

Prime Time in Ottawa

Speaking Notes
February 18, 2011

Thank you very much John.

Good morning ladies and gentlemen.

I am very pleased to be with you today, and to have this opportunity to talk to you about something I feel passionate about.

As many of you know, I was appointed Executive Director of Telefilm Canada 11 months ago—but after more than 20 years of service with the organization.

I see my history with the organization as a great advantage. I've had the pleasure of working in close contact with Canada's audiovisual industry and its members.

In the last eleven months, I have focused on meeting people from many different parts of the industry, and that has given me a broader perspective.

And I have worked with many bright and dedicated people at Telefilm who always strived to reach the full potential of the industry and our organization.

Such is the case today.

And that is the best way to begin what I have to say.

Right now, Telefilm is at the beginning of a new corporate planning cycle. We spent most of last year consulting with the industry, researching particular topics, and formulating ideas for the next four years.

What we discovered was a surprising degree of consensus about where the industry is going, and what kind of support it needs to succeed.

And if you think that means maintaining the status quo, I think you have a little surprise in store.

I won't be launching the corporate plan today, but I do want to talk about the principles it will be based on.

I believe we have reached the most important turning point for the industry in a long time. The approach I will outline for you today is what my team will be focused on, and it's what I hope the industry will help us accomplish.

During this learning experience I have undertaken over the last several months, I had an opportunity to pause and reflect on what we need to move ahead.

Consider for a moment this familiar quote from the movie Field of Dreams. Build it and they will come.

We can all see the simple optimism in that quote – the faith that we will succeed if we simply build or create something of value.

But is that always true...?

For example, what happens if you build a strong audiovisual industry that makes world-class productions, and the audiences don't come...?

In many ways, that's the problem we're facing in Canada right now. How do we get our productions in front of larger audiences, more audiences, and new audiences?

That is where we need to step up our efforts. And I'll have more to say about this issue in just a moment.

Please indulge me in one other quote.

This is the famous British filmmaker Sir Alan Parker saying that, "No one is ever going to replace Hollywood, but we can offer alternatives to it." His comments really apply to all national film industries in countries outside the U.S.

Now, there's a statement that makes me very optimistic. We don't have to beat Hollywood at its own game in order to succeed.

Of course, this is a concept that's already understood by independent filmmakers in Canada—that without big budgets we have to concentrate on the best stories with the most artistic merit and produce them with exceptional flair.

This is one of the strategies driving the production excellence we see in our industry right now.

Here's an analogy for what Alan Parker is saying.

Everyone knows how good French wines and cheeses are. Who would have thought that there could be alternatives to those products – especially made in a country as young and cold as Canada?

Well, we have created one. Quebec produces some of the best cheeses in the world – and most of them are original creations, not copies of cheeses made elsewhere.

For Ontario and British Columbia's part, its wines are gaining popularity around the world. In fact, our ice wines are considered to be the world's best.

So Canada has created a high quality alternative to French dominance in wines and cheeses. The other half of the equation is how our consumers feel about these products. Do

Canadians prefer to buy and consume Canadian wines and cheeses because these industries have become so successful?

And do Canadians prefer to watch Canadian films and television programs because our audiovisual industry has become so successful?

And with that in mind, let's return to "Build it and they will come."

But this time, let's have a deeper look.

First, what is it we have built in our audiovisual industry, and how good is the product? How worthy is it of audience attention?

Second, how many have come? Perhaps more important, how have we been measuring those who have come, and does it reflect the true success of the industry we have built?

And third, what do the first two tell us about our priorities and the direction the industry should be taking?

So, what have we built in our audiovisual industry, and how good is it? Over several decades, we have developed the capability of producing nothing less than world-class films and

television programs. Now we're also among the world's best on digital platforms.

I'm not surprised to see most of you agreeing. ... But a picture is worth a thousand words, so instead of talking about success stories, let's see some.

So please join me in watching this brief video clip.

Pretty impressive, wouldn't you say?

It's wonderful what our filmmakers can do, and we should all be proud!

With the Oscars just around the corner, I want to mention two superb triumphs: *Incendies*, which is nominated for Best Foreign Language Film, and *Barney's Version*, in the running for Best Make-Up.

We are delighted to have supported these two films.

I won't say anything else because I am superstitious!

And here is another thing our industry has been able to build – a very deep pool of talent in all aspects of production.

The most visible manifestation of this talent pool is our star power! The credits keep rolling through the years.

Our industry turned out stars like Gordon Pinsent, Denys Arcand and Dan Ackroyd, and now we've added the faces you see here: Michael McGowan, Ellen Page, Xavier Dolan, Ryan Gosling, Denis Villeneuve, Deepa Mehta and James Cameron.

They might not always be working in Canada, but they're Canadians and they represent our world-class talent.

Over the years, we've been thrilled by Norman Jewison, Guy Maddin, Claude Jutra, Atom Egoyan, David Cronenberg, Sarah Polley and so many others. The list goes on, and on.

The Canadian industry has also spawned innovations that have changed the way we make films, TV programs and new media products.

Some of the most famous Canadian contributions are in the fields of computer animation, and digital effects.

Notable among our pioneers are Softimage, Bioware, and IMAX to name a few.

A world-class product. A deep talent pool. Game-changing innovation. That's what we have built – and by any standard, it is considerable.

Now let's look at what kind of audiences we hoped, or expected, we would attract. This industry literally spent decades raising the standards of its production, talent and technology to current levels.

And if we expected success from our hard work, how were we going to measure that?

On the screen in front of you, you see the figure 5%—and this is where Telefilm and the industry live in slightly different worlds.

You live in a wider world where you receive feedback for your successes in a variety of ways—critical acclaim, awards, buzz, box office and future opportunities.

But Telefilm's perspective was a bit different. Ten years ago we targeted a Canadian market share of 5%, expressed only in terms of box-office receipts.

Since then, it has been the way we have measured *your* success.

We believe that this target was a very good start and that, in fact, it acted as a spring board for where we need to go next.

And I'm very excited to be working with the Department of Canadian Heritage on this very point because we now both realize that the target did not necessarily tell the entire story.

Here's a more complete view of the entire story. This pie chart was created by Scotia Capital and it measures the Canadian film entertainment market revenues by content type—note that these are Canadian and not American figures—and the results are very enlightening.

Box office alone counts for less than a quarter of revenues.

In fact, DVD sales are far more lucrative than the box office, and DVD rentals bring in almost as much as theatrical releases.

Revenues from TV licensing fees and the new digital on-demand services even rival the box-office share.

To be honest, some of these distribution channels did not exist ten years ago. But this new reality still makes a powerful argument for changing the way we measure things today.

And while this doesn't tell the entire story either, one thing is clear: share of box office should no longer be the sole measure of success.

So what measure of success will tell the entire story...?

What about a production that wins awards, or festival prizes, or portrays an important aspect of Canadian culture? Would that not reflect well on Canada, and be considered a cultural success?

And what about a production that breaks barriers for technical innovation? Or one that introduces a great new talent in acting, directing or producing? Would that not count as an industry success?

All these categories of success—commercial, cultural, and industrial—create public value from the standpoint of a Canadian cultural agency such as Telefilm Canada.

We believe that all these types of successes must be part of a new measure of overall success.

Perhaps the most valuable part of this corporate planning process at Telefilm was the reality check we were able to experience.

Part of this reality check involved consulting with the industry and asking tough questions.

The answers we got confirmed that we need to act quickly and redirect Telefilm's efforts.

And our reality check did not begin and end with the industry.

We went directly to Canadian audiences with some straightforward questions.

The answers were disappointing, quite frankly, but we need to know what we're up against.

While preparing for our new corporate plan, here's one simple poll question we asked the Canadian public:

Do you think that the acting, directing and production quality of Canadian movies is as good as movies made in other countries?

The answer to that question clearly defines the task ahead of us. Only one in three Canadians believes that our films are as good as those produced in other countries.

That's a bitter pill to swallow. We must get to the bottom of this problem as an industry—and that includes Telefilm.

I believe that this challenge is one that we should embrace. After all, is there a cause more relevant for a Canadian cultural agency than to inform our own people about the quality and success of their own film industry?

I believe it breathes new life into our mandate to foster the development of the industry in Canada.

And here is some more motivation.

Only one in two Canadians believe it's important for Canadian movies to be accessible in movie theatres in Canada.

And so a big part of Telefilm's new corporate plan will be focused on stimulating audience demand for Canadian screen-based content.

No matter how much effort and money are invested in developing talent and producing world-class productions, Canada's audiovisual industry must make this adjustment to enter the next major phase of its development.

The industry needs to balance its historic focus on production with an equally robust approach to ensuring that its productions stimulate audience demand.

We want to take a leadership role in this movement, as a uniting force, a source of ideas, and a source of influence. There

are many things that we can do, and more things we can do together with the industry.

I look forward to the coming years more than you can imagine.

There is exciting work to do — and a common will to get it done.

That really bodes well for cooperation and collaboration at this critical time.

The details of our new corporate plan are forthcoming, but now you know the principles behind it.

Our industry deserves large and enthusiastic audiences, in our own country and worldwide.

It's an ambitious goal, but I'm convinced that together we can learn how to succeed on many new levels.

I want to leave you with one last thought.

As Claude Jutra said, "Not making the films you want to make is awful, but making them and not having them shown is worse."

Thank you for listening, and we look forward to working with you!