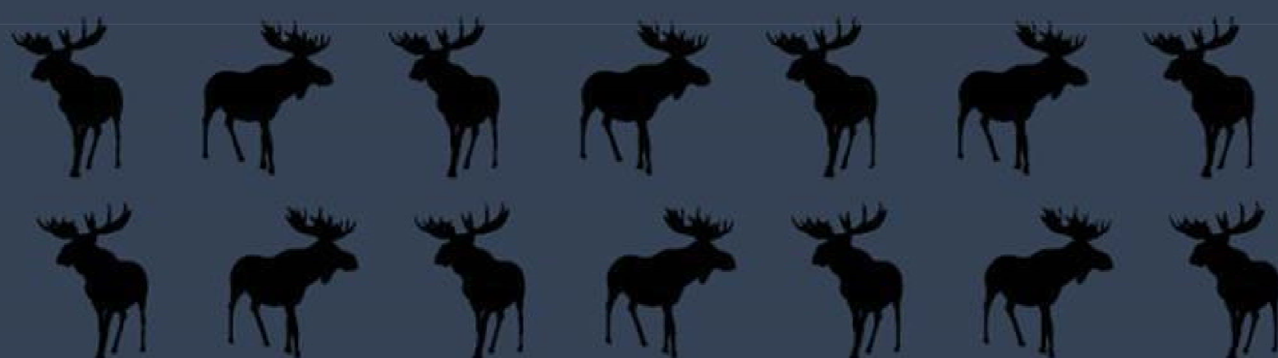
international markets report

2008

feature film • television • interactive media



TELEFILM CANADA

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Executive Summary

In Telefilm's five-year corporate plan, *From Cinemas to Cell Phones: Telefilm Canada Responds to the Multiplatform Challenge (2006-07 to 2010-11)*, the Corporation adopted key international strategies to help build the audiovisual industry's capacities. In consultation with members of the International Initiatives Activities Committee (IIAC), Telefilm supported Canadian producers and distributors at international markets by:

- Providing support to the international launch of Canadian productions with special marketing initiatives at festivals identified as priority opportunities;
- Bolstering the sales efforts of producers and distributors at international markets and festivals with initiatives directed at investors and buyers; and
- Enabling and encouraging Canadian and foreign producers to pool resources in co-producing films and television programs.

The following report summarizes intelligence gathered by an on-going research initiative officially commissioned by Telefilm which includes sales activities and overall client satisfaction at international markets. The data is complimented by accounts of the activities and events at these markets.

Data collection for feature film and television markets was conducted by Pollara Inc. using an on-line survey. A similar online survey using a combination of JF Arsenau Conseil Inc. and technology from Explorance Inc. was employed for the Game Connection events for the first time in 2008[1]. Due to methodological differences, overall sales analyses apply only the Pollara-measured markets (Berlin, Hong Kong, MIPTV, Cannes and MIPCOM).

A Valuable Business Partner to Canadian Companies Working Abroad

For the third year in a row, Telefilm has surveyed the participants at international markets for which a Canadian Business Centre located in the Canada Pavilion has been provided. The Canada Pavilion is a crucial resource for Canadian companies doing business at these events. It offers also other services:

- turn key meeting facilities;
- literature displays;
- promotional material; and
- on-site amenities such as high speed Internet and refreshments.

In addition to the business centers, Telefilm spearheads initiatives targeted at increasing sales, co-productions, networking opportunities, partnerships and screenings.

Aggregated sales and presales in 2008 reached almost $14 million. On-going and working negotiations at these markets created an additional $71 million in likely sales. This is total of $85 million, up 21% from last year's $70 million. Moreover, given that the response rate from this research was about 72%, it is more than likely that the $85 million is a conservative sample of a larger sales volume. This is the third year in a row for which a substantial growth in sales was reported.

[1] Sales at international markets are tabulated on a calendar year basis, from January 1 to December 31.

As in past years, 2008 figures confirmed that Telefilm's investment in these markets provides a significant return to the Canadian audiovisual industry. In total, Telefilm invested about $1.2 million[2] to help Canadian companies at these markets and every dollar invested resulted in over eleven dollars in sales for Canadian companies. This is up from 2007's ratio of one dollar-to-nine dollars investment to sales[3].

To confirm the importance of international cooperation in the audiovisual industry, Canadian companies attending the 2008 markets also reported an impressive list of co-production and co-venture deals. Across the markets, 65 companies were involved in 115 deals with 21 different countries from around the world. These deals were reported to be worth in excess of $236 million.

Not only were sales high at the film and TV markets, but Canadian companies were also generally satisfied with all the services offered by Telefilm. Overall, 92% of the participating companies used the Canadian Pavilion (up from last year's 90%). All Canada Pavilions saw an average cross-market satisfaction score of 7.8 out of 10 and no element at any market received less than 7 out of 10.

Telefilm has also been providing guidance, promotional and financial resources to Canadian participants attending the Game Connection events. Although there is no Canada Pavilion provided at these events, Telefilm started to track the performance of companies in 2008.

Sales at the Game Connection events were mixed. The San Francisco event saw a very large sales volume of about $3.6 million from 23 separate deals. At the Lyon event, sales were more modest with companies reported about $20,000 in sales. Satisfaction levels were relatively high at both markets. At the event in Lyon, 88% of the respondents indicated that they were very or somewhat satisfied and at the San Francisco event; the same amount (88%) indicated that they were satisfied.

International Market Overview

Film and Television Markets

A total of 203 completed surveys were gathered from participating companies at the five international market surveys conducted in 2008. This represents an overall response rate of roughly 72%, an excellent result. 154 companies reported sales or likely sales and 82 reported pre sales or likely pre sales at the markets.

As per the last three years, MIPTV was the most successful market in terms of percentage of participants achieving sales. About 96% of companies at MIPTV saw some sales activity. By number of companies achieving sales, MIPCOM was actually the most successful with 71 companies that reported some level of sales or pre sales activity at this market.

International Market Survey - Sales Activities

		Hong Kong	Berlin	MIPTV	Cannes	MIPCOM	Total
Companies that completed sales for titles or began discussions that will likely lead to sales	%	31%	86%	96%	73%	84%	
	#	4	31	45	28	46	154
Companies that completed PRE-sales for titles or began discussions that will likely lead to sales	%	0%	42%	43%	42%	45%	
	#	0	15	20	22	25	82

[2] Not including in-house staff salary

[3] This analysis does not include the two Game Connection events, for which there is not a similarly set up Canada Pavilion.

The highest volume of sales occurred at MIPTV which saw more than $5.2 million in sales, almost twice as much as the previous year, and MIPCOM came close to $2 million. In past years, surveys have revealed that the television markets have fared better than the film markets in sales. However, in 2008, Hong Kong and Cannes both surpassed the million dollar mark with Berlin coming in at close to half a million in sales.

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM	Total
Sales Completed at Market	$2,300,000	$ 446,250	$ 5,201,500	$1,181,500	$ 1,875,600	$ 11,004,850
Sales likely to occur from discussions at market	$380,000	$ 13,008,500	$ 7,734,800	$ 3,484,500	$ 14,032,604	$ 38,640,404
Pre-Sales completed at market	$ -	$ 60,000	$ -	$ 2,910,000	$ -	$ 2,970,000
Pre-Sales likely to occur from discussions at market	$ -	$ 2,000,000	$ 5,757,000	$ 2,300,000	$ 22,359,123	$ 32,416,123

When sales were examined by genre, Canadian companies were internationally competitive in the animation category. Overall sales and likely sales for animation were up considerably from last year's $11 million and doubled 2006's high of $20 million. The bulk of animation sales came from the television markets and it represented 36% of all sales and likely sales at 2008's events.

The drama category saw a decrease in sales for 2008. In 2006, this genre was seconded only by animation, with about $13 million in sales. 2007 saw the total sales and likely sales to drama drop to about $8 million, and this past year, it decreased to about $7.4 million. The decrease in sales to the drama category can also be seen as a good thing. Given that overall sales and likely sales are up over the two previous years, this indicates that sales by genre are actually diversifying beyond the drama category with growth in action/adventure, animation and horror/fantasy genres.

Co-production and co-venture deals were up by about 20% relative to 2007. With a total of 115 deals and representing business with 21 individual countries, over $236 million in sales were reported in 2008. MIPCOM saw the highest volume of international co-production and co-venture deals with almost $50 million. The addition of Hong Kong FILMART to Canada's strategy at international markets contributed to this significant overall growth in co-production/co-ventures sales.

Reported countries in co-production and co-venture deals at 2008 International markets

Australia	Hungary	Phillipines
Canada	Ireland	Singapore
China	Israel	Slovenia
Croatia	Japan	South Africa
Ecuador	Korea	Spain
France	Mexico	United Kingdom
German	Netherlands	United States

Co-production and Co-venture Deals

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM	Total
Number of companies reporting deals	4	19	10	27	15	75
Number of deals	7	35	17	48	26	133
Total number of Countries involved	9	7	6	12	6	21
Value of deals	$41,300,000	$45,150,000	$13,400,000	$8,550,000	$49,900,000	$158,300,000

Hong Kong, the newest addition to the markets surveys, scored the highest for overall satisfaction and it received a score of 7.8 out of 10 for best in value. Berlin went from 6.8 out of 10 in 2007 to 8 out of 10 in 2008. Cannes saw a slight increase from 7.9 to 8 out of 10.

International Market Survey - Overall Satisfaction with Event

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM
Overall Satisfaction with event on a scale of 1-10 (mean)	8.4	8	7.3	8	8.3
Rating of value of event on a scale of 1-10 (mean)	7.8	7.6	6.8	7.2	7.4

In partnership with the members of the IIAC, Telefilm adapts the business centers to best reflect the opportunities at each market. In Cannes, the Canada Pavilion offered a general reception with information, consulting and message-taking services, as well as general meeting areas open to all attending Canadian companies. The business centers coordinated by Telefilm at the TV markets and Berlin provided meeting areas to participating clients. These business centres have proven to be very popular at all surveyed markets. On average, 92% of respondents reported using the Telefilm's services when doing business abroad.

The Canada Pavillion

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM
Used the Canada Pavillion	100%	78%	94%	85%	95%

There was a more varied response for the satisfaction levels among individual pavilion elements. The overall highest score across the three events was for "helpfulness of booth staff".

In general, few elements received less than 7 out of 10 in any market. One of the exceptions to this was "the availability of meeting spaces", "meeting place size" and "usefulness of meetings" in Berlin, which scored 6.2 out of 10. This was an improvement for Berlin as the same aspect of the market received 5.6 out of 10 last year. Another sign of improvement was for the size of meeting places at the Cannes market which improved from 6.7 to 7.9 out of 10.

Satisfaction with the Canada Pavillion - Various Elements - 1-10 Scale

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM
Availability of meeting spaces	7.5	6.2	7.5	7.5	7.9
Design and appearance of the stand	7.6	7.5	6.4	8.5	7.8
Helpfulness of booth staff	9.2	8.6	8.9	8.5	8.9
Location of the stand	8.4	7.5	6.8	9.0	7.7
Overall utility of the Canada Pavilion to your company	8.2	7.6	7.6	8.6	8.4
Size of meeting spaces	6.7	6.2	7.3	7.9	7.4
Usefulness of pavilion in holding meetings	8.6	6.2	7.5	8.1	8.3

Investment Analysis

Due to methodological different approaches to the research, and the different format of the market services, the following investment analysis does not consider the Game Connection event sales.

In total, Telefilm committed more than $1.2 million toward international market operations. This is higher than the previous years' total of $865,000 due to the addition of a Canada Pavilion at Telefilm's successful operation in Hong Kong; for every dollar that Telefilm invested in its international operations, Canadian companies reported more than $27 in sales. There was also an increase in committed resources to Cannes by about $200,000. In part, this increase was due to some design enhancements to the pavilion and a boost in communication activities. When staff salaries are included, the total Telefilm commitment is about $2.6 million.

Overall, for every dollar that Telefilm invested in international markets in 2008, Canadian companies reported $11.80 in sales.

Telefilm Contributions to Canadian Participation in International Markets -2008

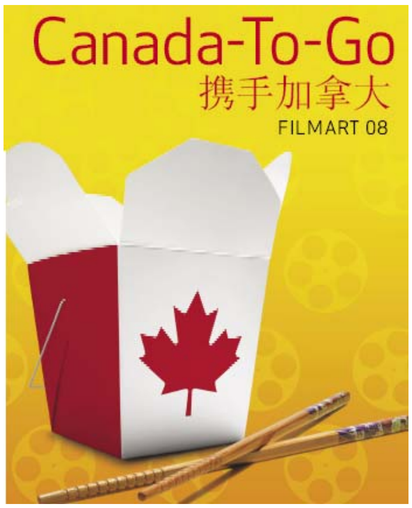
	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM	Total
TFC Contribution	85,103	200,225	253,856	399,265	232,146	1,184,072
TFC Estimated Related Salaries	49,924	50,138	123,302	130,000	118,850	472,214
TFC Total Contribution	135,027	250,363	377,158	529,265	1,305,289	2,610,579

Dollars worth of sales for every dollar spent by Telefilm

	Hong Kong	Berlin	MIPTV	Cannes	MIPCOM	Total
Completed Sales and PreSales	$ 27.03	$ 2.53	$ 20.49	$ 10.25	$ 8.08	$ 11.80
All Sales Activity including likely deals	$ 31.49	$ 77.49	$ 73.64	$ 24.74	$ 164.84	$ 71.81

FILMART

Background



A record 4,200 industry professionals attended the 12th Hong Kong FILMART in 2008.

More than 60 events, including seminars, press conferences, cocktail receptions and premieres, were held during the four-day market.

The top 10 countries and regions bringing buyers to FILMART were China, Taiwan, Japan, South Korea, the United States, Thailand, Vietnam, Malaysia, Singapore and France. Buyers from Taiwan, South Korea and Thailand enjoyed double-digit growth. New buyers came from Cambodia, Columbia, Croatia, the Kiribati Republic and Myanmar.

Overview of the Event

Among the various Canadian events held at FILMART were: a breakfast briefing for Canadian delegates hosted by the Canadian Consulate and a Telefilm co-production panel followed by a networking event that attracted more than 100 guests.

Canada Pavilion partners:

- British Columbia Film
- Department of Canadian Heritage through its Trade Routes Program
- Department of Foreign Affairs and International Trade Canada
- Manitoba Film and Sound
- Ontario Media Development Corporation
- Quebec Film and Television Council
- SaskFilm and Video Development Corporation

Participant Survey

The Hong Kong FILMART was a new addition to the annual market survey. Field work was conducted in April and May of 2008. This market was attended by 16 Canadian companies and 13 of them completed the survey which represents an 81% response rate.

Of the responses, 92% described the primary business focus of their company as a producer. About 23% described themselves as distributors and 92% of the respondents indicated feature film as their main area of interest. The majority of the Canadian companies were from the British Columbia.

About one-third of the participating companies were small organizations with modest revenues of less than $100,000 annually. None of the participating companies had a staff compliment that exceeded ten.

Sales Activities

Six of the 13 of the participating companies claimed to have completed sales or to have started discussions that were likely to lead to sales. Of these, only two provided sales details. One of the companies reported that a distribution agreement was signed and three companies reported pre sales. Of the companies reporting presales, none of them provided details.

Of the companies that reported their sales figures, the breakdown of Canadian sales and pre sales at the Hong Kong FILMART are as follows:

Sales (no presales reported)

2 Companies

|

2 Titles

|

2 Deals

|

$2,300,000 Deals Completed

$380,000 Sales likely to occur

Total Sales and Pre Sales = $2,680,000

Given that only two companies reported sales figures, overall totals are a conservative estimate that suggests that the total sales at the market could have been higher. Nonetheless, the total volume of sales reported was a respectable $2.3 million and an estimated $400,000 in potential sales was reported. Only one genre, drama, reported sales.

Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Drama	$2,300,000	$380,000	$2,680,000

Sales By Country

	Sales	Likely Sales	Total
USA	$0	$100,000	$100,000
Australia	$2,300,000	$280,000	$2,580,000

The country with which companies did the most business was Australia; a $2.6 million of combined sales and likely sales were reported. About $100,000 in sales or potential sales occurred with the U.S.A.

Co-production and Co-venture Deals

Four participating companies indicated that they either signed, or began negotiating co-production or co-venture deals while at FILMART. A total of seven co-production or co-venture deals were either signed or will likely be signed as a result of discussions initiated at the market. These deals are reported to be worth an estimated $41,300,000. Nine countries were involved in these deals including China, Singapore, Germany, the UK, the USA and Korea.

Co-production and Co-venture Deals

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	1	$3,000,000	1
Company 2	1	$13,000,000	2
Company 3	2	$300,000	4
Company 4	3	$25,000,000	4
Total	7	$41,300,000	9

Screenings

Of the total responding companies to the survey, five of them (or 36%) indicated that they had a title or titles screened at FILMART. The satisfaction level for the visibility received from the screenings was relatively low. The mean rating was only 5 out of 10.

Canada Sales Desk

All the participating companies used the Canada Sales Desk.

Participants were asked to rate their satisfaction with various elements of the Canadian operation. In general, the response was mostly positive for the helpfulness. This element received a high average ranking of 9.2 out of 10. The only element that fell below seven was the size of the meeting places.

Canada Pavilion Element	Average Satisfaction rating /10
Helpfulness of booth staff	9.2
Usefulness of pavilion in holding meetings	8.6
Location of the stand	8.4
Overall utility of the Canada Pavilion to your compa	8.2
Design and appearance of the stand	7.6
Availability of meeting spaces	7.5
Size of meeting spaces	6.7

Costs of Attending the Market

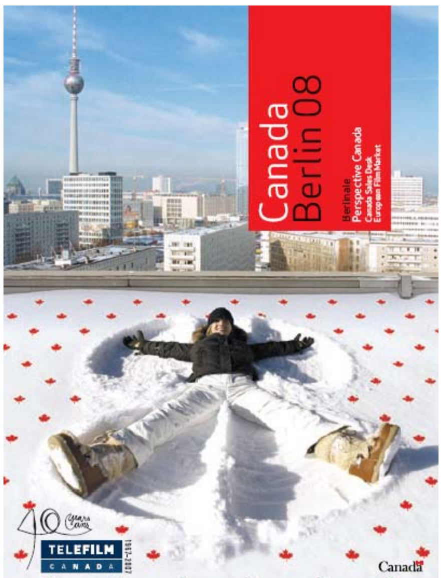
The average cost for a company to participate in this market was $4,643. On average, the market scored a relatively high 7.8 out of 10 for its value when participation expenses are considered.

Overall Impressions of the Market

FILMART scored quite well relatively to other markets. Overall satisfaction levels averaged out at about 8.4 out of 10. Almost all the respondents 12 out of 13 would recommend attending the Hong Kong FILMART. Despite this, only 15% of the respondents indicated that the Hong Kong FILMART is the best market of its kind. The American Film Market was more likely to be rated number one.

Background

The Berlin International Film Festival (BERLINALE), presents about 380 films every year, the vast majority of which are world or European premieres. Around 20,000 accredited guests from 125 countries – including over 4,000 journalists – attended the festival in 2008.



The European Film Market (EFM) is the business component of the Berlinale. The 2008 edition took place between February 7 and February 17, 2008.

In 2008, 430 companies from 51 countries had booths in the Martin Gropius Bau and the EFM exhibitor offices, with an additional 60 companies based in local hotels. A total of 1,073 buyers from 54 countries used this year's EFM as a platform for acquiring film rights – an increase of 3% over last year. The *EFM* also registered an increase of 10% among industry attendees: approximately 6,400 accredited professionals took advantage of the various screenings and services offered by the market.

The Berlinale co-production market is a three-day event attracting over 500 industry representatives. In 2008, 35 film projects from 25 countries were chosen from 378 submissions. Over the last four years, 73% of the selected projects have been produced.

Overview of the Event

Canada Sales Desk

For the third consecutive year, Telefilm coordinated the Canada Sales Desk that provided turnkey office spaces to six Canadian distributors in addition to a general meeting space at the disposal of all Canadian industry members attending the EFM.

The Canada Sales Desk was located in the main building of the EFM. The area was redesigned to maximize the visibility of the six exhibitors and maintain adequate space to accommodate a limited general seating area for producers and non-exhibiting sales companies.

Canada Sales Desk partner:

- Department of Canadian Heritage through its Trade Routes Program

The Canadian Industry Networking Event at the Embassy was powered by federal, provincial and private sector partners: Telefilm, Embassy of Canada in Berlin, provincial film agencies from New Brunswick, Ontario, Manitoba, the Trade Routes Program of Canadian Heritage, the Canadian Tourism Commission, Air Canada and Travel Manitoba.

Perspective Canada at the EFM

A total of 12 Canadian-produced feature length films were presented as part of the Perspective Canada's screenings in 2008. Three of these 12 films were also selected by the Berlin Film Festival, an added-value for the selected titles: *Everything is Fine* (*Tout est Parfait*), *The Fight* (*le Ring*) and *My Winnipeg*.

The final film selection offered a cross-section in terms of genre; half of the films presented were debut narratives.

A Perspective Canada screening attracted 20 industry professionals, a respectable average, given the competitive nature of the market where 1,093 screenings take place in a period of eight days, in addition to the more than 900 festival screenings in a period of 11 days.

The films rights owners also benefited from a promotional campaign developed and entirely funded by Telefilm Canada to guarantee the best possible exposure for the invited films.

Producers Without Borders at the EFM

Rounding out the existing initiatives at the EFM, such as Canada Sales Desk and Perspective Canada, 2008 saw the launch of Producers Without Borders. Its objective was to spotlight Canadian producers (20) attending Berlin that have projects in development seeking financing through co-production and/or pre-sales. The Producers Without Borders directory was integrated into the Canada at Berlin marketing campaign. The producers also benefited from a business networking during the Canadian Industry Networking Event at the Canadian Embassy.

Participant Survey

Overview

The Berlin survey was administered between March 18 and April 30, 2008. Of 48 invitations sent out, 36 companies completed the survey for a response rate of 75%. This is a satisfactory response and is a significant improvement over the previous year.

Of the response, 75% described the primary business focus of their company as a 'producer'. About 19% described themselves as distributors. Given it was a film-centred market, 94% of the respondents indicated feature film as their main area of interest. The list of participating companies hailed from across Canada.

The majority of the participating companies were smaller organizations with revenues of less than $1 million annually. Moreover, 89% of all participating companies had less than 10 staff. No company had more than 50 staff.

Sales Activities

For feature film, 75% of participants came to the market with an interest in selling drama. About 86% of the participating companies claimed to have completed sales or to have started discussions that were likely to lead to sales, and 42% of participants reported pre-sales that were likely to occur.

Only 13 companies reported their sales figures. The breakdown of Canadian sales and pre sales at the EFM are as follows:

Sales	Pre Sales
12 Companies	3 Companies
I	I
34 Titles	6 Titles
I	I
49 Deals	6 Deals
I	I
$446,250 Deals Completed	$60,000 Pre Sales likely to occur
$13,008,500 Sales likely to occur	2,000,000 Pre Sales likely to occur

Total Sales and Pre Sales = $15,514,750

Given that only 13 companies returned sales figures, overall totals are a conservative estimate of the total sales story.

Canadian companies at Berlin saw a significant rise in sales and pre sales volume from last year; $3.2 million in 2007 to over $15 million in 2008. The majority of this revenue increase can be found in likely sales which went from $2 million to well over $13 million.

Sales action occurred across a broad spectrum of genres. The drama genre saw the most sales interest with more about $186,000 in confirmed sales and $2 million in likely sales. Horror/thriller had a more than $1.3 million in completed and likely sales and action/adventure was the third most productive genre with 41.2 million in sales and likely sales.

Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Drama	$186,000	$2,044,000	$2,230,000
Comedy	$128,000	$595,000	$723,000
Documentary/Educational	$65,000	$210,000	$275,000
Children's Programming	$25,000	$150,000	$175,000
Horror/Thriller	$23,000	$1,300,000	$1,323,000
Animation	$20,000	$60,000	$80,000
Action/Adventure	$0	$1,200,000	$1,200,000

The country with which companies did the most business was Germany with almost $1.9 million in completed and likely sales. Russian had the second most sales action with a little over $1.2 million in likely and completed sales.

Sales By Country

	Sales	Likely Sales	Total
Latin America	$85,000	$300,000	$385,000
Germany	$55,000	$1,820,000	$1,875,000
Spain	$55,000	$200,000	$255,000
Greece	$44,000	$0	$44,000
Europe (unspecified)	$43,000	$550,000	$593,000
Russia	$32,000	$1,200,000	$1,232,000
Mexico	$30,000	$0	$30,000
Poland	$17,000	$9,000	$26,000
Scandinavia	$15,000	$0	$15,000

Pre-sales only occurred between Canadian companies.

Likely Pre Sales by Country

	Pre Sales	Likely Presales
Canada	$60,000	$600,000
US	$0	$1,000,000
Africa	$0	$400,000

Co-production and Co-venture Deals

There were 19 participating companies who indicated that they either signed, or began negotiating co-production or co-venture deals while at the EFM. Financial data was volunteered by 16 of these companies. A total of 35 co-production or co-venture deals were either signed or will likely be signed as a result of discussions initiated at the EFM, nearly triple the previous year. These deals are reported to be worth $45,150,000, $13 million dollar growth over 2007. Countries involved included Israel, Germany, the UK, Ireland and Spain.

Co-production and Co-venture Deals

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	3	$2,000,000	Israel
Company 2	1	$500,000	US
Company 3	4	$2,000,000	-
Company 4	1	$3,000,000	Germany
Company 5	2	-	-
Company 6	2	$1,500,000	Germany
Company 7	1	$10,000,000	UK
Company 8	1	$4,000,000	Ireland
Company 9	3	$3,000,000	-
Company 10	1	$1,000,000	Brazil
Company 11	1	$200,000	Israel
Company 12	2	$5,000,000	-
Company 13	0	-	Brazil
Company 14	1	$1,500,000	Ireland
Company 15	3	$8,200,000	-
Company 16	2	$300,000	Germany
Company 17	2	-	Spain
Company 18	3	$2,000,000	-
Company 19	2	$950,000	Germany
Total	35	$45,150,000	

Screenings and Other Initiatives

Of the total responding companies to the survey, 21 of them or 58%, indicated that they had a title or titles screened at the EFM. Seven companies indicated specifically that the screening was part of Telefilm’s Perspective Canada initiative. About 42% of the Perspective Canada screened companies reported that the screening helped lead to sales or likely sales.

The satisfaction level for the visibility that the screenings provided for a company's titles was 7.2 out of 10: a significant improvement over 2007's 5.8.
There were also 15 respondents who indicated that they had participated in the Producers Without Borders initiative. Almost half of them reported that this event helped either directly or indirectly lead to sales activity. Almost 90% agreed that the initiative contributed to identifying new business partners.

Canada Sales Desk

A majority (78%) of participants used the Canada Sales Desk. Participants were asked to rate their satisfaction with various elements of the Canadian operation. In general, the response was mostly positive for helpfulness of the booth staff. This element received a strong average rating of 8.6 out of 10 for satisfaction compared to 7.3 last year. Many of the elements related to booth design and meeting spaces saw improvements over the previous year including overall design (7.2 up to 7.5), size of meeting spaces (5.6 up to 6.2) and utility of the booth (6.8 up to 7.6)

Canada Sales Desk Element	Average Satisfaction rating /10
Helpfulness of booth staff	8.6
Overall utility of the Canada Pavilion to your company	7.6
Design and appearance of the stand	7.5
Location of the stand	7.5
Availability of meeting spaces	6.2
Size of meeting spaces	6.2
Usefulness of pavilion in holding meetings	6.2

Despite positive improvements with respect to many of the elements of the Canada Sales Desk, one thing does remain clear; the average ratings for the meeting spaces (availability, size etc) remain lower than the general scores among the other markets. Some of the suggested future improvements for the Canadian operation from respondents included additional space. These comments were addressed in 2009 by increasing the space to 75 square meters.

Costs of Attending the Market

The average cost for a company to participate in this market was reported as $8,698. This is around $3,000 more than the average cost last year. Despite the apparent rise cost for attending, the market scored 7.5 out of 10 for its value when participation expenses are considered—a considerable improvement over last year's 6.4 out of ten.

Overall Impressions of the Market

General satisfaction with Berlin appears to be a have greatly improved over the previous year. This market received an average satisfaction score of 8 out of 10 (tied with Cannes' result); up from the previous year's 6.8. In fact, last year relative to the other five surveyed markets, Berlin was rated the lowest. Despite these improved scores, less than a third of the respondents indicated that the EFM is the best market of its kind. Almost half indicated Cannes as the market best-suited for their company needs.

Background

The International Television Programme Market (MIPTV) took place in Cannes between April 7 and 11, 2008. Although Television programming is the specialty of the MIPTV market, it is also an international audiovisual and digital content market for co-producing, buying, selling, financing and distributing entertainment content. It also provides decision makers in the TV, film and digital content industries with leading-edge conferences and networking forums designed to stimulate the global trade of content rights. MIPTV is preceded by the documentary market MIPDOC, which took place on April 5-6, 2008.

Overview of the Event

13,360 people attended MIPTV, including representatives of 4,551 companies from 111 countries. This is up slightly from 13,311 professionals and 4,548 companies registered last year.

The most notable statistic concerns the number of buyers, 4,422, an increase of 16% over 2007. MIPTV 2008 met its mark in terms of drawing new players from the digital media and advertising fields.

For its part, MIPDOC 2008 attracted 776 participants from 60 countries, including 433 buyers. Exhibitors offered 1,415 programs and MIPDOC reports a total of 30,254 screenings.

Canadian participation included 228 companies, unchanged from 2007. 40% of Canadians participated as exhibitors.

The Canada Pavilion

The Canada Pavilion offered several advantages to 65 companies (71% of all Canadian exhibitors): strong brand, prime location attracting numerous international delegates, access to a wide array of services, and significant cost savings due to economies of scale in goods and services purchasing.

Canada Pavilion partners:

- British Columbia Film
- Ontario Media Development Corporation
- National Bank of Canada

Participant Survey

In May 2008, 65 Canadian companies that attended MIPTV were surveyed. Of these invitations, 47 companies accessed the on-line survey tool and 51 actually completed it. This is a relatively high response rate of about 72%. The survey was open to respondents from May 7 until June 23, 2008.

The majority (74%) of the responses described the primary focus of their company as 'producer', and the most represented media was television (all respondents checked television in the survey).

Among the responding companies, the largest group (28%) reported revenues between $1 and $5 million. Most of these companies were modestly sized with 68% of the respondents reporting 10 employees or less.

Sales Activities

About 96% of all responding companies claimed to have made sales or started discussion that would lead to sales at MIPTV. When asked what genre was of most interest for sales, for television, the two dominant categories were documentary/lifestyle and animation. The breakdown for MIPTV Canadian sales are:

Sales	**Pre Sales**
20 Companies	8Companies
I	I
49 Titles	12 Titles
I	I
70 Deals	14 Deals
I	I
$5,201,500 Deals Completed	$0 Pre Sales completed
$7,734,800 Sales likely to occur	$5,757,000 Pre Sales likely to occur

Total Sales and Pre Sales = $18,693,300

In total there were 61 titles that saw sales or pre-sales. Canadians made 84 separate deals which accounted for almost $5.2 million in completed sales (there were no pre sales) in this market. This is a substantial increase over the previous year's $3.6 million. Moreover, there were almost $13 million worth of sales and pre sales that were likely to occur because of discussions started at the market. In total, Canadian companies that responded to the survey reported $19 million in sales/pre sales or likely sales/pre sales.

Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Comedy	$62,000	$10,000	$72,000
Documentary/Educational	$65,000	$2,221,000	$2,286,000
Horror/Thriller	$0	$700,000	$700,000
Animation	$4,905,000	$1,032,000	$5,937,000
Action/Adventure	$0	$2,510,000	$2,510,000
Lifestyle	$170,000	$784,000	$954,000
Performing Arts	$0	$78,000	$78,000
Reality	$0	$400,000	$400,000
Total	$5,202,000	$7,735,000	$12,937,000

The highest selling genre at the market is animation programming. This category actually edged out the documentary/lifestyle category which was the biggest revenue producer last year. Lifestyle pulled in a significant take of $170,000 worth of sales and an additional $784,000 in likely sales. Documentary performed more modestly this year with only $65,000 in sales.

By country, the Canadian participants made the most lucrative deals with Latin America. In total, they reported almost $228,000 million in sales or likely sales between. Of that total, more than $150,000 were confirmed sales.

There was almost $3 million in likely sales with the UK and an additional $1.3 million in likely sales with the US.

Sales By Country (Top Ten)

	Sales	Likely Sales	Total
United Kingdom	$50,000	$2,960,000	$3,010,000
United States	$35,000	$1,270,000	$1,305,000
Korea (South)	$52,000	$223,000	$275,000
Latin America	$150,000	$78,000	$228,000
Sweden	$20,000	$117,000	$137,000
Russia	$52,000	$71,000	$123,000
Portugal	$0	$75,000	$75,000
Lebanon	$20,000	$50,000	$70,000
Japan	$10,000	$50,000	$60,000
South Africa	$0	$50,000	$50,000

There were no pre sales at this market. However in likely pre sales, the UK saw the most money changing hands between Canadian companies. Almost $3 million in pre sales were recorded.

Pre Sales by Country

	Pre Sales	Likely Pre Sales	Total Presales
Austria	$0	$130,000	$130,000
Canada	$0	$650,000	$650,000
France	$0	$780,000	$780,000
Germany	$0	$250,000	$250,000
Panama	$0	$150,000	$150,000
United Kingdom	$0	$2,797,000	$2,797,000
United States	$0	$1,000,000	$1,000,000

Co-production and Co-venture Deals

There were 10 participating Canadian companies who indicated that they either signed, or began negotiating co-production or co-venture deals while at MIPTV. However, only 5 of these companies answered to all subsequent questions concerning the number of deals, the value of deals, and the countries with which these deals were made. This will lead to data that, although incomplete, is still useful for analysis. In total, 10 companies provided information about the number of co-production or co-venture deals and reported a total of 17 deals. These deals were reportedly worth $13,400,000.

Co-production and Co-venture Deals

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	3	$1,000,000	France
Company 2	1	$1,200,000	Australia
Company 3	1	-	-
Company 4	1	$5,000,000	Europe
Company 5	1	-	France
Company 6	2	$200,000	United Kingdom
Company 7	1	-	Canada
Company 8	1	$6,000,000	Netherlands/Holland
Company 9	5	-	-
Company 10	1	-	-
Total	17	$13,400,000.00	

The Canada Pavilion

The Canada Pavilion is of use to Canadian participants at MIPTV. Almost all the companies (94%) reported using the Canada Pavilion in one way or another. Of the small percentage who claimed not to use it, the only expressed reason was that they had ‘meetings elsewhere’. It is unclear what alternative location(s) they used for their meetings.

The highest level of satisfaction (8.9 out of 10) was the helpfulness of the booth staff; a slight increase from last year, when the staff received 8.8 out of 10.

Only two elements scored below seven for MIPTV: the location of the stand, which received a 6.8 out of 10 and the design and appearance of the stand (6.4 out of 10). These represent drops from the previous year.

Canada Pavilion Element	Average Satisfaction rating /10
Availability of meeting spaces	7.5
Design and appearance of the stand	6.4
Helpfulness of booth staff	8.9
Location of the stand	6.8
Overall utility of the Canada Pavilion to your company	7.6
Size of meeting spaces	7.3
Usefulness of pavilion in holding meetings	7.5

Costs of Attending the Market

Respondents reported that their companies incurred an average cost of $15,917 in attending MIPTV (slightly higher than the previous year). The market received an average score of 6.8 out of 10 for its overall perceived value for money; a decrease from last years’ 7.3.

Overall Impressions of the Market

In general, participating companies appear satisfied with MIPTV as a market. With an average satisfaction rating of 7.3 out 10, although relatively high in relation to other markets, this score represents a significant decline from the previous year.
About a third of the respondents rated MIPTV as best international event and about 23% felt that it was the second best. The largest group of participating companies (43%) felt that it was actually the MIPCOM and not MIPTV that was the best international event of this kind.

A solid 66% of respondents reported that they would ‘definitely’ recommend MIPTV and a further 31% said they would ‘probably’ recommend it. Only 2% were not sure if they would recommend the market.

MARCHÉ DU FILM
FESTIVAL DE CANNES

Background

Founded in 1959, the Cannes Film Market ("Marché du film") is held in conjunction with the Festival de Cannes in May each year. In 2008, it ran from May 14 to May 25, 2008. 24 856 accredited professionals from 117 countries attended the film market and the festival in 2008. There were 1,635 screenings for which 75% were world premieres and 36% were video and digital screenings (10% more digital screenings than in 2007). In 2008, 4,175 companies registered at the Cannes Market (up from 4,082 in 2007). Production, distribution and sales are the main activities of these companies.

Overview of Canada at the Marché du Film

The Canada Pavilion

In addition to the federal government, provincial governments, industry partners, and the 73 official participating companies, the Canada Pavilion registered more than 70 Canadian companies on site and welcomed, on average, more than 300 visitors per day. For 2008, the Canada Pavilion was redesigned and was proved to be a real hit with participating companies. The Pavilion enjoyed higher business activities than the previous year and the Perspective Canada screenings continued for the third year in a row.

Programming

Among the events worth noting at the Canada Pavilion was:

- A panel moderated by Wayne Clarkson *From Oscar Nominations in Hollywood to Official Competition at the Cannes Festival*, with Simone Urdl and Jennifer Weiss, who produced respectively Atom Egoyan's *Adoration* and Sarah Polley's *Away From Her* as well as Niv Fichman who produced *Blindness.*

- Three targeted events at the Canada Pavilion:
    - A networking event for international buyers and sellers to stimulate the sale of Canadian productions;
    - A networking event with European producers to stimulate business opportunities and foster co-productions;
    - A private lunch with producers from Hong Kong and China;
    - Telefilm engaged the services of experienced "matchmakers"; and
    - A private Asia/Pacific meeting focused on co-production was also on the agenda.

In an effort to stimulate the co-production of French-language feature films, Telefilm supported a francophone matchmaking initiative featured by the Producers' Network and the SODEC. This initiative involved other foreign francophone funding organizations: France's *Centre national de la cinématographie*, the *Communauté Française de* the *Office Fédéral de la Culture Suisse* and the Luxemburg Film Fund.

Also part of the Producers Network's partnership with Telefilm and SODEC, the Spotlight on Canada enjoyed the participation of 52 Canadian producers in the Producers Network this year. During these breakfast meetings, a series of thematic roundtable discussions were held, gathering about 200 industry professionals. During a breakfast meeting focusing on Canada, 10 Canadian producers were introduced to a wide international audience of producers, distributors and financiers.

Perspective Canada

Perspective Canada, a Telefilm initiative aimed to generate international sales for Canadian films, was in its 3rd edition in Cannes. Eight feature films and one feature-length documentary were selected among the 15 submissions and presented at the Cannes Film Market.

Programming was organized in collaboration with the Feature Film Directors from all the four regions. The final selection offered a cross-section of films in terms of genre (comedy, thriller, documentary, family films, and drama) and diversity of production regions.

Every screening attracted an average of 20 professionals, representing an overall total of almost 200 companies. This is a good average, given the competitive nature of the Cannes Market—where 15 or so screenings are held every hour—and the fact that several of these films were first features directed by new directors. This success can be attributed to the soliciting work done by sales agents and producers prior to the Market, work bolstered by the impact of the advertising campaign coordinated and funded by Telefilm.

Canada Pavilion Partners:

- Alberta Film
- BC Film and Media
- Canadian Film and Television Production Association
- Department of Canadian Heritage – Trade Routes Program
- Film Nova Scotia
- Manitoba Film and Sound
- Department of Canadian Heritage – Trade Routes Program
- Newfoundland and Labrador Film Development Corporation
- Ontario Media Development Corporation
- SaskFilm and Video Development Corporation
- National Bank of Canada

Participant Survey

80 Canadian companies that participated in the Cannes Film Market were surveyed between July 2nd and October, 2007. Of the 80 participants contacted, 52 accessed the survey and all 52 completed the survey. This represents a relatively stable 65% response rate. These companies covered a representative cross-section of the country. When asked to self-describe their primary interest, almost 79% reported 'producer', and almost all of them (98%) stated feature film as the medium they're most interested in. About 38% also claimed an additional interest in television.

The respondents were from modestly sized companies. About half of the respondents reported revenues last year of less than $300,000 and 88% of them had less than 10 permanent employees.

Sales activities

In general, sales were up for Canadian companies at Cannes in 2008. About 73% of responding companies reported some level of sales activity at the market; $1.2 million worth of sales occurred at the market in 2008 compared to $70,000 reported from the previous year. Pre sales were very strong in 2008 with almost three million dollars in reported pre sales.

Sales	Pre Sales
38 Companies	2 Companies
I	I
28 Titles	2 Titles
I	I
54 Deals	2 Deals
I	I
$1,181,500 Sales Completed	$2,910,000 Pre Sales Completed
$3,484,500 Sales likely to occur	$2,300,000 Pre Sales likely to occur

Total Sales and Pre Sales = $9,574,857

Of the top ten countries for sales, business within Canada saw the highest return (a quarter million in sales). Latin America, Russia and Germany all closed substantial levels of sales with Canadian companies. If working deals are considered, the most business was conducted with France ($1.8 million in completed and likely sales).

Sales By Country (Top 10)

	Sales	Likely Sales	Total
France	$51,000	$1,700,000	$1,751,000
Canada	$250,000	$950,000	$1,200,000
Latin America	$160,000	$160,000	$320,000
Russia	$150,000	$150,000	$300,000
Australia	$0	$200,000	$200,000
United Kingdom	$160,000	$0	$160,000
Scandanavia	$70,000	$70,000	$140,000
Germany	$115,000	$0	$115,000
Middle East	$50,000	$50,000	$100,000
Asia	$42,000	$35,000	$77,000

Co-production and Co-venture Deals

27 companies (52% of those who answered the question) indicated that they either signed, or began negotiating co-production or co-venture deals while at CANNES 2008. These companies declared that 48 co-production or co-venture deals were either signed or would likely be signed as a result of discussions at CANNES 2008. 24 companies provided information about the value of co-production or co-venture deals and reported that the deals were worth $85,550,000.

Respondents reported that they participated in an average of 31 business meetings while at Cannes 2008.

Co-production and Co-venture Deals (Top 10)

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	2	$400,000	Germany, Israel, UK
Company 2	2	$200,000	United States
Company 3	2	$8,000,000	France, Germany, UK
Company 4	2	$10,000,000	Europe
Company 5	3	$250,000	France
Company 6	1	$5,000,000	United Kingdom
Company 7	1	$0	United Kingdom
Company 8	0	$7,000,000	Ireland
Company 9	1	$2,000,000	South Africa
Company 10	2	$250,000	Ecuador, Mexico
Company 11	3	$2,000,000	Did not answer
Company 12	1	$200,000	France
Company 13	3	$6,000,000	Croatia, Ireland, Israel, UK
Company 14	3	$0	US
Company 15	1	$200,000	Ireland
Company 16	1	$500,000	UK
Company 17	2	$2,000,000	Israel, Slovenia, UK
17	30	$44,000,000	12

The Canada Pavilion

About 85% of the participants reported using the Canadian pavilion at the market. This is well below the 100% from the previous year. Some of the verbatim responses suggest that some participants used SODEC's facilities or had meeting places of their own.

Despite the decline in use of the business centre, satisfaction with the centre has actually risen from an average of 7.5 in 2007 to 8.3 out of 10. For several years in a row, the Canadian business centre enjoyed a prime location at the market, and this year was no exception. As with the previous year, the location of the stand was the highest rated element among the respondents. It received a mean rating of 9 out of 10. No element fell below 7.5: one of the highest rated business centres among the markets.

Canadian Pavilion Element	Average Satisfaction rating /10
Availability of meeting spaces	7.5
Design and appearance of the stand	8.5
Helpfulness of booth staff	8.5
Location of the stand	9.0
Overall utility of the Canada Pavilion to your company	8.6
Size of meeting spaces	7.9
Usefulness of pavilion in holding meetings	8.1
Usefulness of pavilion's onsite amenities such as internet services & refreshments	8.1

Cost of Attending the Market

On average, responding companies reported that it cost of $15,145 to attend the Cannes Film Market, a significant rise over the previous year; almost doubling 2007's average. As for the value of the money spent, the market received a satisfaction score of 7.2 out of 10, down slightly from the previous year.

Overall Satisfaction with the Market

In general, the participants were satisfied with the market. The market received a mean score of eight out of 10 for overall satisfaction. This is a slight increase over 2007. Despite this, 67% of the respondents would 'definitely' recommend Cannes, which is down from the previous year's 87%.

Background

Taking place every October, MIPCOM has grown significantly since it was first launched, becoming the indispensable fall counterpart to MIPTV. It is an important event for sales and rights acquisitions, co-productions, financing, networking, corporate consolidation, cross-border investments and forecasting of trends and programming. It is also invaluable for giving companies the opportunity to position themselves in an increasingly global business environment. MIPCOM is preceded by MIPCOM Junior, a series of screenings of children's and youth programs.

Overview of Events

The 25th edition of MIPCOM held between October 13 to 17, 2008 reported the highest-ever number of participants with 13,588 delegates and 4,573 companies from 103 countries; a small increase from the 4,242 companies that attended in 2007.

For its part, MIPCOM Junior 2008 attracted 977 participants from 55 countries, including 497 buyers. Exhibitors offered 1,143 programs and MIPCOM Junior reports a total of 43,200 screenings. The market was attended by 265 Canadian companies, including 122 corporate exhibitors.

Each year, MIPCOM honours a country with a special focus and this year, Spain sponsored the opening night party. Continuing the focus on multi-platform content, the 2008 MIPCOM confirmed the importance of putting the spotlight on creative excellence in original short-form programming for Mobile TV, Short Form Internet Entertainment and Cross-Media Engagement Formats. In the MOBILE TV & FILM Projects category there were two entries from Canada.

The Canada Pavilion

The Canada Pavilion offered several advantages to 74 companies (61% of all Canadian exhibitors): strong brand, prime location attracting numerous international delegates, access to a wide array of services, and significant cost savings due to economies of scale in goods and services purchasing.

Even with the increase of space at TV France International, the Canada Pavilion remained the largest umbrella operation in terms of booth space and participants at the 2008 MIPCOM.

Canada Pavilion Partners:

- BC Film and Media
- Ontario Media Development Corporation
- Manitoba Film and Sound
- Alberta Film
- Film Nova Scotia
- Newfoundland and Labrador Film Development Corporation
- SaskFilm and Video Development Corporation
- Department of Canadian Heritage – Trade Routes Program
- Canadian Film and Television Production Association
- National Bank of Canada

Participant Survey

Overview

The survey took place between November 5, 2008 and January 13, 2009. A total of 74 surveys were sent to the Canadian companies registered under the Canada Pavilion. In total, 55 completed the survey; a 74% response rate.

Almost all companies claimed to have an interest in Television and three-quarters of the respondents self-identified as producers.

Sales Activities

All sales, likely sales and pre sales for MIPCOM added up to an impressive $38 million. In total, 26 companies reported on sales and likely sales. There were 70 separate deals which resulted in over $1.8 million in sales (up substantially from the previous year) and about $14 million in likely sales. There were no presales, but an additional $16.4 million in likely pre sales reported for 2008.

Sales	Pre Sales
26 Companies	18 Companies
I	I
70 Titles	18 Titles
I	I
95 Deals	31 Deals
I	I
$1,875,600 Sales Completed	$0 Pre Sales likely to occur
$14,032,604 Sales likely to occur	$22,359,123 Pre Sales likely to occur

Total Sales and Pre Sales = $38,267,327

In sales, animation proved to be the most lucrative genre (for combined sales and likely sales). It saw $800,000 in completed sales (almost 4 times last year's figure) and about $8 million in additional likely sales. The documentary and educational genre also performed reasonably well; in fact, if only completed sales are considered, this genre produced about half a million in sales.

Sales and Likely Sales Genre

	Sales	Likely Sales	Total
Drama	$152,000	$16,000	168,000
Lifestyle	$284,000	$1,187,300	1,471,300
Children's Programming	$26,000	$346,400	372,400
Comedy	$35,000	$30,000	65,000
Documentary/Educational	$517,000	$3,350,000	3,867,000
Animation	$800,000	$8,083,000	8,883,000
Horror/Thriller	$12,500	$510,000	522,500
Performing Arts	$44,000	$15,000	59,000
Sports	$5,000	$0	5,000
Other	$0	$200,000	200,000
Reality	$0	$200,000	200,000

By country, the most sales negotiated were with the USA. A total of more than one million dollars changed hands in completed sales and a further $4.2 million in likely sales. The UK produced the second most sales with a total of $400,000.

Sales By Country (Top Mentions)

	Sales	Likely Sales	Total
United Kingdom	$400,000	$7,264,700	7,664,700
United States	$1,074,000	$4,421,000	5,495,000
Brazil	$0	$600,000	600,000
Germany	$0	$455,000	455,000
France	$201,000	$162,500	363,500
South Africa	$0	$200,000	200,000
Russia	$18,600	$130,000	148,600
Finland	$4,000	$66,100	70,100
Chile	$40,000	$10,000	50,000
Austria	$0	$39,000	39,000
Singapore	$0	$39,000	39,000

Co-production and Co-venture Deals

15 companies provided information about the value of co-production or co-venture deals which were worth $41,900,000. This is up from 2007's results when sales worth $ 33,400,000 were reported. Nearly all companies (17 out of 19) provided information about the countries with which deals were made. Respondents reported that they participated in an average of 40 business meetings each while at MIPCOM 2008, up from 36 in 2007.

Co-production and Co-venture Deals

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	2	$12,000,000	Australia, UK
Company 2	2	$10,000,000	Germany
Company 3	2	$5,000,000	Australia
Company 4	2	$5,000,000	France
Company 5	1	$2,600,000	Ireland
Company 6	1	$2,000,000	Germany, UK
Company 7	1	$1,800,000	Australia
Company 8	2	$1,000,000	UK
Company 9	3	$1,000,000	France
Company 10	2	$500,000	France
Company 11	3	$500,000	N/A
Company 12	2	$200,000	Australia
Company 13	1	$100,000	Germany, UK, US
Company 14	1	$100,000	France
Company 15	1	$100,000	Australia
Total	26	$41,900,000.00	

The Canada Pavilion

Participating companies at MIPCOM had relatively high usage of the Canada Pavilion. About 95% reported using the Pavilion.

Canada Pavilion Element	Average Satisfaction rating /10
Availability of meeting spaces	7.9
Design and appearance of the stand	7.8
Helpfulness of booth staff	8.9
Location of the stand	7.7
Overall utility of the Canada Pavilion to your company	8.4
Size of meeting spaces	7.4
Usefulness of pavilion in holding meetings	8.3

The Pavilion's staff received accolades again with an 8.9 out of 10 satisfaction rating being reported by the respondents. For all other elements, no score fell below 7.4 out of ten. These results are better across the board compared to the previous years'.

Cost of Attending the Market

Companies incurred an average cost of $13, 270 in attending MIPCOM (slightly less than the previous year). Although MIPCOM was considerably more expensive to attend than some other markets, the participants in general saw it as a worthwhile expenditure. Overall, the value for the money for MIPCOM was rated as 7.4 out of 10, up slightly from the previous year.

Overall Impressions of the Market

The overall respondent satisfaction with MIPCOM was 8.3 out of 10. This is a slight increase from the mean of 8.1 in 2007. The market was held in high esteem among the participating companies. More than a third (36%) felt that it was the best market of its kind when it came to meeting their needs. This market continues to prove its favour among the respondents as 82% of them were repeat participants and three quarters would 'definitely' recommend it to others.

CANADA@ GAME CONNECTION

Game Connection 2008

Summary of Survey Results for Game Connection San Francisco 2008

Methodology

Surveying the 2008 San Francisco Game Connection was commissioned by Telefilm to *JF Arsenau Conseil Inc.* Data gathered online using the QuestionPro and the surveys were e-mailed to participants March 6, 2008. All companies responded by March 25, 2008.

Overview of the Event

Most of the 20 participating companies (85%) were aiming to sell original properties developed in-house. 70% also offered work-for-hire services (top demand at market). Most of the companies offer real developer service, i.e., complete game production. 20% of the companies offered sub-contracting services. Most (3 out of 4) offer artistic services – visual content (art).

Overall, 815 of business meetings were held. The average number of meetings per company was between 30 and 45. 50% of the Canadian participants had pre-booked their meetings via the Game Connection online tool. Companies held meetings on and off-site as 27% of the meetings were with contacts not registered at Game Connection.

The operation created new business opportunities as most companies had meetings with new contacts. 50% of the meetings were with the USA and all other countries (14 in total) accounted for less than 10%, notably UK (9%), Japan (8%), France (8%).

The 20 Canadian companies reported about 100 signed and potential agreements valued at CDN$76,225,000. As of March 25, 2008, 7 companies reported 23 signed agreements totaling $3,575,000 and 80 potential agreements valued at $72 650,000.

Overall, the participants reported high satisfaction (90% to 92%) with the entire operation and the services provided by Telefilm.

Sales Activities

- The 20 companies reported about 100 signed and potential agreements valued at CDN$76,225,000.
- As of March 25, 2008, 7 companies reported 23 signed agreements totalling $3,575,000.
- The potential agreements are 80 contracts valued at $72 650,000.
- The participants reported high satisfaction with the entire operation and the services provided.
- 60% of the companies reported at least $1M in potential revenue.
- 3 companies alone account for 68% of the potential revenue.
- For the companies with potential revenue of $2M or less, the average value per contract ranges from $200,000 to $300,000.
- For the companies with potential revenue of $2M to $5M, the average value per contract ranges from $500,000 to $1M.

- For the companies with potential revenue of $10M to $15M, the average value per contract ranges from $1M to $3.5M.
- Based on these scales, the agreements mainly involve handheld consoles (DS and PSP), PC and possibly Wii.
- 60% of the revenue would come from developing original games. 25% from work-for-hire and 15% from subcontracting.

Participant satisfaction

- The participants reported high satisfaction with the entire operation and the services provided.
- The lowest level of satisfaction is for the Game Connection online meeting system (73%) which was not very user-friendly. The organizers were made aware of the problem.
- The highest level of satisfaction is for "Game Connection as a good place to do business" and the support provided by Telefilm Canada (90% to 92%).
- 75% of participants said they intended to go back next year. 25% answered *Maybe*. No one answered *No*.
- Four reasons for attending Game Connection were proposed in the survey. The answers show them to be of nearly equal importance. The only observation is that having a private office and saving time in making appointments (online tool) rate slightly higher.
- 8 companies (40%) said the main reason is that Game Connection allows them to meet business partners they wouldn't have access to otherwise.

Most popular events (intentions for coming year)

- No. 1: GDC and Game Connection @ GDC
- No. 2: Game Connection Europe: Lyon
- No. 3: D.I.C.E. Summit
- No. 4: Casual Connect Seattle 2008 (yes 7, maybe 4)
- No. 5: E3 Media & Business Summit (yes 4, maybe 7)
- No. 6: Tokyo Game Show (yes 4, maybe 7)
- No. 7: G|C Game Convention: Leipzig (yes 3, maybe 8)
- No. 8: Austin Game Developers Conference

Number of times at Game Connection @ GDC

- 1st time: 7.35%
- 2nd time: 7.35%
- 3rd time: 4.20%
- 4th time: 2.10%

One third of the companies were attending Game Connection @ GDC for the first time. One third of the companies were attending for the second time. Most companies attending the GDC chose to register at the Game Connection during their 2nd or 3rd year.

Number of times at Game Connection Europe (Lyon)

Only 5 companies had previously attended Game Connection Europe. Among the 5:

- 1 has attended 5 times
- 1 has attended 3 times
- 2 have attended 2 times
- 1 has attended 1 time

Only 25% of companies had previously attended the two main Game Connection events (Europe and GDC).

Number of times at GDC but not attending Game Connection Europe

- 5 have attended 1 time
- 8 have attended 2 times
- 1 has attended 3 times
- 1 has attended 4 times
- 1 has attended 6 times
- 1 has attended 18 times

Reasons for Attending

- 28%: The Game Connection online meeting system saves me lots of preparation time.
- 28%: I already have a good contact network, but I need a private room for meetings.
- 23%: I can meet business partners I wouldn't have access to otherwise.
- 21%: Most of the people I need to meet attend Game Connection. I have to be there too.

Summary of Survey Results for Game Connection Europe 2008

Methodology

Game Connection Europe was surveyed using the Explorance based software tool 'Blue'. An on-line survey was conducted between December 22, 2008 and January 31, 2009.

Overview of the Event

In December 2008, a questionnaire was sent out to the Canadian participants at Game Connection Europe. Eight companies responded to the survey. Five of these companies' principal activity is Game Development, two are in services and one is in television production and game development. The average operating age of the participating companies is about six years. Almost all of companies sent two employees to the event.

While there was a relatively good distribution of platforms for which companies were offering services, all eight companies had some level of involvement with consoles.

Platform	Companies
Online	4
Downloadable	5
Mobile Devices (cellular phones, smart phones)	1
Hand Held Consoles (DS, PSP, etc)	7
Consoles (X Box, Wii, etc)	8

Game Connection Event

On average, responding companies had already attended three past Game Connection events. For one company, 2008 was their tenth time attending. Six of the eight companies intended to attend Game Connection in San Francisco.

Main business objectives at Game Connection	Companies
To sell or finance your own original games or concepts	6
To sell or finance the development of licensed IP for which you have acquired the rights from a third party	2
To offer services for end-to-end game development (work for hire)	5
To offer outsourcing services: art	3
To offer outsourcing services: programming	3
To offer outsourcing services: QA, testing and localization	1
To find outsourcing partners	1
Other(s)	2

Participating companies were very busy with meetings. The minimum number of meetings among the respondents was fifteen and the maximum was forty. On average, participating companies attended about twenty-five meetings. Of the 25 average meetings, 22 of them were booked with the Game Connection online tool. For the average company, about four 'on-the-spot' meetings occurred at the event. One company reported ten 'on-the-spot meetings.

This event proved to be successful for new business contacts. For six out of eight respondents, a majority of the meetings was new business.

Percentage of meetings were…

	With new business contracts?	With existing business contracts?
None	1	0
0-24%	1	3
25-49%	0	3
50-74%	4	1
75-100%	2	1

There was a relatively diverse set of international players among the company meetings. The UK and other European countries appeared to be involved with the most meetings. Korea and China were involved in the least amount of meetings.

Percentage of meetings by country

	US	UK	France	Germany	Nordic Countries	Other Europe	Japan	China	Korea	Other
None	1	2	3	3	3	1	3	6	7	6
Less than 25%	5	1	2	4	5	5	4	2	1	2
25-49%	2	5	3	1	0	1	1	0	0	0
50-74%	0	0	0	0	0	1	0	0	0	0
75-100%	0	0	0	0	0	0	0	0	0	0

Sales Activities

Despite a good amount of meetings going on, actual sales activity at the event was low. Only one company reported a signed contract. This contract was worth about $20,000.

Likely sales were more promising with an average of two potential contracts per company. The maximum potential contracts achieved by a company were five. An average potential contract was worth about $700,000 whereas the highest potential contract among the companies was about $2 million.

In general, there was a diversity of revenue streams among these companies. However, two of the companies reported that 100% of their revenue came from outsourcing services.

What percentage of your revenue is for…?

	Selling or financing your original IP	Selling or financing development of licensed IP for which you have acquired the rights from a third party	Work for hire (end-to-end game production)	Outsourcing (services)
None	0	2	0	1
Less than 24%	1	0	2	2
25-49%	3	2	2	0
50-74%	1	0	0	1
75-100%	0	1	0	2

Satisfaction with the Event

In general, the participating companies reported that they were largely satisfied with the event. Half of the respondents reported that they were 'very satisfied' with the overall event and the further 38% were 'somewhat satisfied'. Only one respondent indicated that they were 'somewhat dissatisfied' with the event.

Most individual elements were rated highly, with the online meeting system getting the highest ratings with almost two-thirds of the respondents indicating that they were 'very satisfied'. The quality of other event participants received more lukewarm ratings and the only 'very dissatisfied' response came from a single company for their private meeting room.

	Very Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Very Dissatisfied
Game Connection as a place to meet with the right business partners	57%	43%	0%	0%	0%
The number of participants in the Game Connection	50%	38%	0%	13%	0%
The quality of participants in the Game Connection?	38%	38%	13%	13%	0%
he Game Connection online meeting system as an effective tool for booking meetings	63%	38%	0%	0%	0%
Your private meeting room	13%	75%	0%	0%	13%
CANADA branding and promotional materials (banner, flyer, clip, advertising)	25%	75%	0%	0%	0%
Preparation, coordination and support by Telefilm Canada consultant	38%	63%	0%	0%	0%
Rebate on Game Connection registration cost offered by Telefilm Canada?	43%	43%	0%	14%	0%
Your overall experience	50%	38%	0%	13%	0%

Attending the Event

It appears that Telefilm does have some influence among these companies for Game Connection. Four (50%) of the respondents indicated that Telefilm's package contributed to their decision to attend. One company felt that Telefilm partially influenced their decision and three felt that it had no bearing on their decision to attend the event.

As for other elements that influence their decision to attend Game Connection, it appears the most important element was the rebate on registration costs offered by Telefilm. Half of the companies reported this element to be 'very important'.

How Important are the following elements in influencing your decision to Attend Game Connection

	Not at all important	Not very important	Somewhat important	Very Important	Not Applicable
CANADA branding and promotional materials (banner, flyer, clip, advertising)	1	3	4	0	0
Preparation, coordination and support by Telefilm Canada consultant	1	1	4	1	1
Rebate on Game Connection registration cost offered by Telefilm Canada (approx. 35% for developers only)	1	1	1	4	1

In total, all companies indicated that they were at least 'probably' going to attend Game Connection Europe 2009 with four companies reporting that they would definitely go.

GDC San Francisco was the most likely subsequent event that the companies would attend with all eight respondents saying 'yes'.

Are you planning to attend the following events..?

	Yes	No	Maybe
GDC San Francisco, March 23-27, 2009	8	0	0
Montreal International Game Summit (MIGS) November 18-19, 2008	5	2	1
E3 Media & Business Summit, Los Angeles July 2009	3	3	2
Casual Connect Seattle, July 22-23, 2009	3	5	0
Vancouver International Game Summit, May 11-15, 2009	2	5	1
Vancouver International Digital Festival (VIDFEST), May 11-15, 2009	2	5	1
Paris Game Developers Conference, Paris June 2009	2	6	0
Develop Conference & Expo, Brighton, UK, July 2009	2	6	0
GC Developers Conference (GCDC) Leipzig, Germany, August 2009	2	2	4
G|C Game Convention, Leipzig, Germany, August 2009	2	3	3
Tokyo Game Show, September 24-27 2009	2	2	4
Kids Screen New York, February 11-13 2009	1	6	1
D.I.C.E. Summit Las Vegas, 18-20 February 2009	1	5	2
Casual Connect Europe, Hamburg, Germany, 10-12 February 2009	1	5	1
GDC Canada Vancouver, May 12-13, 2009	1	2	5
Nordic Game Conference Malmö, Sweden, May 19-20, 2009	1	6	1
Austin Game Developers Conference, September 14-18, 2009	1	5	2
G*Star and Korea Games Conference, November 13-16 2008	0	8	0
China Joy, Shanghai July 2009	0	8	0
Games Convention Asia (GCA) Singapore, September 17-20, 2008	0	8	0