – as the world leader in independent production!

Are you wondering how a chartered accountant and MBA came to be the director of a cultural agency?

- I like challenges, learning opportunities.

- I have two longstanding passions: movies and business. I was an accountant who dreamt about cinema. Telefilm was the perfect match!
- I am proud to tell you that 76% of Telefilm's employees are women and that quite a few hold senior positions!
- My role: to provide clear direction. Allow leeway, room for creativity. Take a long view but encourage small steps.
- I never really take off my accountant's hat – we keep our administrative expenses below 6%. Prudence, rigour and risk management, especially in periods of change.

When I began my first term in 2010, I knew that things had to change – internally and externally – if we wanted to succeed. But I'm not afraid of change!

However, I promised our employees and our clients that I would consult them to get innovative ideas. And this is what they told me:

- Be more flexible. Acknowledge our maturity and our success. Help us diversify our financing. Promote Canadian content more effectively.
- For 40 years, Telefilm focused mainly on developing the industry.
- So we adopted a theme: daring to change. And we have made real changes, in close, ongoing consultation with our clients!

Our winning practices: Client focus. Emphasis on promotion. Results-based approach. Stimulating private financing. And clear objectives.

Business relationships are simpler, decisions are faster, established companies have more autonomy and act as real mentors for emerging filmmakers.

- Our entrepreneurs can focus on creation, on forging partnerships, on promotion. And so can we. Less process, more creativity, more strategy – that's the global trend.

A new way of measuring national cinema success?

Success is great, but how do you measure it? To accurately reflect the Canadian audiovisual industry's new stature, we needed a broader measure of success than just the box office.

- The box office is a Hollywood measuring stick – we want something different for our independent films.
- Three value factors: commercial (box office, sales on other platforms), cultural (nominations and awards at festivals), industrial (ratio of private sector and foreign investment in film financing).
- Allows us to better understand strengths and weaknesses, to adjust our strategies.
- And let's not forget the cultural successes, foreign sales and coproduction! With films like *Barney's Version*, *Monsieur Lazhar*, *Incendies* and *Le Vendeur*, international sales of Quebec and Canadian productions jumped from \$22 million in 2010 to \$51 million in 2011.

- Telefilm's Success Index, which we presented to colleagues from 12 countries, including Israel, has sparked interest around the world. A different approach to the value of national film industries. A different approach to the value of our industry.

Being results-based, the Index helps our clients think more comprehensively, refine their practices, as well as better identify and seize business opportunities.

Financing

Collectively, our country invests a great deal in its audiovisual system. Telefilm, the Canada Media Fund, the National Film Board of Canada, the CRTC, our vast broadcasting network, tax credits, embassies.

- Why? For economic and cultural reasons, and for what in French we call "reasons of the heart." Canada is one of the countries that provide the best support for their talent.

But public funding is limited. The global economic situation is difficult. Fortunately, Canada has valuable strengths!

Coproduction: Canadians pioneered this approach – 53 countries. It's in our DNA! Pooling resources.

- Principal partners: France, United Kingdom, Germany.
- For example: *The Tudors*, *The Borgias*, the films of Denys Arcand and David Cronenberg, Xavier Dolan's *Laurence Anyways*.

Like all industries, we want to conquer new markets.

- The U.S.... the Oscars help us reach American independent film fans.
- *Starbuck*: Steven Spielberg and DreamWorks are making an American version with Quebec director Ken Scott, Quebec producer André Rouleau, of Caramel Films, and Vince Vaughn in the starring role.
- I don't know whether I'll run into "Steven" in Cannes, but if I do I'll tell him that Canada has more films like *Starbuck*.

- But also – just imagine – on May 15th, *Starbuck* is going to open on more than 2,000 screens in China!

The multiplatform environment: seizable opportunities for us and for you

Times change, business models evolve – audience fragmentation. The consumer is king – or queen. And to reach them you have to go where they are. The Web, social media: our new friends.

The companies that have the best chance of succeeding are those that see changes as business opportunities.

- Management expert Margaret Wheatly says that the things organizations fear most – fluctuations, disturbances, imbalances – are the primary sources of creativity. And I believe her.

Today, Canadian stories and characters lead multiple lives: they are in Web series and video games, on YouTube, Facebook, smartphones.

New platforms = hunger for content

- Telefilm aims to be a modern agency, with leading-edge practices. Creation of the Micro-Budget Production Program – allows emerging filmmakers, recommended by professional training schools, to produce and release their first feature film using digital technologies. New wave of creators, new wave of audiences!

Strength in numbers!

I frequently meet with members of the business community.

And they ask me, What can we do to help?

A growing number of people and organizations want to create solid, wide-reaching network of financial and promotional partnerships around the industry.

Our new private donation fund, the Talent Fund, is an innovative source of financing for production and promotion.

Calling on corporate Canada and fellow Canadians to subscribe to our philosophy.

Thanks to the six business leaders who make up the Fund's Honorary Committee. One of them, the well-known corporate director Micheline Bouchard, is here with us. Ms. Bouchard represents Quebec and many of you know her through her current or past service (at Telus, Investissements PSP and elsewhere).

Valued support from the Canadian Chamber of Commerce; the CRTC allows broadcasters to contribute to the Fund. We are aiming for \$5 million.

3. PROMOTION

The Canadian industry needs impresarios!

We help our stars shine on the international stage because it creates a real impact at home.

Everyone needs a hand with exports. Recently it was announced that Export Québec would be helping Bombardier and that Export Canada is assisting Blackberry.

Telefilm supports the industry at 15 international festivals and markets. We create events.

- Cannes: Tribute to Canadian Talent (inaugural Birks Canadian Diamond awards to actresses Emily Hampshire and Sarah Gadon)
- Berlin, Toronto: “Talent to Watch,” very popular events. Tributes to women directors, Aboriginal directors.

We shouldn't be modest: Canada has given the world many stars: Ryan Gosling, Ryan Reynolds, Ellen Page (Woody Allen's *To Rome With Love*), Jessica Paré (*Mad Men*), François Arnaud (*The Borgias*) are all part of our brand.

- *Sarah préfère la course*, by Chloé Robichaud, will be shown in the Un certain regard section of the Cannes Festival's official selection. Chloé is here today with producer Fanny-Laure Malo.
- I also want to introduce Marie-Claude Poulin, of Item 7, the production house behind *Rebelle (War Witch)*, which was shortlisted for the Best Foreign Language Film Oscar this year.

Success breeds success ...

- 50 Canadian festivals and events are involved in promoting our cinema.

- Minister Moore's Movie Nights in Canada on Parliament Hill are among the events that matter most to the power brokers (*Maclean's Magazine*).
- Successful red carpet events for Deepa Mehta's film *Midnight's Children* were held in Calgary and St. John's with the Canada Media Fund and other public and private partners.
- Partnership with radio station CKOI – En route vers les Oscars (Yan England, *Henry*)
- The inaugural Canadian Screen Awards, a first-rate event (more than 750,000 viewers); La Soirée des Jutra – all that to celebrate homegrown talent.

Canadian cinema loves Canadian television! Because that's where Canadians see the most films. Survey: Canadians told us, If you do a better job of promoting Canadian films on television, we'll watch them.

- *Dérapages* by Paul Arcand: more than 1.8 million viewers

- We got the message: In November 2012, Telefilm, the Canada Media Fund and the CRTC presented the first Symposium on the promotion of Canadian films and television programs – 300 industry players agreed that promoting our success is a priority. We are going to exploit the success stories more vigorously across Canada’s immense broadcasting system.

At the end of my term, in three years, I hope people will say two things:

- That Telefilm has created tools that have helped Canadian entrepreneurs propel Canadian talent across the country and around the globe;
- And that members of the audiovisual industry are working better together, and with partners at home and abroad. That is the sine qua non condition for reaching new heights.
- Just look at the success of our wine and cheese industries!

I'm sure you will enjoy our gift DVD. It's *La Légende de Sarila*, the first Quebec 3D stereoscopic animated feature film, directed by Nancy Florence Savard and produced by Carpe Diem and 10^e Avenue.

- Producer Marie-Claude Beauchamp of Productions Carpe Diem is here with us.

And now, I hope you have questions!