



Talent. Together.

NOTES FOR A SPEECH BY

MICHEL ROY
CHAIR OF THE BOARD

AND **CAROLLE BRABANT**
EXECUTIVE DIRECTOR

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CHECK AGAINST DELIVERY

Michel Roy

Distinguished guests, Ladies and Gentlemen,

I want to welcome you all to this annual public meeting. Its title, which is the same as the title of our 2013-2014 annual report, combines two words: talent and together. Two key words that you will hear repeatedly during this presentation.

In recent years we have held our annual meetings in Montreal, Halifax, Winnipeg and Toronto. And now this morning we are in the Nation's Capital.

I am very pleased to see, gathered together in this room, representatives of industry organizations, as well as senior government officials. Thank you for joining us today. And thank you to the National Arts Centre for its hospitality.

Those who know me personally know I live in a small village along the Lower Saint Lawrence.

Clearly, I'm not here to talk to you about where I live, but I must say that my village makes me think of a proverb you may be familiar with.

According to this proverb, "*It takes a village to raise a child.*"

I like to think that we form the village needed to raise our cinema and our creations.

It's this big village we are building together when we invest in our cultural products. It's this big village we are creating when we promote our talent.

And the child is growing up. We see the child growing up before our eyes.

Seeing our stories proudly spotlighted at the Oscars, at festivals like Cannes, Berlin, Shanghai, Palm Springs, Locarno, Venice and Toronto, we can safely say that the child is maturing. We can say that our country is doing the right things to raise the child. To develop our audiovisual industry.

Our productions are eagerly sought after by foreign buyers at major international markets.

In fact, Canada has an outstanding model of support for its audiovisual sector. We should boast about it more. It earns us the admiration and envy of many countries.

This model is based on high levels of recurrent public investment. I am thinking of Telefilm, of course, but also of the contributions of agencies like SODEC, in Quebec, like the Ontario Media Development Corporation, Creative Saskatchewan, Manitoba Film & Music, Film & Creative Industries Nova Scotia, and the Newfoundland and Labrador Film Development Corporation.

I am also thinking of the large-scale private funds—the Canada Media Fund, which injected 354 million dollars into the industry this year, and Bell Media, Corus Entertainment, the Rogers Group of Funds and Québecor.

I am thinking of national and provincial tax credits that encourage both local production and foreign location shooting.

I am thinking of the extensive broadcasting system and its crucial impact on Canadian content.

I am thinking of the film festivals all across the country that testify to our appetite for movies and that bring our creators closer to their audiences.

I am thinking of our official coproduction agreements with 54 countries, the latest of which, with India, came into effect this past summer.

Celebrated Canadian actor Dan Aykroyd recognized all this when he said—and I quote—*“One of the reasons that Canada is a great country lies in government and private institutional support for the creative arts.”*

I am happy to say that stakeholders in the Canadian audiovisual sector are not only working better, they are working better and better together. In the past few years we have seen new forms of solidarity emerge, both for production and for the promotion of talent.

This is a good thing, because the times are changing. Indeed, the audiovisual environment is undergoing a major transformation. Carolle Brabant will be addressing this later.

The current environment is marked by the growth of digital production and distribution platforms. This has led to significant changes in audiovisual content consumption habits.

As a village, we have a collective responsibility to adapt to these changes and to take full advantage of them.

I am confident that we will. Because by acting together, as a community, we have already achieved impressive results.

For example, in 2012-2013, the latest year for which we have complete data, the total volume of television and film production in Canada amounted to 5.8 billion dollars.

Hundreds of entrepreneurs across the country contributed to the volume of movie production, which grew by 3% from the previous year to a total of 351 million dollars.

The average movie production budget rose from 3.8 to 4 million dollars, which is a good indication of investor confidence.

And that year, Canadian cinema created more than 3,000 direct jobs and 4,700 indirect jobs.

What's more—and it's important to note this—our creators are widely admired. We have concrete proof.

During the last year alone, Canadian films were shown at 74 major international festivals, and brought home 40 prestigious awards.

2013-2014 was the year of:

- *Tom à la ferme*, by Xavier Dolan;
- *Gabrielle*, by Louise Archambault;
- *Still Mine*, by Michael McGowan;
- *The Grand Seduction*, by Don McKellar;
- *Enemy*, by Denis Villeneuve;
- *Le Démantèlement*, by Sébastien Pilote; and
- *Louis Cyr : l'homme le plus fort du monde*, by Daniel Roby.

Our filmmakers are in demand. Their voices and stories enrich filmmaking on the international scene. Just think of the recent successes by Jean-Marc Vallée—*Dallas Buyers Club* and *Wild*.

And think of Canadian actresses...

- Tatiana Maslany, leading the cast in *Orphan Black*;
- Cobie Smulders, star of the show *How I Met your Mother*, and
- The young Sophie Nélisse in *The Book Thief*.

An array of talent that impresses the whole world.

Our international slogan is crystal clear: *See Big. Voir grand*. It highlights our very Canadian ambitions.

Last year, the Canada Pavilion was the second largest at MIPCOM, the major entertainment content market in Cannes.

Recently, buyers were jostling for rights to the historical mini-series *Le berceau des anges* by hit director Ricardo Trogi.

Same thing for the *Murdoch Mysteries* series, which celebrated its 100th episode this year, prompting actor Yannick Bisson to say: “*You make Toronto a central character in your show and you have the best-selling show ever to come out of Canada.*”

Obviously, our industry is shedding its legendary modesty and proclaiming its ambition loud and clear. The ambition to be recognized as one of the world’s most important suppliers of independent audiovisual products.

In 2011, Telefilm adopted a corporate plan aimed at fostering Canadian cultural success. We are now in the final year of that plan.

Our plan contains a business vision, a vision aimed at stimulating demand for Canadian content in order to reach more audiences, at home and around the world.

That business vision is, in fact, a safety net. A solid safety net for the development of our industry and our talent.

Because even though there is no limit to cultural success, we must never lose sight of the fact that we operate in an industry that has much in common with research and development.

Every movie is a prototype. A unique product. An adventure that requires years of work and is never guaranteed to succeed.

This is even truer of feature films produced and distributed on digital media, which, in many respects, constitute a vast unknown territory yet to be conquered.

Once you understand these issues, it's easier to see the need for a solid safety net. For a business vision that includes both industry and talent development.

At Telefilm, in keeping with our clients' wishes, we focus on four key roles to help the industry reach audiences.

Let me briefly remind you of these roles:

First, we invest in feature films.

Second, we promote the audiovisual industry and its talent at home and abroad.

Third, we provide thought leadership for the industry, which needs timely market intelligence in order to seize new business opportunities.

And fourth, we administer. We manage public and private monies that amount to some 450 million dollars, including the administration of the Canada Media Fund's funding programs.

Over the past few years, in consultation with our clients, we have redesigned all of our programs, often by grouping them together and streamlining them, to align them more closely with our objective to reach audiences—anywhere, anytime and on any platform.

We have also introduced initiatives that encourage experimentation in production and promotion.

While it's important to keep up with the times, to move forward and improve, it is equally essential to ensure that public funding produces the expected results. To do this, we have established an annual reference framework—a success index that places greater accountability on Telefilm and the entire film production and marketing chain.

We are all keenly aware that we administer funds entrusted to us by the Canadian public.

The performance of Telefilm's portfolio is measured according to three factors deemed vital to the industry's growth:

- The commercial factor, which includes domestic box office and domestic and international sales;
- The cultural factor, which takes into account festival selection and awards; and, lastly; and
- The industrial factor, which is based on the proportion of private-sector and foreign funding in our portfolio of films.

I believe the industry recognizes that Telefilm acts as an open, flexible partner, respectful of each producer's expertise.

Our governance is sound. Our corporate plan, the means we use to implement it, our reporting requirements and our culture of accountability are effective.

At this point, I would like to acknowledge the members of Telefilm's Board who are with us today:

- Elise Orenstein, Vice-Chair and Chair of the Audit and Finance Committee, a Toronto lawyer and specialist in intellectual property;
- Grant Machum, Chair of the Nominating, Evaluation and Governance Committee, a Halifax lawyer whose practice includes employee relations and human rights;
- Ram Raju, Chair of the Strategic Planning and Communications Committee, a specialist in education and digital media from the Ottawa region; and
- Claude Joli-Coeur, Acting Government Film Commissioner and Chairperson of the National Film Board of Canada.

Also sitting on the Board is Corey Anne Bloom, a chartered accountant from Montreal, who couldn't be here with us today.

We can claim significant achievements, but we prefer to stay on our toes. We are always looking for new leveraging effects and new efficiencies that will benefit the industry.

We also conduct regular surveys to ensure that our programs and our strategies remain relevant.

I am pleased to report that our management expense ratio has held steady at 5.8% and that, over the past three years, we generated 4.5 million dollars in administrative savings that have been reinvested in our funding programs.

In terms of client satisfaction, our rate rose from 79 to 86% in fiscal 2013-2014, confirming the client service efforts made by all of our teams. I would like to take this occasion to warmly salute Telefilm's employees for their continued and invaluable commitment to Canadian talent.

Without question, the guiding hand behind these results is Telefilm's executive director, Carolle Brabant, whose leadership earned her the prestigious title of Fellow of the Ordre des comptables professionnels agréés du Québec in 2014.

We are going to hear from her now, and then I'll be back with some closing words.

Carolle Brabant

Thank you Mr. Roy.

Good morning, everyone. It's a pleasure to be here with you to celebrate Canadian talent once again.

I'm going to address three issues that summarize the challenges the industry is facing today—funding, promotion and the new audiovisual environment in which we operate. It's an environment that offers as many questions as it does possibilities!

But first of all, let me give you a few figures concerning Telefilm's 2013-2014 fiscal year.

During the year we invested just over 92 million dollars in the industry, 81% of which went to the development and production of feature films, and 19% to the national and international marketing and promotion of Canadian works.

Specifically, we supported:

- The development of 306 projects;
- The production of 91 feature films;
- The marketing of 92 feature films;
- 109 Canadian festivals and events; and
- Canada's participation in 29 international events.

There you have the key figures.

Now let's go back to the first challenge at issue, the challenge of diversifying the funding sources for Canadian cinema.

While public investment remains crucial in the area of creative activity—it's the same all over the world—the industry's vitality is largely linked to its capacity to secure new sources of financing for its projects.

Telefilm works hard to optimize the leveraging effect of its own investments by creating synergies with the private sector. We encourage what we call market interest.

This means that when we fund larger-budget projects, we make sure that they are solidly packaged. That they have attracted the interest of Canadian and foreign distributors, exporters, broadcasters and investors. That they have a good chance of making it in the market.

This approach has met with success, given that producers managed to double the amount of private-sector and foreign investment in feature films funded by Telefilm in fiscal 2013-2014.

We have also gone beyond the immediate industry community to encourage large corporations and the Canadian public to invest in their cinema through the Talent Fund, a private donation fund.

This initiative, supported by the CRTC and the Canadian Chamber of Commerce, allowed us last summer to announce additional investments of 13.7 million dollars in the production and promotion of homegrown movies.

We are grateful to Bell Media and Corus Entertainment for their important contribution, and to the participating foundations and individual donors.

As you can well imagine, we don't intend to rest on our laurels!

The Fund's advisory committee, composed of eight accomplished business and community leaders, is chaired by Hartley T. Richardson, of Winnipeg, and its goal is to raise 25 million dollars over five years.

As an investor, Telefilm supports a wide variety of talent and stories. And we bank on fresh creative energy... on filmmakers who speak the language of digital media and who connect with younger audiences, a priority market for us.

In the Micro-Budget Production Program, for instance, we team up with some 30 training schools and co-ops to identify the best emerging talent in each province. Then we enable those creators to produce and distribute a first feature with digital tools.

A few films are already in release... and the response has been excellent!

For example, *Cast No Shadow*, by Christian Sparkes, won seven awards, including Best Director, at the Atlantic Film Festival. And Julie Lambert's documentary *Un film de chasse de filles* received three awards, including the People's Choice Feature Award, at the Festival de cinéma de la Ville de Québec.

These are great starts! We added an Aboriginal component to the Program and I'm eager to see what's coming next.

All this leads me to the second challenge, which is to improve the promotion of Canada's industry and talent.

Ever since the first symposium on the national and international promotion of Canadian content presented by Telefilm, the Canada Media Fund and the CRTC three years ago, the list of partnered efforts to promote Canadian success has kept growing.

These partnerships include not only Canadian consulates and provincial agencies but the Canadian Media Production Association, businesses such as Birks, financial institutions, tech firms and restaurant chains... not to mention the ongoing support from distributors such as Entertainment One, Mongrel Media and Les Films Séville.

For every dollar invested by Telefilm, the private sector's contribution now stands at two dollars and thirty cents. That's what I call a powerful leveraging effect!

Whether in Calgary, Halifax, St. John's or, more recently, Regina, we give Canadians the opportunity to be closely involved with homegrown hits. To meet famous filmmakers and actors. In short, to participate in the magic of movies. And people are delighted!

These events become their event, whether they are sponsors, audience members or journalists, and we draw a capacity crowd every time.

At home and abroad, we also make news through media events, tributes, networking activities and a lively presence on social media sites.

Simply put, we are working to create communities of interest around Canadian cinema. To create the "*village needed to raise a child*" that Mr. Roy was talking about.

In 2013-2014, hosted by the Minister of Canadian Heritage, Shelly Glover, *Gabrielle*, by Louise Archambault, *Still Mine*, by Michael McGowan and *The Grand Seduction*, by Don McKellar, were screened on Parliament Hill. All three films were warmly applauded.

Very recently, *Elephant Song*, by Charles Binamé, was featured in Ottawa. The screening was a great success, creating lots of emotion in the room.

Emotion is often the cornerstone of success, as we've just seen with *Mommy*, by Xavier Dolan.

The young director underlined this when he saw how his movie was wowing Quebec audiences. He wrote to his fans—and I quote—“*Such declarations of friendship and appreciation, being human, are literally the most gratifying, most satisfying reward that a film can receive.*”

Needless to say, *Mommy* is giving Canadian cinema a spectacular boost in terms of visibility:

- Sharing the Cannes Jury Prize with a Jean-Luc Godard film;
- Making more than 3 million dollars at the domestic box office;
- Drawing more than 1 million admissions in France;
- Generating sales to more than 50 countries, including the U.S.; and
- Being Canada's choice for this year's Best Foreign Language Film Oscar.

Xavier Dolan has the talent to match his ambition. As do many young filmmakers and entrepreneurs. They have a business vision. They want to be seen everywhere. And to them I say, “Bravo!”

We can also count on seasoned directors like David Cronenberg, with his unflagging creative drive. His latest film, *Maps to the Stars*, a Canada-Germany coproduction, has been sold worldwide and also earned Julianne Moore the Best Actress award at this year's Cannes Film Festival.

These are two of several amazing success stories. Now we have to take advantage of every opportunity to expand and extend public recognition. To make our fellow Canadians aware of the value of their cinema.

We can and we will succeed. Film by film. Region by region. Together.

Now we come to the third challenge I want to address, the challenge of new technologies and changing consumer habits.

Distribution platforms have grown in recent years, ranging from the Web to smartphones to tablets.

And there will be more and more content aggregators, like Netflix and iTunes.

The consumer is offered an array of products more abundant and accessible than ever before. These products come from around the world. People's only concern now is finding the right information to make their choices.

Gone are the days when consumers obediently sat and watched a program line-up designed for them by others. Today they create their own “programming schedules.” According to the mood of the moment. And they want instant access to the content they choose.

The studies and focus groups are unanimous: we are seeing a fundamental change in consumer habits when it comes to audiovisual products.

Canadians continue to watch most of their movies on television. At the same time, online- and mobile-platform viewing is growing from year to year.

In this context, what does it take to encourage consumers to engage with Canadian content?

That’s the “million-dollar question” that all players in the Canadian audiovisual system, including broadcasters, are trying to answer.

At Telefilm, we are seriously engaged in research and reflection on this question with the Canada Media Fund, SODEC, the National Film Board of Canada, HEC Montréal, the Centre d’études sur les médias and market research firms.

We are learning about the processes that Canadians use to choose audiovisual content. We are identifying the most promising target audiences.

But the environment is fragmented and we sorely lack tracking and measurement tools. We must find solutions. Time is short.

One thing is sure: the promotion of Canadian talent and the opportunity to tell our own stories have never been as important as in this environment teeming with digital media.

One example of the efforts to foster and measure success as broadly as possible is *Corner Gas: The Movie*, which will be screened at the Canadian Museum of History this evening.

This Saskatchewan comedy, based on the television show of the same name, was spectacularly launched in Regina last week. On Wednesday it opens on more than 100 Cineplex and Landmark screens. It will broadcast on television in December and then be available on DVD in time for the Holidays!

A huge community of fans has been actively supporting it for months on social media. After all this buzz and hoopla, it will be interesting to learn how many Canadians actually see the film.

As you can see, we are heading into a world still fraught with questions, but also where all dreams are possible.

Michel Roy

So now it's clear, I'm sure, that Telefilm, the industry and the audiovisual sector's various partners never stop innovating!

Allow me to say a few words in closing.

Telefilm's next corporate plan will cover the years 2015 to 2018. It will be launched next March. But I can already tell you that, in rethinking our strategies and refining our tools, we will remain focused on building audiences, both at home and abroad.

Our clients and partners are integral to our planning process. Those who are here today know this.

We consult them and we keep them informed on a regular basis, either directly or through their associations.

Together, we will continue to bank on talent, our best asset, but also on promotion, on mobilising new partners, on sharing expertise, and, of course, on measuring and recognizing success.

I want to thank you for joining us here today. We sincerely appreciate it. And now the last word goes to Carolle.

Carolle Brabant

In 1990, it was the possibility of working in a creative field that attracted me to Telefilm—and that has never changed!

I am delighted to see talent emerging all across the country. We hear it from festival directors, international buyers and foreign journalists, who ask, “*What’s going on in Canada? You’re funding wonderful things!*”

The Canadian audiovisual brand has never been so vibrant. Think, for example, of the series *19-2* and *30 Vies*, both nominated for an International Emmy. And of the hit shows *Heartland* and *Republic of Doyle*.

I congratulate the industry’s creators and professionals for their successes.

And I thank my public-sector colleagues and all our partners from coast to coast for their enthusiastic collaboration. And of course, thank you to my dear colleagues at Telefilm.

A few years from now, the audiovisual landscape will be very different from what we know today. But there’s one thing that won’t change: Canadians will still be telling and sharing good stories.

From village to village. All the way to the global village!

Thank you for coming today. Enjoy the rest of the day.