

VIRTUAL PUBLIC FORUM – DEVELOPMENT PROGRAM

October 7, 2020

Some 200 participants attended the two public forums on the Development Program in French and English.

After opening remarks by Telefilm Canada’s Executive Director, Christa Dickenson, and Senior Director, Cultural Portfolio Management, René Bourdages, participants heard the presentation of the program by Julie Blondin, National Director, Business Affairs, on the Development Program and by Mathieu Perreault, Specialist, Economic Analysis and Program Performance, on the results of the online survey completed between September 20 and 27, 2020.

Discussions among participants covered the following three main questions:

- How could Telefilm better assist you at the development stage?
- What would be the best criteria for decision making?
- What recommendations would you make if the list of eligible expenses were revised?

The following is a summary of the opinions and recommendations heard during the forums.

Opinions	Recommendations
Development Program Mandate and Decision-making Objectives	
<p>We should be trying to make the best Canadian feature films with the most impact in the world. We want projects that put the Canadian creative voice out there.</p> <p>Good judgement is not mathematical. It cannot be in one person’s mind or covered in an equation.</p> <p>What does the movie have to say? How unique is it? What is the audience potential (here and globally)? Who is the team? If an emerging team, are they supported? Will it be amazing and travel well? Will it go beyond the</p>	

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<p>film festival audience and engage other audiences? (This is not saying that we need to make commercial/mass appeal films)</p>	
<p>Telefilm’s role is NOT to sustain companies:</p> <p>Telefilm is putting the incentives in the wrong place when approach is sustaining companies – this says that you will get funding no matter what you do. It is better to make the incentive about bringing forward the best project. The potential of the project on the table is more important than the past performance of the company bringing it forward. (There were many in the breakout room who noted this comment and agreed with it.)</p> <p>Producers should take care of sustaining themselves/their companies. Telefilm can help with sustainability by making development monies available (for good projects) and if the proposal is strong, the company will succeed at getting the Telefilm DEV support which in turn it can use to leverage other support, move the project forward, etc.</p> <p>Good business practices sustain companies, not automatic support.</p>	
<p>The AUT stream help companies mentor/support/develop emerging talent and talent from under-represented communities. Counterpoint: it is great that some companies will do this but this is not currently a requirement of the program and is not being done by most recipients of automatic funding. There is no guarantee therefore it should be juries making the decisions - not automatic recipients.</p>	
<p>Provide space for great ideas. Who is making the decisions? If they are not from different communities, then the likelihood of them connecting with the stories/proposals is limited.</p>	<p>Share the decision-making. Cede the decision-making. Or consider multiple juries with specific representation: for example a woman-led jury; a Black jury, etc. These could meet at different times of the year.</p>
<p>Perception that there is a “club” in current automatic/fast track system – a jury process can break this up. Most producers are just looking for an EQUAL opportunity at access (not a better opportunity).</p>	

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<p>Telefilm should be reading scripts. There is a disconnect between the Development and Production programs. Producers put a massive amount of resources into a production application and it's the first time the Project Financing team has seen it. In the earlier version of the Development Program, they could get feedback earlier on.</p>	
<p>Don't discriminate against emerging producers with projects bigger in scope. Scope of the project vis-à-vis the team is a production consideration.</p>	
<p>What is the measure of success of the Development program?</p> <ul style="list-style-type: none"> • Is it capacity building • Is it # of movies produced <p>What is the objective?</p> <ul style="list-style-type: none"> • To finance a screenwriter • To finance a script 	
<p>How many of the films supported in production were developed with the support of the Development program?</p> <p>Have the projects funded through the Automatic stream been successful?</p> <p>What percentage of development projects have moved to production under the current model vis-a-vis the former, entirely selective model?</p> <p>How are you measuring success in this program?</p>	<p>Publish historical data on the performance of projects funded through automatic decision-making (production and development).</p>
<p>Bottom line, emerging talent is taking whatever route leads to a future. Can the English Canadian film industry create career sustainability for the burgeoning talent pool looking for a vehicle to success? Will television and eventually other vehicles to audience be the only viable career choice?</p>	

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Development Program Budget and Stream Allocations	
<p>Too many projects / not enough money</p> <p>The issue has always been that there is a lack of resources and we are trying to make everyone happy. We cannot do that; it will always be a shell game until there is a major increase in the resources available.</p>	<p>Need an increase in overall Development budget</p> <p>The Telefilm Development budget should be at least 10% of the overall Telefilm budget for feature film investment.</p>
<p>Split: 75% of the envelope given in automatic and 25% in selective.</p>	<p>There should be more equitable distribution of money among fast track/automatic/selective</p>
<p>Disparity in the allocation of development funds between the Quebec producers and the rest of Canada.</p> <p>Regional perspective: Atlantic provinces don't benefit from provincial equity</p>	<p>All regions are unique: no one-size fits all solution</p> <p>Is it possible to do a top up for Regional projects (e.g. Atlantic, which don't have access to the same resources as in Ontario)?</p>
<p>Difficult situation for francophones outside of Quebec: there are components for Indigenous and racialized communities but nothing for official language minority communities.</p>	<p>Add the regional criterion for francophone communities outside Quebec or companies outside of major centers.</p>
	<p>Keep the objective of a balanced portfolio</p>
<p>How are funding allocations made?</p>	<p>More transparency is needed</p>
Selective Stream	
<p>Juries:</p> <p>External peer jury has credibility, particularly for negative decisions. (Removes perception of bias from Telefilm staff)</p> <p>Mixed internal/external juries are the best route for fair, balanced, informed recommendations: external readers tend to have expertise concentrated on creative elements (which is positive) but do not have commercial/audience</p>	<p>A jury system seems ideal to avoid any direct conflicts of interest/personalities, but I also appreciate that arranging for jury decisions on every single idea submitted for consideration quickly becomes unmanageable and expensive.</p> <p>Ensure an internal perspective is included when there is a jury (internal and external mix)</p>

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<p>knowledge. Telefilm team has data and information about market/commercial performance over long periods of time. Telefilm team also knows track record of companies and talent attached to projects.</p>	
<p>Lack of face to face meetings between applicants and decision makers during the selection process. The current process is missing the “human element”</p>	<p>Pitch meetings. Provide the opportunity to submit a video pitch, especially for Indigenous communities who are sometimes afraid to submit written documentation (not all agree with the video pitch since some are less comfortable on camera and also the importance of being able to pitch it in writing given that it is for the eventual scripting of a film)</p>
<p>There were concerns regarding the guidelines where it is mentioned Telefilm may look at the creative element submitted with the application, but not necessarily. It implies that there is a possibility that a negative decision is taken without the reading of the script and other material submitted.</p> <p>Another concern was brought up about the executives and readers at Telefilm whether they have a good understanding of the market and of the projects submitted, specifically when it comes to niche markets.</p> <p>The automatic stream is more predictable vs selective – selective process wasn’t transparent</p>	<p>Telefilm should be clearer and more transparent. Have a process that includes reading scripts, having a combination of in-house readers and external readers. Have it read without disclosing the author and/or the team</p> <p>Having out-of-region readers analyse the scripts. However, it is important to be mindful of the particularities and voice of each region and province when evaluating these projects from an outside perspective.</p>
<p>The weighting of the evaluation criteria is not known.</p>	<p>Publish the scoring matrix.</p>
<p>Regarding Telefilm’s requirements and eligibility, it seems that the overall experience of an applicant (years/projects/etc.) is not acknowledged in the decision-making process. Requirements feel outdated. Institutions are not flexible.</p> <p>Eligibility – will that be expanded?</p> <p>A new company is not eligible for the automatic or selective program.</p>	<p>Decisions should be based on producer track record, including projects done without Telefilm Canada (and where the producer may not be a copyright holder, but did have a producer credit)</p> <p>Telefilm should consider a different approach when it comes to projects that don’t necessarily fit in one specific box and to work with the clients to find ways to make them happen.</p> <p>Give a chance to companies that have less of a track record.</p>

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	<p>Targeted groups: expand eligibility criteria</p> <p>Should include TV credits in eligibility.</p>
Automatic Stream	
<p>A system based on arithmetic cannot meet all the objectives – particularly when those objectives come from different needs (e.g., diversity, equitable access across the country, discovering emerging talent vs rewarding success; etc etc).</p>	
<p>Five years does not represent reality; i.e., it does not take into account the track record. Should be 10-15 years because some clients have to apply three or more times to SODEC to obtain funding.</p> <p>An individual can change companies, so the entire CV should be considered</p> <p>If we are eligible for only one project, we can quickly fall out of eligibility between projects.</p>	<p>Consider the experience of individuals and consider the CVs of production companies in the criteria for automatic and selective programs.</p> <p>TV experience / success should contribute to score calculations</p> <p>Need to consider the success of the creative team, not just the company.</p>
<p>Those who make minority coproductions are distorting the equation. They don't invest as much time as they do in 100% Canadian projects.</p>	<p>Review the score of minority coproductions</p>
<p>Find a better balance between commercial and cultural success.</p>	<p>Consider television and international pre-sales in scoring</p> <p>Broaden the list of films festivals</p>
<p>The success index doesn't rank documentary projects high enough.</p>	
<p>Redefine theatrical release, especially during COVID.</p>	<p>At the production financing stage, eliminate the need for a distributor</p> <p>Other platforms should trigger eligibility (not limited to festivals/theatrical release)</p>

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	Redefine the theatrical release. The exceptions should become the new rule.
Development Program Requirements and Criteria	
Automatic financing allows one to better predict expenses.	
<p>Timeline too short: 2 years to deliver a completed script – not realistic given writers are working on multiple projects at once. Difficult to predict the duration of the scriptwriting process.</p> <p>When the producer is also the screenwriter, it is more difficult to meet deadlines since the client must do both the work of the producer and the screenwriter.</p>	<p>Producers would like to have time to better decide which projects they want to submit, up to four years. The urgency to submit can hinder their selection process and even their production company.</p> <p>Have more flexibility on using funds, i.e. for activities other than development, and not be obliged to allocate the same amount per project, both automatically and selectively.</p> <p>If we revert to a wholly selective financing, have in advance the dates and an idea of the amounts to be allocated.</p> <p>Be able to obtain additional time for deliverables. Longer period to develop the script.</p> <p>Provide criteria adapted to reality of producers who are also screenwriters.</p>
Script language - right now only allowed to develop in English, French and Indigenous languages	Should be representative of Canada’s diverse communities (to be addressed in the Production program as well)
Slightly rigid envelope that does not allow changes during implementation. Cannot add / change writers mid-way through development.	<p>Flexibility to choose to apply for 1 project at \$30K instead of 2 at \$15K</p> <p>Inability to work with non-Canadian writer on International co-productions. Need the flexibility to do this.</p>
Why must the fiscal year always be respected?	

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<p>Recouping development funds/deducting them from the total later committed to production is a great idea. Recoupment is how both Ontario Creates and Harold Greenberg Fund operate, and it makes a lot of sense (and is an incentive to back development of truly viable projects).</p> <p>Isn't this the current system? Isn't this comment moot?</p>	<p>This could work well for Telefilm if the project eventually goes to camera without Telefilm production investment (the money goes backing the Telefilm pot). And then deduction from production commitment would be ideal for projects Telefilm does decide to support going to camera (less to cashflow/repay so more beneficial for both producer and Telefilm).</p>
<p>Eligibility (AUT and SEL): The current rule that a producer must have one film commercially released is too onerous. This limits producers who work in television. Those professional skills are relevant.</p> <p>Counterpoint: It is a very small pie and there is already not enough money to go around so let's keep eligibility limited. We cannot please everyone.</p>	<p>Be more transparent about the exceptions for television producers. Even better: change the rule; allow TV experience to qualify a production company for FF DEV eligibility</p>
<p>If a producer is refused by Telefilm, cannot always wait a year because financing is mostly in place, cast is secured, etc. Will just go ahead without Telefilm.</p>	
	<p>Create an incentive for international co-production, which is the way of the future for funding, even if it is sometimes difficult to know in advance whether the film will be a co-production.</p>
<p>There is a lack of support for projects that are outside of Telefilm's "loop"; clients often feel left to themselves. When projects are filmed outside of Canada, they are not considered Canadian even if the screenwriter is.</p>	
<p>Due to the exceptional situation with Covid-19, it is difficult to meet all criteria when applying for funding.</p>	<p>During COVID, production companies are finding out-of-the-ordinary financing solutions that will need to be considered in the future.</p> <p>Will there be any consideration for next year regarding the program requirements and scoring of the projects?</p>

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Finding the right story editor is difficult.	A national list made public would be helpful.
Application deadlines	
<p>More time is required between release of updated guidelines and submission dates and deadlines; ever changing guidelines and dates are make it difficult to predict and line up projects.</p> <p>The deadlines always vary and are not communicated enough in advance – fixing this would help with annual planning.</p> <p>The deadlines for applying are too short, especially since during the last one there were a lot of documents to be filled out, so we must hurry to submit the projects.</p> <p>Timelines are out of sync with industry, festivals and other funding deadlines.</p> <p>Deadlines are tight and force the choice of projects (sense of wasting public funds)</p>	<p>Better communication of deadlines to the clients.</p> <p>Longer application deadline period. Would be very helpful when copro letters come late in October.</p> <p>The idea of having two cycles per year would help (spring/fall) to better plan the mix of other funding.</p> <p>Extending the deadline for envelopes by six months to give more time to select projects will allow for alignment with SODEC.</p>
Deadlines are expensive for producers; the easiest example is the option that doesn't line up with Telefilm's calendar. May have to wait for most of a year to keep option rights – or pay twice. Expensive and a time-waster.	Having multiple deadlines will work better for producers optioning 3 rd party properties.
Client Support - Project Feedback, Mentoring	
Creating focus groups to discuss the scripts and, receiving scoring and feedback from Telefilm readers would help them acquire a better understanding of how the projects are being selected, and how they could improve their work in order to qualify for funding.	Creating a database of story editors could also be helpful as there are currently no useful resources.
Mentorship still required: needs are different depending on the region	Mentorship and legal support for Telefilm contract for emerging filmmakers.

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<p>Challenge in Western Canada to find established feature film producers to support experienced writers and directors. Mentorship to be put in place. Mentorship to be developed.</p> <p>Atlantic region: mentorship fatigue – producers aren’t making money, difficult to sustain mentorship</p> <p>Mentorship okay but matching would be beneficial</p> <p>Mentorship can be beneficial but mentors can also become stale-dated.</p>	<p>Should mentorship not be factored in the scoring a production company?</p> <p>Must ensure diversity of voices amongst mentors.</p>
<p>Mentoring is a great idea, but it’s hard to manage when driving your own projects. Expectations aren’t always clear.</p>	<p>Consider adding Producer Consultant as an eligible cost. Agreement between mentor and mentoree would have set parameters.</p>
<p>Development Financing, Project Caps and Eligible Costs</p>	
<p>Development is the hardest money to raise. Important to invest in development because it means investing in the quality of a project. Getting the writer is putting the best foot forward with limited outlay.</p>	<p>Put greater emphasis on development costs instead of more obvious production costs.</p>
<p>Development is a negative endgame – there is not enough to cover the basic costs and usually PFOH end up being used to cover third party accounting, ineligible costs or being reinvested. Producers do not make any money from development.</p>	
<p>Feature film model is crumbling; independent production companies aren’t being sustained; partnering with others in order to survive. Development puts companies at a loss.</p> <p>The producer assumes full responsibility for the project that is going to be developed. Development is the cornerstone of production companies. If it is weakened, it has an impact on production. Costs and requirements are rising</p>	<p>Thought to be given to the production companies. Establish a socioeconomic portrait. Undertake a comprehensive consultation on the ecosystem, taking into consideration foreign productions that receive tax credits and increase fees and rates.</p> <p>The review of the index and the allocation of funds must be done with an overarching view, not piecemeal. For example, the tax credit should be allowed to remain in companies for development purposes, at least in part.</p>

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<p>but the funding stagnates. Telefilm's financing is not budging, but the number of projects is increasing.</p> <p>Producers don't pay themselves – we leave our fees in the company. It is a matter of survival for production companies. As a company, we need support. Profit is a taboo subject. We work from project to project.</p> <p>Providing the means for projects to allow for salaries and survive on development funds is vital for projects to be good. Hindrance: producer having to cover 20% of development costs.</p> <p>When Development funding is provided at the level of \$15000, it makes it harder for producers to afford WGC rates, so they often end up employing less experienced writers.</p> <p>Sustainability should not be an objective of development (automatic funding). Keep allocating development funding, and companies will take care of the rest.</p>	<p>Have an open dialogue with the revenue agencies. We have to reinvest our fees but wait 10 years to declare them as a loss.</p>
<p>\$15,000 cap not enough:</p> <ul style="list-style-type: none"> • especially for small production companies and given the loss of the Harold Greenberg Fund • \$15K doesn't cover the most basic costs; e.g., WGC minimum is greater than this. <p>Amounts are committed without knowing if enough funding can be found to pay everyone. It's \$50,000 initially for the screenwriter under SARTEC agreements.</p> <p>Don't know how to build a slate with other writers when we cannot predict funding or if it is limited to one project every other year.</p>	<p>What is the development budget in a feature film development cycle? What percentage does \$15,000 cover on average?</p> <p>More funding per project. At least \$30,000 per project would help to pay the screenwriters and story editors and have a producer share.</p> <p>A funding in writing phases that would follow the percentages set by SARTEC/WGC (75% for a first draft), second draft, third?</p> <p>Give the producer the option to increase the writer fees to the required amount for that writer/phase/etc in DEV and then at PRO stage, cover that increased amount via a reduction of the Telefilm investment.</p>
<p>Writer earnings from feature films is insignificant (as per survey of WGC members). Barrier to entry for mid-career writers: fees not high enough – not sustainable.</p>	<p>Pay WGC rate.</p>

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<p>Though the Development Program is generally helpful, it lacks support for screenwriters. There seems to be a gap in the process, more specifically from the writing stages to the production of the project.</p> <p>In previous years, Telefilm had a program specifically for writers. Not only did the funds help support the writers financially but acted as an incentive for them to continue writing even if their projects take years to be produced and sometimes, not at all.</p>	
<p>Not enough funds to keep working with the talent that the producers have grown. Talent goes to other companies or to the U.S. where they can earn more.</p>	
<p>As there are so few sources of development funding (not all provinces are equal), it's not possible to afford a WGC writer.</p>	
<p>It would be helpful to have packaging outside a producer's development slate.</p>	<p>Have a dedicated packaging fund. For attaching cast that is needed to attract the marketplace and Telefilm.</p>
<p>There are too few eligible expenses. Legal fees are very high. Not enough money for research.</p> <p>Emerging filmmakers don't have the resources to finance legal expenses. Are there legal resources for them?</p>	
<p>There are too few eligible expenses. Legal fees are very high. Not enough money for research.</p> <p>Emerging filmmakers don't have the resources to finance legal expenses. Are there legal resources for them?</p> <p>Be careful of how many eligible expenses are allowed. It dilutes the amount available for the screenwriter.</p>	<p>The story editor should be able to be involved from the beginning, not afterwards. The expense should be eligible.</p> <p>Animation: graphic development, writing component, more flexibility on writing elements taking into consideration the genre.</p> <p>Animation projects: include the costs for teaser writing, character design.</p> <p>Packaging costs should include:</p>

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<p>Teams do not always have all the expertise they need to move a project forward or to support a project in achieving its maximum potential (especially emerging teams or teams with focused expertise or gaps in certain areas of expertise) and the cost of adding this expertise is ineligible (e.g., business acumen, bizaffairs mentoring, market projections, legal, etc.)</p>	<ul style="list-style-type: none"> • Proof of concept • Pitch deck designs • Marketing costs: producers are having to cover all these out of pocket <p>Legal expenses should be allowed earlier in the development of a project.</p> <p>Packaging costs are not available to <\$2.5M – reconsider.</p> <p>Ontario Creates, Harold Greenberg, Creative BC, etc have development approaches that better support producers.</p>
<p>Should add research and location pre-scouting to eligible expenses to get a bit further before attaching a director. Legal fees should also be included.</p>	