



**CORPORATE PLAN  
2020-2023**

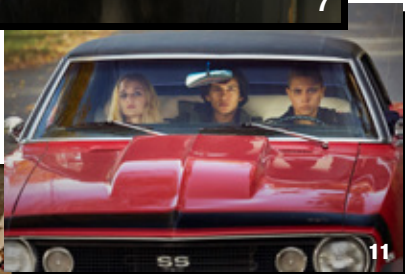
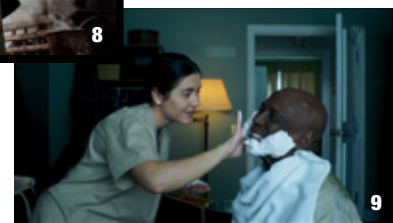
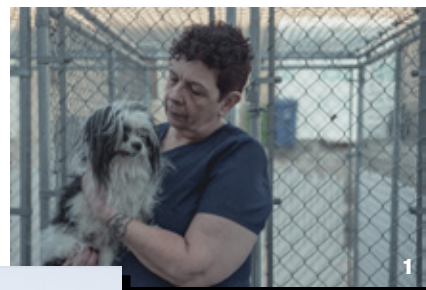
THE ROADMAP TO DELIVERING  
TELEFILM'S 2020-2022  
STRATEGIC PLAN

**TELEFILM**  
C A N A D A

▶▶▶ **PARTNER OF CHOICE**

BRINGING  
**CANADIAN**  
CREATIVITY  
TO THE  
**WORLD**

A PROUD CHAMPION OF CANADIAN TALENT  
AND STORIES, AT HOME AND ABROAD,  
TELEFILM CANADA HAS BEEN A PILLAR OF  
THE CANADIAN AUDIOVISUAL ECOSYSTEM  
FOR OVER HALF A CENTURY



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## MESSAGE FROM THE EXECUTIVE DIRECTOR

Storytelling in all its forms has always been an essential guardian of culture. Since its inception, film in particular has been a universally loved and highly influential form of storytelling, a true cultural force able to transcend borders and languages.

Beginning in the 1960s, our country's cultural sector, notably its audiovisual industry, began to flourish thanks to bold governmental initiatives—among them the creation of Telefilm Canada. In the decades since, the industry has grown in size, scope and ambition to become the robust and economically powerful cultural jewel it is today.

FOR MORE THAN HALF A CENTURY, TELEFILM HAS SERVED AS A PILLAR OF THIS INDUSTRY, ITS ECOSYSTEM, ITS CREATORS, ARTISTS AND ARTISANS.

**WE ARE PROUD TO BE A CHAMPION OF CANADIAN TALENT AND STORIES, AT HOME AND ABROAD.**

The industry has undergone profound change over the years, and the pace of change has only quickened. In the past decade alone, new technologies—smartphones, tablets, online and mobile streaming platforms—have forever altered media content consumption habits worldwide, driving viewership rates into the stratosphere.

In the face of these changes, Telefilm Canada has worked tirelessly to ensure that Canada's audiovisual industry and the creative talents behind it both thrive and shine.

Since joining Telefilm in 2018, I have had the pleasure of meeting talented Canadian creators from almost every corner of our country. I have listened to their preoccupations, their ideas and hopes, and have come to appreciate just how passionate they are about their art. These encounters have allowed me to better understand the industry we all cherish.

As Telefilm's Executive Director, I am charged with developing a strong vision for the future—for Canada's audiovisual industry as a whole as well as for Telefilm in particular. To this end, my executive team and I, with the participation of our Board of Directors, have embarked on a strategic planning process marked by a clear new vision: to make **Telefilm and Canada a Partner of Choice** for audiovisual production.

To achieve this vision, at a time when the audiovisual industry faces tectonic shifts, as do social norms, Telefilm will further define itself as a thought leader for the industry.

We will build on Canada's rich cultural history and reaffirm our relevance to our country's cultural sector.

We will pursue our commitment to talent development, to engaging with audiences where they are, and to having an international impact.

We will promote access and excellence through the projects we fund—projects that offer a true reflection of Canadians and their stories.

We will act boldly and fairly in our pursuit of a balanced and representative portfolio and will sharpen our focus using the lens of greater inclusivity. By taking a stand, we will in time see meaningful change – because if not now, when? And if not us, who?

# A STRONG FOUNDATION FOR A STRONG FUTURE

The corporate plan we are launching will help ensure the successful delivery of our new vision. Along with the plan, we have also redefined our senior management team, now known as the Executive Leadership Team. I am confident the new management structure will help us achieve our vision and, more importantly, help nurture, guide and support Canada's audiovisual industry. Of course, all of our efforts and achievements are only possible thanks to our dedicated employees, who are driven by their passion for Canadian film, television and digital media productions.

As I write these words, the world is in the midst of a global crisis caused by the COVID-19 pandemic. The implementation of major health and social distancing measures have resulted in a massive slowdown in global and Canadian economic activity, which has had a devastating effect on the audiovisual industry worldwide. Though it remains too early to fully assess the economic impact of the crisis, I am confident that government support in Canada will see the industry through, and the strong foundations on which the industry is built will remain. In this context, our corporate plan will serve as a roadmap. We will, however, adjust and make modifications as the situation evolves.

It would be an understatement for me to say that I am honoured to serve as Telefilm's Executive Director. I am also proud and delighted that by partnering with our sister agencies, our stakeholders, our coproduction allies and the industry, we will not only face these challenges but achieve new heights of success.

**Christa Dickenson**  
Executive Director  
Telefilm Canada

## EXECUTIVE SUMMARY

Following a year-long strategic planning process, Telefilm's new strategic plan, *Partner of Choice 2022*, was launched in January 2020. To ensure the plan is successfully delivered, Telefilm embarked on a new internally driven corporate planning process using an inclusive approach implicating its Executive Leadership Team, several managers and select employees. Telefilm Canada's 2020-2023 Corporate Plan was approved by the Board of Directors on June 19, 2020.

### NOTE

The strategic priorities and the corresponding initiatives and deliverables are further outlined in section 5 of this plan.

### TELEFILM'S STRATEGIC PRIORITIES

#### ATTRACT ADDITIONAL FUNDING AND INVESTMENT

Grow Talent Fund revenues to ensure additional funds and support for emerging talent. Attain additional funding to allow for industry growth and support for corporate and governmental objectives, including diversity and inclusion goals.

#### EVOLVE OUR FUNDING ALLOCATION APPROACH

Modernize the Success Index and determine success score elements for funding programs. Develop an investment approach to deliver governmental and corporate priorities that address historical systemic barriers to access and success, based on a revised Success Index Model and anchored in diversity criteria.

#### OPTIMIZE OUR OPERATIONAL CAPACITY

Continue to deliver executional excellence and be recognized as an administrative partner of choice. Ensure corporate alignment in the delivery of industry success and the strategic and corporate plans through performance measures.

#### ENHANCE THE VALUE OF THE "CANADA" AND "TELEFILM" BRANDS

Telefilm and Canada brands attain visibility and are perceived as *Partners of Choice* among key stakeholders and audiences.

The finalization of the Corporate Planning process was marked by a global crisis caused by the COVID-19 pandemic. The implementation of major health and social distancing measures resulted in a massive slowdown in global and Canadian economic activity. At the time of writing, it was still too early to fully assess the economic impact of the crisis, as an assessment depended, among other things, on how long the measures to contain the pandemic would remain in place. In any case, it was predicted that a recession and numerous job losses would arise in at least the first half of 2020.

In this context, the Corporate Plan will serve as a roadmap for the period, however the organization may adjust and make modifications as the situation evolves.



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# CORPORATE PROFILE

***Sweetness in the Belly***  
Zeresenay Mehari





## CORPORATE PROFILE

	1960s-1980s	1980s-1990s	1990s	2000s	2010s
Government policies over six decades have contributed to steady progress for Canada's audiovisual industry	Laying the foundations for an independent film industry	Building production capacity in television and film	Dawn of the Internet and digital media; diversification, expansion and reinvention of the audiovisual industry as a whole	Emergence of the multiplatform era; a priority on building audiences	Increasing access to Canadian content and stimulating demand

## HISTORY

ON MARCH 3, 1967, THE PARLIAMENT OF CANADA PASSED THE *CANADIAN FILM DEVELOPMENT CORPORATION ACT*, ESTABLISHING THE ORGANIZATION NOW KNOWN AS **TELEFILM CANADA**.

Telefilm has played a key role in the evolution of Canada's film industry as the agency responsible for the industry's development and promotion for over five decades. Moreover, Telefilm has long played a critical role in the success of the television and new media industries, and, since 2006, has administered the funding programs of the Canada Media Fund.

The industry that emerged in the 1960s has grown exponentially to become a vibrant cultural and economic force. Telefilm is proud to have contributed to this important part of Canada's heritage.

The passion Telefilm shares with the Canadian industry is our true driving force. Canadian talent has demonstrated strength, courage and creativity, making Canadians proud to share our culture with the world.

**TELEFILM'S MANDATE** is to foster and promote the development of the audiovisual industry in Canada.

**OUR MISSION** is to foster, finance and promote the development of the Canadian audiovisual industry by playing a leadership role through financial support and initiatives that contribute to the industry's commercial, cultural and industrial success.

**WHAT WE DO:** First and foremost, we are a team of some 190 enthusiasts of Canadian media content dedicated to the commercial, cultural and industrial success of Canada's audiovisual industry.

## OUR FOUR KEY ROLES

**PROVIDE  
FINANCIAL SUPPORT  
TO CANADIAN FILM  
PROJECTS**

**PROMOTE AND EXPORT  
CANADIAN CREATIVITY  
AT FESTIVALS,  
MARKETS AND EVENTS**

**MAKE  
RECOMMENDATIONS  
ON WHETHER PROJECTS  
CAN BE RECOGNIZED  
AS AUDIOVISUAL TREATY  
COPRODUCTIONS**

**ADMINISTER  
THE FUNDING  
PROGRAMS OF  
THE CANADA  
MEDIA FUND**

Headquartered in Montréal, we serve our clients through four offices located in Vancouver, Toronto, Montréal and Halifax.

# GOING FORWARD

LOOKING AHEAD TO THE NEXT SEVERAL YEARS, TELEFILM HAS REDEFINED ITS VISION, OVERARCHING GOAL AND PRIORITIES  
**TO PROPEL THE INDUSTRY INTO THE FUTURE**

## OUR VISION

**TELEFILM AND CANADA  
PARTNER  
OF CHOICE**

## OUR OVERARCHING GOAL

**BRINGING  
CANADIAN  
CREATIVITY  
TO THE WORLD**

## OUR STRATEGIC PRIORITIES

- **ATTRACT** ADDITIONAL FUNDING AND INVESTMENT
- **EVOLVE** OUR FUNDING ALLOCATION APPROACH
- **OPTIMIZE** OUR OPERATIONAL CAPACITY
- **ENHANCE** THE VALUE OF THE "CANADA" AND "TELEFILM" BRANDS

## CORPORATE PLAN STRATEGIC IMPERATIVES AND INITIATIVES TO DELIVER STRATEGIC PRIORITIES

### 1-Increase industry funding

Grow Talent Fund revenues and pursue additional funding for the industry

### 2-Optimize investment approach

Modernize Success Index and modernize and align investment approach with Success Index

### 3-Deliver and promote administrative excellence

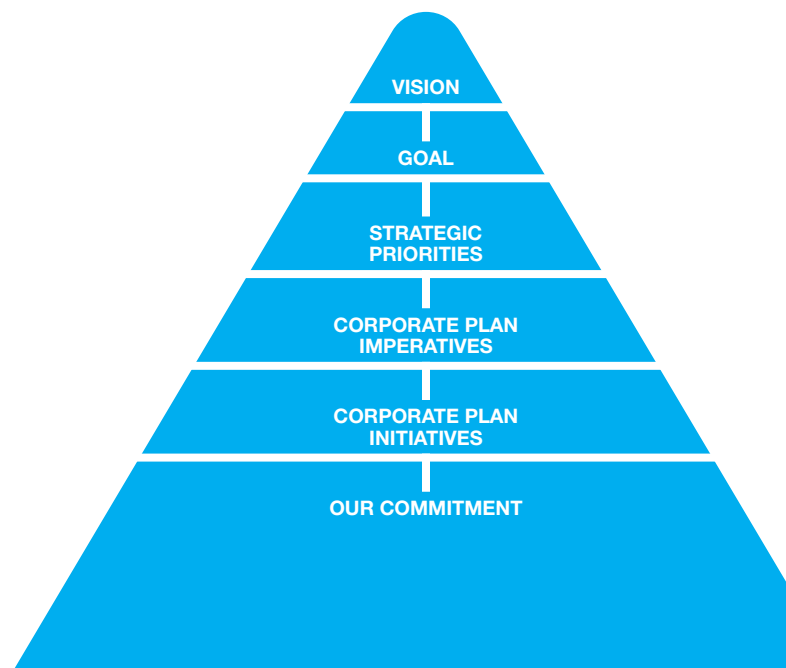
Deliver executional excellence and improve performance measures

### 4-Enhance brand value

Enhance brand value and prioritize partnerships

## OUR COMMITMENT

- Telefilm remains committed to talent development, to engaging with Canadians where they are, and to having an international impact
- Telefilm will act boldly and fairly in its pursuit of a balanced portfolio
- Telefilm will emphasize access and excellence through funded projects



# GOVERNANCE AND ACCOUNTABILITY

Telefilm is a Government of Canada Crown corporation in the Canadian Heritage portfolio. As such it has managerial autonomy, and day-to-day operations are at arm's-length from both ministers and civil servants as provided for by Parliament under the *Financial Administration Act*. The governance and accountability structure in place shown on the right:

## MINISTER OF CANADIAN HERITAGE

Telefilm reports to Parliament through an annual report submitted to the Minister of Canadian Heritage

## BOARD OF DIRECTORS

Six members appointed by the Governor in Council, in addition to the Government Film Commissioner, appointed under the *National Film Act*

## EXECUTIVE DIRECTOR

Appointed by the Governor in Council and responsible for supervision over and direction of the Corporation

The Board of Directors oversees the management of Telefilm's business activities and internal affairs with the objective of enabling the organization to fulfill its mandate in an optimal manner. The Executive Leadership Team (ELT) works in close collaboration with the Board of Directors, to determine the strategic priorities for the Corporation, to develop and deliver the strategic plan and to create and execute the corporate plan.

## BOARD OF DIRECTORS

Supervises management of Telefilm's activities and business committees appointed to review and make recommendations to Board on issues requiring specific expertise

**AUDIT AND FINANCE COMMITTEE**  
Financial and risk management issues

**NOMINATING, EVALUATION AND GOVERNANCE COMMITTEE**  
Human resources management and governance issues

**COMMUNICATIONS AND PUBLIC AND GOVERNMENTAL AFFAIRS COMMITTEE**  
Communications and public and governmental affairs issues

## EXECUTIVE DIRECTOR

Appointed by the Governor in Council and responsible for supervision over and direction of the Corporation

## EXECUTIVE LEADERSHIP TEAM

Consists of the Executive Director and the directors responsible for the Corporation's activities

**OPERATIONAL COMMITTEE**  
Interpretation of Telefilm's guidelines and situations departing from normal practice

**HUMAN RESOURCES COMMITTEE**  
Application and interpretation of human resources policies

**RISK MANAGEMENT COMMITTEE**  
Risk management strategy and process

**APPEAL COMMITTEE**  
Review of decisions pertaining to employees or clients

In accordance with the *Telefilm Canada Act*, the Executive Director, appointed by the Governor in Council, is the Corporation's chief executive officer. In this capacity, the Executive Director is responsible for leading and managing the Corporation.

The Executive Leadership Team is the primary committee for discussion of strategic, planning and organizational matters. Members address all issues pertaining to the Corporation's policies and directions.

The ELT membership consists of the Executive Director and the directors responsible for the organization's activities, including championing and delivering the strategic priorities outlined in the Strategic Plan and key initiatives outlined in the Corporate Plan.

The Executive Director chairs weekly committee meetings of the ELT and decisions are taken by the Executive Director after consultation with the other members.

The Corporation has also set up subcommittees that provide in-depth consideration of specific topics having varying degrees of complexity. Subcommittee minutes are circulated at each ELT meeting, thus ensuring that information is well communicated. The subcommittees have decision-making powers enabling them to resolve operational issues.

Telefilm's Executive Director and ELT have adopted a management credo to lead the organization in the delivery of its new strategic and corporate plans.

THE CREDO GUIDES OUR ACTIONS AND IS **THE LENS THROUGH WHICH WE EVALUATE OUR DECISIONS.**

#### MANAGEMENT CREDO

- **FAVOUR DIVERSITY AND INCLUSIVITY**
- **INNOVATE, REINVENT, TAKE RISKS**
- **PRIORITIZE STRATEGIC COLLABORATION AND PARTNERSHIPS**
- **SEE BIGGER**

## DIVERSITY+INCLUSION AT TELEFILM

### TELEFILM FAVOURS DIVERSITY AND INCLUSION.

Concrete actions in place include:

#### Funding diversity and inclusion

- inclusion objectives were set in fiscal 2016-2017: to ensure a representative portfolio (gender parity, Indigenous creators)
- funding goals are to build production capacity and develop talent among targeted groups to shape the future
- results are reported through Telefilm's annual report; we are delivering against 2016-2017 goals
- consultations have begun with a working group focusing on diversity and inclusion to establish goals and measures to further increase inclusion in our portfolio going forward

#### Diverse workforce

- Telefilm's goal is to contribute to a public service that represents the diversity of Canada
- Corporate events help celebrate diversity, including National Indigenous Peoples Day and Black History Month and reinforce a sense of inclusion at Telefilm
- Furthermore, Telefilm launched an internal diversity and inclusion steering committee in 2019-2020:
  - an action plan is in place that includes consultation with external experts on the subject
  - a review of our organizational practices, training sessions, gathering feedback and implementing recommendations from employees is underway
- Results are measured and reported through the corporate social responsibility section of Telefilm's annual report

# THE TALENT FUND

## SUPPORTING THE NEXT GENERATION OF EMERGING FILMMAKERS

The Talent Fund, a private donation fund administered by Telefilm Canada and led by a national advisory committee, is dedicated to supporting emerging storytellers. Since its launch in 2012, projects funded through the Talent Fund, with support from donors from coast-to-coast-to-coast, have achieved success on the festival circuit, garnering selections and prizes at such prestigious international events as the Berlin International Film Festival and the Toronto International Film Festival, and earned critical success—including Canadian Screen Awards—as well as theatrical distribution. Its mission is to support and encourage emerging talent, those at the forefront of the country's creative economy—talent whose stories continue to add to the richness of Canada's cultural legacy.

## INVESTING IN THE NEXT GENERATION OF CONTENT CREATORS

Through Telefilm's Talent to Watch Program, the Talent Fund enables an innovative approach to national film funding, unlike any other talent development program in the world. Working with over 60 industry partners from across the country, such as the Canadian Film Centre, Hot Docs, Inside Out LGBT Film Festival, Mel Hoppenheim School of Cinema – Concordia University, imagineNATIVE, Atlantic Filmmakers Cooperative, Reelworld Film Festival, L'inis and the National Screen Institute, among others, **the Fund helps foster the discovery of emerging Canadian talent.**

## THE OBJECTIVES OF THE TALENT TO WATCH PROGRAM, SUPPORTED BY THE TALENT FUND

- **SUPPORT** FIRST FEATURE FILMS AND WEB PROJECTS FROM EMERGING FILMMAKERS
- **SUPPORT** INNOVATION AND ENCOURAGE THE USE OF DIGITAL MARKETING AND DISTRIBUTION STRATEGIES
- **HELP** EMERGING TALENT IN THE DEVELOPMENT OF THEIR PROFESSIONAL PORTFOLIO
- **ACCELERATE** THE CAREERS OF THOSE WITH DEMONSTRATED SUCCESS
- **FOSTER** A CULTURE OF MENTORSHIP

## ADVISORY COMMITTEE AND EXECUTIVE LEADERSHIP

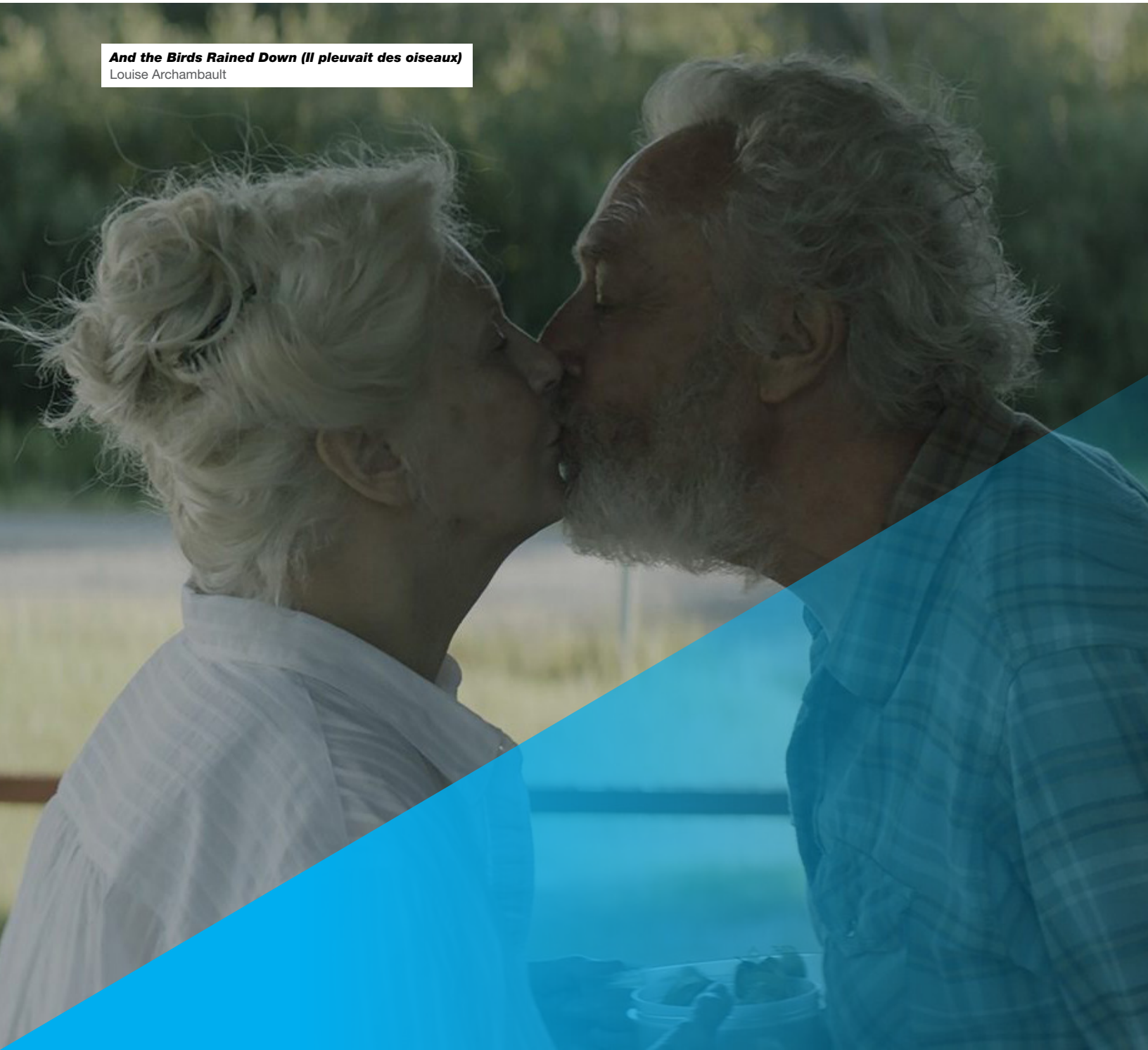
The Talent Fund is led by an Advisory Committee of business leaders and philanthropists from across the country. The Talent Fund is managed by an internal director at Telefilm with the mandate of achieving the fund's long-term financing goals.



# 3 2019-2020 RESULTS

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***And the Birds Rained Down (Il pleuvait des oiseaux)***  
Louise Archambault



## ATTRACT ADDITIONAL FUNDS AND INVESTMENTS

## TALENTFUND

The Talent Fund  
**DELIVERED  
ITS FUNDRAISING  
GOAL OF  
\$2.29M**,  
against a target of  
\$2.16M.

The Talent Fund  
**EXPANDED ITS  
ONLINE PRESENCE**,  
including a new  
#GivingTuesday campaign.



Telefilm efficiently  
managed additional funding,  
in partnership with the federal  
government, to promote  
Canada, Guest of Honour  
country at the 2020 Frankfurt  
Book Fair.



Patrimoine  
canadien Canadian  
Heritage



Global Affairs  
Canada Affaires mondiales  
Canada

New funding partnerships  
were launched with  
provincial government  
funding bodies and  
industry partners.



## Diversified its fundraising activity thanks to:

- Multiyear partnerships with new donors, including Quebecor, CIBC and DGC Ontario
- Special events including the 8<sup>th</sup> annual fundraiser hosted by Carol and Paul Hill
- Multi-channel donors relations strategy and impact reporting



Ongoing dialogue with stakeholders ensured  
understanding of the state of the industry  
and funding requirements.

Telefilm held 12 official consultations with the industry, including 7 sessions of the Media Leadership Cooperative Breakfast Series in Montréal, Toronto, Vancouver and Halifax.

## EVOLVE THE FUNDING ALLOCATION APPROACH

Modernization of the Success Index began to reflect our new vision, **TELEFILM & CANADA, PARTNER OF CHOICE**.



## Gender parity

Higher-budget films—over \$2.5 million—directed by women have reached the parity zone both in terms of volume and investments.



## Indigenous creators

Telefilm made commitments of \$4.3 million to 21 projects led by Indigenous creators, surpassing our \$4 million average annual commitment set in 2016-2017.



## Diversity and inclusion

Consultations with an industry working group began to establish goals and measures to increase diversity and inclusion in our portfolio.

## Funding program improvements

- Indigenous stream was added to the Development Program
- Fixed dates were added for the French-language high-budget Production Program selective stream
- Optimized Promotion Program was developed

## Emerging talent

THE TALENT TO WATCH  
PROGRAM PROVIDED

**\$3.8M**

to fund 31 feature films  
and web series from across  
the country.

## Coproduction

Since joining Eurimages in 2016-2017, Canada has obtained funding for 14 projects – including 5 new projects in 2019-2020, which has added 4.6 million euros of inward investment into Canadian film.



## 2019-2020 RESULTS

## OPTIMIZE OUR OPERATIONAL CAPACITY



The internal Diversity and Inclusion action committee was established.



All front-line employees received Protocols & Pathways training on appropriate and ethical ways of working with Indigenous content and creators.

**THE MANAGEMENT EXPENSE RATIO DELIVERED AT THE LOW LEVEL OF 5.4%**  
for fiscal 2019-2020.<sup>1</sup>



To promote inclusion, unconscious-bias training was provided to all managers.



Telefilm continued to fine-tune its user-centric information technology systems available anytime, anywhere for employees, clients and partners, including suppliers and reinforced cybersecurity.

Client Satisfaction levels **REMAINED STRONG AT 82%.**

## ENHANCE THE VALUE OF THE “CANADA” AND “TELEFILM” BRANDS



Telefilm launched its new strategic plan, [Partner of Choice: 2022 Strategic Plan](#)

## CANADA FBM2020 AT THE BERLINALE



To mark Canada's selection as Guest of Honour country at the prestigious Frankfurt Book Fair in 2020, Telefilm developed the audiovisual portion of the Fair's cultural programming to showcase Canadian culture. The events began in late 2019 and continued throughout 2020.

Telefilm partnered to create Canadian content collections and collaborated to **PROMOTE CANADIAN CREATIVITY.**



Telefilm support brought

**139  
FEATURE FILMS TO  
19  
COUNTRIES.**



Telefilm provided funding for **75 CANADIAN FILM FESTIVALS**, 46 take place in regions outside of Toronto and Montreal and 23 spotlight content from under-represented creators.

1. This ratio measures operating and administrative expenses as a percentage of the total funding value. The total funding value includes all Telefilm government funding and revenues and the CMF funding programs. The calculation was changed in fiscal 2019-2020.



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# PLANNING ENVIRONMENT

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***April in Autumn***  
Warren Sulatycky



## EXTERNAL FACTORS

### POLITICAL AND LEGAL FACTORS

The long-standing infrastructure in place to foster and protect Canadian culture, as well as the subsidies to support the Canadian audiovisual industry, have been impacted by recent market changes and the entry of new foreign players. Ensuring sustainable funding for the industry is a priority, and the minority federal government elected in 2018 has expressed its goal to *increase annual funding for Telefilm Canada* in the Minister of Canadian Heritage Mandate Letter from the Prime Minister's office issued on December 13, 2019.<sup>2</sup>

Legislation governing the audiovisual industry, including the *Broadcasting Act*, *Telecommunications Act* and *Radiocommunication Act*, is under review. In January 2020, the Broadcasting and Telecommunications Legislative Review Panel issued its report, *Canada's Communications Future: Time to Act*, which called for widespread regulatory reform. Among the recommendations that would most greatly impact Telefilm and the industry it supports are suggested changes to the funding mechanisms used to help the audiovisual industry, including a shift towards fully public funding, potential taxes to be levied on foreign streaming services, and the merger of Telefilm and the Canada Media Fund. The Minister of Canadian Heritage, Steven Guilbeault, has said new legislation may come into effect as early as 2020.

### ECONOMIC FACTORS

The Canadian economy continued to lose speed in 2019 as real GDP growth slowed from 2.0% in 2018 to 1.6%<sup>3</sup> in 2019. This slowdown in growth was observed for virtually all components of the Canadian economy, but it was particularly pronounced for international trade (both exports and imports) and investment, which declined this year. As a result, Canadian economic growth has been supported mainly by household and government final consumption expenditure. **Despite this context of deceleration, the Canadian labour market was robust in 2019, with a low unemployment rate of 5.7%<sup>4</sup> at the end of the year and sustained growth in employee compensation.** Some sectors also had to cope with a significant labour shortage this year.

Total film and television production volume in Canada, which includes foreign location and service production, set another record, reaching \$9.3 billion in 2018-2019—a 6% increase over the previous year. Growth was driven by all four production segments; Canadian television and theatrical feature film, foreign location and service, as well as, broadcaster in-house production.

Record levels of foreign location and service production drove the sector to generate \$4.9-billion-worth of production activity in Canada during 2018-2019.<sup>5</sup> The Canadian theatrical feature film production sub-sector—which remained the smallest sector of the overall industry—nevertheless grew by 25%, to \$337 million, compared with 2017-2018 figures. In 2018-2019, film and television production in Canada generated 180,900 full-time equivalent jobs, including 6,600 in the Canadian film industry alone.

2. [Minister of Canadian Heritage Mandate Letter](#).

3. Statistics Canada, "[Gross domestic product, income and expenditure, fourth quarter 2019](#)" (February 28, 2020).

4. Statistics Canada, "Labour Force Survey, December 2019," Jan. 10, 2020. <https://www150.statcan.gc.ca/n1/daily-quotidien/200110/dq200110a-eng.htm>

5. Canadian Media Producers Association, [Profile 2019: Economic Report on the Screen-Based Media Production Industry in Canada](#), (2018-2019 is the most current year available).



Provincial government support strategies contribute to the makeup of respective provincial audiovisual economies and vary between those highly focused on foreign location and service production to those more balanced between foreign and domestic production. Strategies focused on foreign production include inherent risk, as they are exposed to volatility from foreign markets.

Furthermore, the Canadian industry continued to become more concentrated, with one major acquisition announced in 2019. Namely, Hasbro entered an agreement to acquire distributor eOne—an important player and investor in the Canadian industry—for around \$5.3 billion.

The Canada-United States-Mexico Agreement was signed in November 2018 to replace NAFTA, with the previous agreement's cultural exemption clause maintained—guaranteeing that cultural products will continue to reflect our national identity in all its diversity. Furthermore, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which entered into force in December 2018, also contained provisions to preserve and protect Canadian cultural interests.

**The end of fiscal 2019-2020 was marked by a global crisis caused by the COVID-19 pandemic.**

The implementation of major health and social distancing measures resulted in a massive slowdown in global and Canadian economic activity. At the time of writing, it was still too early to fully assess the economic impact of the crisis, as an assessment depended, among other things, on how long the measures to contain the pandemic would remain in place. In any case, it was predicted that a recession and numerous job losses would arise in at least the first half of 2020.

In this context, the Canadian audiovisual industry was significantly affected, with, among other things, the interruption of film shoots across the country, the cancellation of numerous domestic and international festivals and events, and the closure of movie theatres. The sector's entire value chain suffered from the repercussions of this pandemic.

## TELEFILM'S ENVIRONMENTAL FOOTPRINT

**AS PART OF ITS CORPORATE SOCIAL RESPONSIBILITY OBJECTIVES, TELEFILM HAS SET OUT TO MINIMIZE ITS ENVIRONMENTAL FOOTPRINT.**

Notable initiatives include:

- Our promotional initiatives are turning green: our Canada pavilions are built in a sustainable way and we are sourcing environmentally friendly promotional materials, wherever possible.
- We are migrating to cloud-based billing and application portals, which allow Telefilm to adopt paper-free systems for clients, suppliers and employees.
- Our head office is located in a LEED-Gold-certified building, recognized for sustainability by the U.S. Green Building Council. This is particularly notable considering the building is historical and protected under Canadian Heritage.
- Going forward, our goal is to extend our environmental initiatives to the industry we support. Telefilm will consult with filmmakers and producers to explore ways to offset the environmental impact of film production.
- Results are measured and reported through the corporate social responsibility section of Telefilm's annual report.

### SOCIAL AND TECHNOLOGICAL FACTORS

The last decade has seen dramatic changes in the areas of technology and in the social adoption of new services and platforms. This also ushered in the use of big data and algorithms, enabling the savvy industry players to target consumers very effectively.

Paid cable and satellite television services (“broadcasting distribution undertakings,” or BDUs) continue to capture the lion’s share of video entertainment spending in Canada; however, BDU subscriber numbers have declined considerably. Currently, nearly 30% of Canadian households no longer subscribe to paid television, with total BDU subscribership now lower than 2009 levels.<sup>6</sup> In the longer term, consumer spending on television subscriptions is predicted to decrease by 1% per year before stabilizing in 2024.

In reaction to these trends, cable and satellite companies are heavily investing in next-generation internet protocol TV (IPTV) technology to help improve customer experiences and differentiate their offerings against subscription video on demand (SVoD) services.

A considerable amount of consumer spending has shifted to online platforms and streaming sites, which continue to change the marketplace in Canada. This trend began when Netflix entered the Canadian market in 2011. Additional offerings, including Disney+, Apple TV + and Amazon Prime Video, are also battling for audiences in Canada, along with homegrown services such as Crave, CBC Gem, ICI TOU.TV and Club illico. SVoD revenues continued to climb, hitting \$1.4 billion in 2019, and it is reported that 64% of Canadian households now have at least one SVoD subscription.<sup>7</sup>

**BY 2023, IT IS ESTIMATED THAT CONSUMERS WILL SPEND OVER THREE TIMES MORE ON SVOD SERVICES THAN THEY DO AT THE BOX OFFICE—**

ACCOUNTING FOR 24% OF ALL SPENDING ON VIDEO ENTERTAINMENT.<sup>7</sup>

### THE TOP STREAMING PLATFORMS CONTINUED TO GROW THEIR CANADIAN SUBSCRIBER BASES IN 2019<sup>6</sup>

- **MARKET LEADER NETFLIX RECORDED 6.6 MILLION SUBSCRIBERS IN 2019.**
- **AMAZON PRIME VIDEO, INCLUDED WITH THE AMAZON PRIME DELIVERY SUBSCRIPTION SERVICE, HAD 2.8 MILLION SUBSCRIBERS.**
- **BELL MEDIA'S CRAVE HAD MORE THAN 2.6 MILLION SUBSCRIBERS IN 2019; THIS NUMBER IS EXPECTED TO INCREASE FOLLOWING THE ADDITION OF FRENCH-LANGUAGE CONTENT DURING THE YEAR.**
- **CLUB ILLICO CONTINUED TO ADD SUBSCRIBERS, AND HAD A TOTAL OF 460,000 AT YEAR-END 2019.**
- **TWO NEW POWERFUL CONTENDERS ENTERED THE MARKET IN 2019: DISNEY +, WHICH ADDED 1.7 MILLION CANADIAN SUBSCRIBERS, AND APPLE TV +, WHICH ENDED 2019 JUST SHY OF 1 MILLION SUBSCRIBERS.**
- **ALL OTHER SERVICES COMBINED COUNTED 800,000 USERS.**

6. CRTC, [Communications Monitoring Report 2019](#), 2020.

7. Futuresource Consulting, Video Insight Canada Data 2020.

# INTERNAL FACTORS

## STRENGTHS

### TELEFILM CANADA PLAYS A CENTRAL ROLE IN THE CANADIAN AUDIOVISUAL INDUSTRY

AS THE MAIN FUNDING BODY  
FOR FEATURE-FILM PRODUCTION,  
FILM FESTIVALS ACROSS CANADA  
AND PROMOTIONAL INITIATIVES  
TO SPOTLIGHT CANADIAN TALENT.

Furthermore, its role in administering funding programs for the Canada Media Fund and promoting Canada as a coproduction partner, in addition to recommending Canadian treaty audiovisual coproductions to the Canadian government, places it at the centre of the industry.

Through its central role, **Telefilm exerts significant influence over the industry, and through its 50+ years of existence has developed expertise in project financing, content analysis, distribution and coproduction recommendation, as well as national and international promotion.** In addition to feature film, the Corporation also has expertise in many other sectors of the audiovisual industry, including television, gaming, experimental media, and virtual and augmented reality. The creativity of Canadian production companies is complemented by Telefilm's access to a vast network of industry partners and to industry intelligence based on historical data and ongoing market analysis.

**TELEFILM'S REPUTATION AND EXPERIENCE AS A TRUSTED ADMINISTRATOR OF PUBLIC FUNDS, KNOWN FOR DELIVERING EFFICIENCIES AND VALUE TO ITS PARTNERS, REMAINS A CORE STRENGTH OF THE CROWN CORPORATION.**

## CHALLENGES

The audiovisual industry has seen two decades of pivotal changes, since the dawn of widespread Internet access. As some sources of private funding traditionally used in film budgets have dried up in the last several years, Telefilm's role as a funder has become more critical.

This is particularly challenging for the organization, as its funding levels have not kept pace with inflation, and due to cuts to its parliamentary appropriation made through the Budget 2012 Planned Reductions in Departmental Spending,<sup>8</sup> Telefilm's real financial impact has been reduced significantly. Foreign financing is a source of additional funding, and is an effective tool used by filmmakers through treaty coproductions. Telefilm's lack of financial incentives to entice international investors, notably a dedicated coproduction fund, hampers growth in this area. This is compounded by an industry made up of small, fragmented production companies that may lack capitalization and capacity to export. Finally, a lack of funds to add additional employees and roles at Telefilm limits its ability to act on behalf of the industry.

The domestic film production industry in Canada has a tendency to resist commercial initiatives; the content produced, therefore, does not often create mass audience demand. Often, the films funded by Telefilm, and their release strategies, are not market-driven or simply lack large marketing campaign funding. An additional barrier is that audiences can have difficulty distinguishing Canadian content, particularly content produced in the English-language market, from American content, making it challenging to build recognition and pride in the industry.

8. [Government of Canada Achieved Budget 2012](#)

## OPPORTUNITIES

We are living in a golden age of content, and feature film plays a central role in strategies used by key players and new platforms—creating opportunities to build new partnerships. Telefilm is a key partner of and financier to film festivals across Canada, which can serve as a basis to reach domestic audiences. At the same time, Telefilm can also leverage its international reputation as a promoter of Canada to help in the export of Canadian content.

Both the Canadian government and the industry have formally recognized that the industry funding model needs to change. Telefilm has the opportunity to play a key role in a new funding structure. Telefilm could offer its experience as a strong administrator to attract new funding and create innovative partnerships. Acting as a thought leader and a catalyst for change, Telefilm can assist the industry as it adapts to new realities and structural adjustments.

## THREATS

The Canadian marketplace has seen an increased presence of global players in the last decade. This threatens domestic players' ability to produce content as studio space and crews are often involved in service production and creates fierce competition for audiences that are now fragmented on multiple platforms as never before.

The revenue model has also faced immense change. High-margin physical sales (DVDs) have not been replaced by new online sales. Canadians cutting cable subscriptions has led to declining Canada Media Fund revenues, which are used in the production of Canadian television and experimental media. Canadian distributors have shuttered and consolidated over time, with investment funds for films declining. Finally, movie-theatre revenues have remained stable in Canada over the last decade—even hitting a recent record of \$1 billion in seven of the last 10 years—but attendance levels have begun to decline slightly, even among younger generations, the historical core audience.

Finally, resistance to change is always a threat. Government and industry priorities may not be aligned, and traditionalists may not accept new models, technology and promotional realities.

## ALIGNMENT WITH GOVERNMENT PRIORITIES

As a federal Crown corporation and as a member of the Canadian Heritage portfolio, Telefilm will fulfill its legislative mandate in a manner that embraces and advances government priorities. To this end, Telefilm's strategic priorities and initiatives are aligned with the following government priorities:

- **encouraging** equality between genders and LGBTQ2+ community members
- **showcasing** Canada's multiculturalism and encouraging inclusion of people from all gender identities, Indigenous peoples, racialized people, persons with disabilities and minority groups
- **promoting** sustainable development, including social, economic and environmental dimensions
- **supporting** Canadian content created in English, French and Indigenous languages
- **contributing** to the modernization of the *Broadcasting Act* and *Telecommunications Act*
- **playing** a leadership role in Canada's Creative Export Strategy, namely coordinating a strong presence for Canada as Guest of Honour Country at the Frankfurt Book Fair in 2020
- **delivering** success for Canadian industries in global markets by collaborating with the Department of Global Affairs Canada to create a new cultural diplomacy strategy designed to coordinate trade missions, international events and partnerships needed to make business deals
- **providing** Canadians access to festivals that reflect Canada's diversity
- **contributing** to ensure Canadians are able to consume Canadian content on multiple platforms
- **continuing** to foster an industry environment that is safe, welcoming and inclusive, and work with partners, including provinces and territories<sup>9</sup>

9. Canadian Heritage, [2020-21 Departmental Plan](#).

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# PRIORITIES

## FOR THE PLANNING PERIOD

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***Falls Around Her***  
Darlene Naponse





## SOLUTION

The strategic challenge facing Telefilm is how to best support an industry undergoing profound change.

**TELEFILM'S SOLUTION IS TO BECOME THE PARTNER OF CHOICE IN BRINGING CANADIAN CREATIVITY TO THE WORLD.** WORKING IN PARTNERSHIP CREATES A MULTIPLIER EFFECT FOR INVESTMENTS, OPTIMIZES EFFORTS AND MAXIMIZES IMPACT.

This will ensure that Canadian content connects with audiences worldwide and Telefilm continues to be relevant while facing continuous change. Supporting talent development, reaching domestic audiences and having international impact are key factors to delivering success going forward.

Success will be shared between **a vibrant industry** composed of diverse talent and players at all levels of development, capable of thriving despite the many disruptions to the traditional business model and Telefilm positioned at the centre offering support at every step along the way.

### THE BENEFITS OF DELIVERING THIS SOLUTION INCLUDE:

- **ADDITIONAL FUNDING FOR A VIBRANT AND RESILIENT INDUSTRY**
- **AN INCREASED NETWORK OF PARTNERS**
- **GREATER BRAND VALUE FOR TELEFILM AND CANADA**
- **OPTIMAL SERVICE LEVELS**
- **INCREASED GOVERNMENT TRUST IN TELEFILM**
- **A CENTRAL ADMINISTRATIVE ROLE IN THE INDUSTRY**



## STRATEGIC PRIORITIES, EXPECTED OUTCOMES, INITIATIVES AND DELIVERABLES

The following section outlines the strategic priorities and associated initiatives, their expected outcomes and deliverables for 2020-2021.

STRATEGIC PRIORITY

# ATTRACT ADDITIONAL FUNDING AND INVESTMENT

Expected outcome in 3 years

Increase funding for the Canadian audiovisual industry and ensure financial support is available for emerging talent and creators that reflect the diversity of Canada.

INITIATIVE	OBJECTIVE
GROW TALENT FUND REVENUES.	Grow Talent Fund revenues to ensure additional funds and support for emerging talent.

Outcome	Deliverables for fiscal 2020-2021	Responsible
Successfully attain funding commitments and donation renewals, building on recent achievements	Ensure funding commitments of \$2.0M in fiscal 2020-2021 and pursue tangible benefit-based partnerships as well as multi-year commitments	Director, Talent Fund
Grow support through new initiatives and continued communications with donors and partners	Host events and donor outreach initiatives Deploy targeted communications material to donors and potential supporters	

## STRATEGIC PRIORITY – ATTRACT ADDITIONAL FUNDING AND INVESTMENT

## INITIATIVE

**PURSUE ADDITIONAL FUNDING FOR THE INDUSTRY.**

## OBJECTIVE

Attain additional funding to allow for industry growth and support for corporate and governmental objectives, including diversity and inclusion goals.

Outcome	Deliverables for fiscal 2020-2021	Responsible
<b>Illustrate the state of the industry, including funding requirements</b>	Illustrate the state of the industry and funding needs based on insight gained through dialogue with industry and research initiatives	Director, Public and Governmental Affairs, assisted by:
<b>Work with government to increase funds to be invested by Telefilm</b>	Maintain relationship with federal government and assess strategies to meet industry requirements	<ul style="list-style-type: none"> <li>• Director of Finance</li> <li>• Senior Director, Cultural Portfolio Management</li> </ul>
<b>Ensure investment approach can be scaled up to accommodate greater funding allocations and that diversity and inclusion objectives receive adequate funds</b>	Manage additional funding efficiently on behalf of the federal government  Build partnerships with provincial government funding bodies and industry partners to gain additional funding commitments	

## LOOKING AHEAD TO FISCAL YEARS

## 2021-2022 AND 2022-2023

Telefilm will focus on working with funding partners to ensure proper support mechanisms are in place for the industry.

The Talent Fund will continue to deliver its five-year plan, seeking new multi-year commitments and engagement from its growing pool of donors and prospects. The Fund will continue growing its network of influencers and ambassadors, and celebrate its 10<sup>th</sup> anniversary during 2022-2023.

Furthermore, as Telefilm continues to pursue additional funding for the industry, it will ensure its modernized investment approach can be scaled up.

Due to the crisis and the economic impacts caused by the COVID-19 pandemic, Telefilm is cognizant that philanthropic contributions may be negatively affected. In addition, the federal government's budget remains to be determined for the corporate plan period.

## STRATEGIC PRIORITY

# EVOLVE OUR FUNDING ALLOCATION APPROACH

## Expected outcome in 3 years

Deliver and implement Success Index 2.0 by modernizing the measure of success and aligning funding programs to governmental and corporate priorities, as well as industry needs.

## INITIATIVE

## MODERNIZE SUCCESS INDEX.

## OBJECTIVE

Modernize the Success Index and determine success score elements for funding programs.

Outcome	Deliverables for fiscal 2020-2021	Responsible
Develop a clear definition of success to be used in the modernized Success Index	Review the state of the industry analysis and findings from dialogue with industry	Senior Director, Cultural Portfolio Management, assisted by: • Specialist, Program Optimization
Ensure success score elements are used in funding decisions and management tools	Test possible definitions of success and model scenarios, assess program management and risks	
	Gain buy-in from stakeholders	

## STRATEGIC PRIORITY – EVOLVE OUR FUNDING ALLOCATION APPROACH

### INITIATIVE

### MODERNIZE AND ALIGN INVESTMENT APPROACH WITH SUCCESS INDEX.

### OBJECTIVE

Develop an investment approach to deliver governmental and corporate priorities that address historical systemic barriers to access and success, based on a revised Success Index model and anchored in diversity criteria.

Outcome	Deliverables for fiscal 2020-2021	Responsible
<b>Modernize funding programs in alignment with the Success Index 2.0 to reflect organizational priorities and state of the industry analysis</b>	Review the state of the industry analysis and conduct ongoing assessment of industry needs to set priorities	Senior Director, Cultural Portfolio Management, assisted by: <ul style="list-style-type: none"> <li>• National Feature Film Executives from both the French and English markets</li> <li>• Specialist, Program Optimization</li> <li>• Lead, Indigenous Initiatives</li> </ul>
	Use the modernized Success Index definition of success to optimize funding allocation and modernize funding programs	
	Ensure programs are aligned to corporate and governmental priorities (see page 22), and address industry needs	
<b>Deliver diversity and inclusion objectives and governmental goals</b>	Deliver on funding objectives and targets established in collaboration with external working groups	

### GOALS FOR TELEFILM'S FUNDING ALLOCATION APPROACH GOING FORWARD

A clearer, more straightforward system that allows Telefilm to support the development of Canadian creators and production companies and help them achieve excellence and global recognition.

- To discover and develop the next generation of talented filmmakers across the country, with a particular focus on women, Indigenous peoples and under-represented groups.
- To create a strong connection between Canadian films and audiences to boost demand and develop a national film culture.
- To invest in creators who demonstrate success in Canada and globally, and aid in the development of Canadian intellectual property.

### LOOKING AHEAD TO FISCAL YEARS 2021-2022 AND 2022-2023

Telefilm will work to deliver and implement the Success Index 2.0 by modernizing the measure of success and aligning funding programs to governmental and corporate priorities as well as industry needs.

The modernized Success Index is scheduled to be designed and rolled out during fiscal 2021-2022, with implementation scheduled for fiscal 2022-2023. Telefilm also intends to modernize its funding programs and align them to Success Index 2.0 during the same time frame. As these undertakings require pan-Canadian consultations with the industry, and due to the crisis caused by the COVID-19 pandemic, Telefilm anticipates the schedule may be pushed back.



## STRATEGIC PRIORITY

# OPTIMIZE OUR OPERATIONAL CAPABILITY

## Expected outcome in 3 years

Telefilm is renowned as an administrative partner of choice and recognized as a trusted administrator of public funds.

## INITIATIVE

### DELIVER EXECUTIONAL EXCELLENCE AND IMPROVE PERFORMANCE MEASURES.

## OBJECTIVE

Continue to deliver executional excellence and be recognized as an administrative partner of choice. Ensure corporate alignment in the delivery of industry success and the strategic and corporate plans through performance measures.

Outcome	Deliverables for fiscal 2020-2021	Responsible
Ensure executional excellence and corporate alignment with Success Index 2.0	Develop and set targets for operational capability indicators in line with the Success Index 2.0	Director of Finance
	Finalize corporate dashboard and key performance indicators using a balanced scorecard approach, set targets and develop visual monitoring aids	
Deliver value to stakeholders	Monitor and maintain low management expense ratio levels	
Provide a healthy workplace for employees	Promote a culture of diversity in an inclusive environment	Director, Human Resources
	Facilitate recognition events and best practices exchanges	
	Develop organizational leadership skills through training programs	
	Evaluate technology requirements to support workforce processes	
	Set framework for remote working policy	

**STRATEGIC PRIORITY – OPTIMIZE OUR OPERATIONAL CAPABILITY**

Outcome	Deliverables for fiscal 2020-2021	Responsible
<b>Deliver high service levels for industry members</b>	Execute and deliver Canada Media Fund Services Agreement and comply with service level objectives	Senior Director, Cultural Portfolio Management, assisted by: <ul style="list-style-type: none"> <li>• National Director, CMF Programs Administrator</li> <li>• National Director, Business Affairs</li> </ul>
	Deliver excellence in the Business Affairs and Coproduction sectors, making improvements through reinforced quality control processes and training, simplified drawdown schedules, streamlined applications and contracting processes, and transparent policies	
	Ensure Executive Leadership Team is aware of administrative successes and can promote Telefilm	
<b>Transform Telefilm's Information Technology sector into a trusted partner that supports business requirements and corporate initiatives</b>	Appoint Director of Information Technology to Executive Leadership Team	Executive Director
	Prioritize system modifications required based on business needs	Director, Information Technology
	Identify annual system upkeep requirements versus system improvements required	
	Support remote working policy with appropriate technology	
	Conduct cybersecurity posture assessment and remediation	

**LOOKING AHEAD TO FISCAL YEARS**
**2021-2022 AND 2022-2023**

Telefilm will pursue its goal of being an administrative partner of choice and recognized as a trusted administrator of public funds. Telefilm will implement a corporate dashboard, measuring key performance indicators using a balanced scorecard approach in an ongoing manner and communicating results in a transparent fashion.

Telefilm will provide a healthy workplace for employees and implement a modern remote workplace policy.

Telefilm will continue to deliver excellence in the Canada Media Fund Programs Administrator, Business Affairs and Coproduction sectors by creating recognition events and best-practice exchanges for employees and developing organizational leadership skills through training programs. Furthermore, it will be fundamental to ensure the Executive Leadership Team is aware of administrative successes so it can promote Telefilm as an administrative partner of choice.

Telefilm will continue to make recommendations to the Minister of Canadian Heritage on whether projects can be recognized as audiovisual treaty coproductions with excellence, strengthening its partnership and the services provided in collaboration with the Canadian Audio-Visual Certification Office (CAVCO).

Finally, under the leadership of a new Director of Information Technology, the sector will transform into a trusted partner that supports business requirements and corporate initiatives.

Despite the crisis caused by the COVID-19 pandemic, Telefilm will continue to optimize its operations and offer the highest service levels to the industry while maintaining a formidable value proposition for stakeholders.

## STRATEGIC PRIORITY

# ENHANCE THE VALUE OF THE “CANADA” AND “TELEFILM” BRANDS

## Expected outcome in 3 years

Greater visibility for Canada's audiovisual industry attained through partnerships that create multiplier effects for investments, optimize efforts and maximize impact. Ensure recognition of Telefilm's role in supporting the industry.

## INITIATIVE

## ENHANCE BRAND VALUE AND PRIORITIZE PARTNERSHIPS.

## OBJECTIVE

Telefilm and Canada brands attain visibility and are perceived as *Partners of Choice* among key stakeholders and audiences.

Outcome	Deliverables for fiscal 2020-2021	Responsible
Enhance visibility for Canada's audiovisual industry, prioritizing promoting in partnership	Deliver initiatives delegated to Telefilm to promote Canada as part of the federal government's cultural diplomacy strategy	Director, Promotion and Communications, assisted by: <ul style="list-style-type: none"> <li>• Director, Public and Governmental Affairs</li> <li>• Director, Human Resources</li> <li>• Director, Communications</li> <li>• Director, Event Management</li> <li>• Lead, Indigenous Initiatives</li> </ul>
	Create and continue partnerships on key content platforms in priority territories	
	Collaborate to promote the Canadian industry	
	Promote the diversity of Canada's talent, stories and production industry to global partners	
	Enhance efforts to foster increased coproduction projects with other nations	
	Redesign the Participation in International Festivals and Events Support and Export Assistance funding programs to best serve the industry	

**STRATEGIC PRIORITY – ENHANCE THE VALUE  
OF THE “CANADA” AND “TELEFILM” BRANDS**

Outcome	Deliverables for fiscal 2020-2021	Responsible
<b>Position Telefilm as <i>Partner of Choice</i></b>	Integrate <i>Partner of Choice</i> vision into employee objectives	Director, Promotion and Communications, assisted by:  • Director, Public and Governmental Affairs • Director, Human Resources • Director, Communications • Director, Event Management • Lead, Indigenous Initiatives
	Capitalize on national and international speaking engagements	
	Promote positioning through social media and press relations	
	Ensure transparency by proactively disclosing funding decisions and information on Telefilm's website	
	Leverage Telefilm's financial support for Canadian film festivals to promote the industry and Telefilm's role	

**LOOKING AHEAD TO FISCAL YEARS**
**2021-2022 AND 2022-2023**

Telefilm will seek greater visibility for Canada's audiovisual industry through partnerships while ensuring recognition of Telefilm's role in supporting the industry and its position as *Partner of Choice*.

Telefilm intends to continue collaborating with the federal government contributing to its cultural diplomacy strategy, and the organization will also develop and implement its internationalization strategy. Telefilm will ensure its funding programs support participation in international festivals and events and that export strategies best serve the industry. Partnerships will be sought to optimize efforts and maximize the impact of promotional initiatives for Canada around the world.

The crisis caused by the COVID-19 pandemic may require adapting some plans as international travel and large gatherings may be limited for some time. Online activities and digital strategies may take a more important role as Telefilm remains flexible in its support for the industry as the situation evolves.

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# FINANCIAL INFORMATION

***Kayak to Klemtu***  
Zoe Hopkins



## ASSUMPTIONS

The economic crisis caused by the COVID-19 pandemic requires Telefilm to adjust its 2020-2021 budget and normal financial assumptions. The Federal government provided Telefilm with a one-time \$27 million emergency relief fund for the Canadian audiovisual industry. This amount is being offset by a \$7.5 million decrease in Telefilm's Parliamentary appropriation, which was expected and specific to fiscal year 2019-2020. In the current global context, the Canadian audiovisual industry will likely continue facing financial uncertainty.

For instance, the film production calendar is expected to be delayed, large gatherings are expected to be restricted for an undetermined period, which may continue to cause cancellations of national and international activities related to the promotion and sales of Canadian content. Uncertainties regarding revenues have also been accounted for in the financial information. Telefilm has planned a prudent budget and will carefully monitor the situation as it evolves. The Statement of Operations has been prepared in accordance with the Canadian Public Sector Accounting Standards (CPSAS) that were in effect as of March 31<sup>st</sup>, 2020.

## STATEMENT OF OPERATIONS

For the Years Ending March 31, 2019 to 2021

<i>In thousands of Canadian dollars</i>	Actual 2018-2019	Updated budget 2019-2020	Budget 2020-2021
<b>Assistance expenses</b>			
Production programs <sup>10</sup>	75,292	73,642	60,230
Development program	6,424	6,602	5,481
Promotion program and national and international promotional activities	14,680	13,981	10,469
Marketing program	8,780	8,043	7,590
Other programs <sup>11</sup>	3,475	4,412	2,990
	108,651	106,680	86,760
Contingencies	–	–	647
COVID-19 Emergency Relief Fund	–	–	27,000
	108,651	106,680	114,407
<b>Operating and administrative expenses</b>	26,048	26,414	27,130
<b>Cost of operations</b>	134,699	133,094	141,537
<b>Revenues</b>	24,521	23,435	12,358
<b>Net cost of operations before government funding</b>	110,178	109,659	129,179
<b>Government funding</b>			
Parliamentary appropriation	101,899	109,379	128,879
<b>Deficit for the year</b>	(8,279)	(280)	(300)
<b>Accumulated surplus, beginning of year</b>	22,090	13,811	13,531
<b>Accumulated surplus, end of year</b>	13,811	13,531	13,231
<b>Other information:</b>			
<b>Tangible capital asset acquisitions</b>	825	125	250

10. Includes the Production Programs, the Talent to Watch Program, the Theatrical documentary Program and the Innovation Program.

11. Includes the contribution to Eurimages, the costs for recommendations of coproductions, the contribution to the Indigenous Screen Office, the Participation to international festivals and events support program, the Theatrical exhibition Program and the Export assistance Program.



# RISK MANAGEMENT

Telefilm uses an integrated risk management approach that ensures risks are considered at all stages of the business cycle—from the strategic planning process to ongoing business operations—and throughout all levels of the organization. Focus is placed on identifying and mitigating risks that could impede the delivery of our strategic priorities.

The Risk Management Committee is responsible for identifying and evaluating risks and ensuring adequate mitigation measures are in place. The committee is chaired by the Executive Director and composed of all members of the Executive Leadership Team. Risks are reviewed biannually, and management takes into account both internal and external factors and their potential impact. The Executive Director reports on risk assessment to the Audit and Finance Committee.

Telefilm's risk identification methodology provides a comprehensive understanding of all risks and of their various components, making it possible to develop specific action plans aimed at reducing residual risk. Risk assessment takes into account the following:

- Inherent risk
- Risk components
- Risk scenarios, implications and impacts
- Mitigation measures and attenuation factors
- Residual risk trend
- Risk velocity

Telefilm uses the following matrix to disclose the expected residual risks.

IMPACT	High		<ul style="list-style-type: none"> <li>Services agreement</li> </ul>	<ul style="list-style-type: none"> <li>Representation – Programs - underrepresented communities</li> <li>Funding available</li> </ul>
	Medium	<ul style="list-style-type: none"> <li>Governance of funding programs</li> <li>Innovation / Digital era</li> <li>Representation – Workplace</li> <li>Strategic plan</li> <li>Financial management</li> <li>HR succession planning</li> </ul>	<ul style="list-style-type: none"> <li>Business continuity (IT)</li> <li>Continuous program amelioration</li> <li>Telefilm's added value (Perception)</li> <li>Risk to reputation</li> <li>Employee performance</li> <li>Foreign currency</li> <li>Change management</li> <li>Regional office risk</li> <li>Representation – Programs - gender parity, Indigenous, OLMC</li> </ul>	<ul style="list-style-type: none"> <li>Exports</li> <li>Health – Travel &amp; Geo/socio-political</li> </ul>
	Low	<ul style="list-style-type: none"> <li>Program Awareness</li> <li>Discoverability and Promotion (creators and content)</li> <li>External governance</li> <li>Internal governance</li> </ul>	<ul style="list-style-type: none"> <li>Client satisfaction</li> <li>Fraud</li> </ul>	
		Low	Medium	High
LIKELIHOOD				

# PERFORMANCE INDICATORS

## STRATEGIC PRIORITIES

Objectives	Indicators	2020-2021 Targets
ATTRACT ADDITIONAL FUNDING AND INVESTMENT	Funding managed by Telefilm: <ul style="list-style-type: none"> <li>Talent Fund revenues and contribution agreement level</li> <li>Level of parliamentary appropriation</li> </ul>	<ul style="list-style-type: none"> <li>Grow donation revenues and secure funding through new contribution agreements</li> <li>Increase funding through partnerships with provincial government agencies and increase parliamentary appropriation level</li> </ul>
EVOLVE OUR FUNDING ALLOCATION APPROACH	<ul style="list-style-type: none"> <li>A modernized Success Index</li> </ul>	<ul style="list-style-type: none"> <li>Validate which existing Success Index criteria remains relevant and identify new criteria and its methodology</li> </ul>
OPTIMIZE OPERATIONAL CAPABILITY	<ul style="list-style-type: none"> <li>Project management plan</li> <li>Corporate dashboard</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and report on corporate and strategic deliverables</li> <li>Implement a management performance approach based on corporate dashboard</li> </ul>
ENHANCE THE VALUE OF THE "CANADA" AND "TELEFILM" BRANDS	<ul style="list-style-type: none"> <li>Brand strategic framework</li> <li>Level of awareness</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and report on corporate and strategic deliverables</li> <li>Establish baseline through client and stakeholder surveys</li> </ul>

## EXPECTED PROGRAM OUTPUTS

Objectives	Indicators	2020-2021 Targets		
Investment approach		Production Program	Marketing Program	Film budget
Sustain and amplify the impact of creators developing international quality content for Canada and/or abroad	<ul style="list-style-type: none"><li>• # of films supported</li><li>• % of program budget</li></ul>	≈ 15 films ≈ 45%	≈ 11 films ≈ 45%	Film ≥ \$8M* and/or coproductions
Invest in creators who demonstrate potential in national market		≈ 28 films ≈ 45%	≈ 24 films ≈ 45%	\$1.5M ≤ Film < \$8M*
Foster next generation of creators		≈ 17 films ≈ 10%	≈ 17 films ≈ 10%	Film < \$1.5M
Support Indigenous creators	<ul style="list-style-type: none"><li>• Funding commitments through Indigenous stream</li></ul>	\$4M annually		
Support film festivals and industry training with regional impact and/or representing diversity and inclusivity	<ul style="list-style-type: none"><li>• # of film festivals and training activities</li></ul>	60 in regions 39 for diversity and inclusivity Increase or maintain		
Showcase Canadian content at national film festivals	<ul style="list-style-type: none"><li>• % of Canadian content showcased at national film festivals</li></ul>	15% Increase or maintain		
Provide greater access to groups seeking equity	<ul style="list-style-type: none"><li>• # of new projects and initiatives supported</li></ul>	Create and/or contribute to projects and initiatives that address groups seeking equity		
Deployment of physical or virtual Canada Pavilions at international film festivals and markets	<ul style="list-style-type: none"><li>• # of Canada Pavilion</li></ul>	9 pavilions Increase or maintain		
Balance film funding by language	<ul style="list-style-type: none"><li>• % film funding by language</li></ul>	Approximately 33% French-language		
Attain gender parity in each of the key creative roles	<ul style="list-style-type: none"><li>• % of number and investment for films with a woman in a key role</li></ul>	Writers / Directors / Producers Parity 50% Parity zone minimum 40%		

\* \$6M for French-language market

## PROGRAMS DELIVERY PERFORMANCE

Objectives	Indicators	2020-2021 Targets
Client satisfaction	<ul style="list-style-type: none"> <li>Percent of clients satisfied</li> </ul>	80% Increase or maintain
Compliance with processing time established in the service charter	% of compliance with established program service level <ul style="list-style-type: none"> <li>Decision-making</li> <li>Contracting</li> <li>Payments</li> </ul>	≥ 80%

## FINANCIAL PERFORMANCE

Objectives	Indicators	2020-2021 Targets
Efficiency in the administration of funding	<ul style="list-style-type: none"> <li>Management expense ratio</li> </ul>	< 6%
Effectiveness in use of financial resources	% of use: <ul style="list-style-type: none"> <li>Parliamentary appropriation</li> <li>Program funding</li> </ul>	100% ≥ 90%

## ADMINISTRATIVE PERFORMANCE

Objectives	Indicators	2020-2021 Targets
Maintain a healthy workplace culture	<ul style="list-style-type: none"> <li>Employee turnover rate</li> <li>Investment in employee training and development</li> </ul>	8 ≤ % ≤ 12 2% of total payroll
Showcase Telefilm as an inclusive employer	<ul style="list-style-type: none"> <li>Diversity and inclusion measurement</li> </ul>	Deliver actions stemming from the employee diversity and inclusion plan
Provide high level of availability for IT critical systems	<ul style="list-style-type: none"> <li>% of hours available</li> </ul>	Hours ≥ 97.5%

## 2022 STRATEGIC PLAN

OUR VISION  
TELEFILM AND CANADA  
**PARTNER  
OF CHOICE**

OUR OVERARCHING GOAL  
**BRINGING  
CANADIAN  
CREATIVITY  
TO THE WORLD**

**ATTRACT**  
ADDITIONAL FUNDING  
AND INVESTMENTS

**EVOLVE**  
OUR FUNDING  
ALLOCATION APPROACH

**OPTIMIZE**  
OUR OPERATIONAL  
CAPABILITY

**ENHANCE**  
THE “CANADA” AND  
“TELEFILM” BRANDS

### TELEFILM'S CORPORATE PLAN 2020-2023

The roadmap to delivering the 2022 Strategic Plan: *Partner of Choice*

#### STRATEGIC IMPERATIVES

**INCREASE  
FUNDING**

**OPTIMIZE  
INVESTMENT  
APPROACH**

**DELIVER AND PROMOTE  
ADMINISTRATIVE  
EXCELLENCE**

**ENHANCE  
BRAND VALUE**

#### INITIATIVES

##### Grow Talent Fund revenues

- Seek funding commitments and donation renewals
- Create new initiatives and continue communications with donors

##### Pursue additional funding for the industry

- Illustrate industry funding requirements
- Work with government to increase funds

##### Modernize Success Index

- Develop a clear, modernized definition of success

##### Modernize and align investment approach with Success Index

- Ensure funding programs reflect organizational priorities, the state of the industry and can deliver diversity and inclusion objectives and governmental goals

##### Deliver executional excellence and improve performance measures

- Ensure corporate alignment with Success Index 2.0
- Deliver value to stakeholders
- Provide a healthy workplace for employees
- Deliver high service levels for industry members and partners
- Support business requirements and corporate initiatives through IT systems

##### Enhance brand value and prioritize partnerships

- Enhance visibility for Canada's audiovisual industry, prioritizing promoting in partnership
- Position Telefilm as Partner of Choice

