



TELEFILM
C A N A D A

SEE BIGGER
2018-2020 STRATEGIC PLAN

OVER THE LAST 50 YEARS,
TELEFILM CANADA HAS
SUPPORTED THE CANADIAN
AUDIOVISUAL INDUSTRY
AS IT HAS ATTAINED
GLOBAL EXCELLENCE.





OVERVIEW

Over the last 50 years, Telefilm Canada has supported the Canadian audiovisual industry as it has attained global excellence in all areas of production. From an organization focused on developing the technical skills and production capacity of the industry, Telefilm has evolved and now prioritizes the promotion of Canada's audiovisual content and talent to increase their discoverability, their notoriety, their export, and their accolades.

In other words, the organization “dared to change”, as former Chair Michel Roy stated during an address delivered in 2010. More than a figure of speech, this statement denoted a paradigm shift. Telefilm reoriented itself to focus on the industry and revitalized its organizational structure in an effort to become nimbler. As a result, Telefilm is now recognized for its sound administration, and is endowed with a knowledgeable and dedicated board of directors, an effective governance framework, and employees who are passionate about their work and clients. Telefilm is an organization that strictly controls its expenses while achieving its strategic objectives, and is dedicated to the industry's success.

In the wake of this shift, Telefilm redesigned its financing programs, simplified its processes, and sped up its decision-making. It sharpened its research tools and modernized its online client services. During this period the organization also launched new initiatives—such as the Success Index. What's more, Telefilm continued to encourage international coproductions and diversified its funding sources by, among other ways, establishing the Talent Fund.


Telefilm set another ambitious objective: to build, by 2020, a representative and diversified feature film portfolio that better reflects Canada's population, which included concrete gender parity measures, increased support to Indigenous filmmakers, and a forthcoming action plan that aims to reflect the abundant points of view of the people that constitute this country. The creation of the Micro-Budget Production Program, recently expanded and renamed the Talent to Watch Program, helped ignite the careers of a new generation of creators. In short, Telefilm ushered in an era in which talent and the promotion of cultural success took centre stage.

Owing to these efforts, several Canadian creators now enjoy international careers, producing work that connects with tens of millions of people in many countries around the world. To “See Big” has been at the heart of Telefilm's mission over the past few years. Today, more than ever we “See Bigger” and can now leverage the opportunities before us.

Guided by its strategic plan over the next few years, while taking into account the new cultural policy that the Canadian government is currently drafting, Telefilm seeks to encourage and support Canada's audiovisual industry in the transformation needed to take full advantage of these opportunities. In pursuit of this objective, Telefilm will focus on four areas of action: foster innovation, strengthen Canadian talent's position on the international market, stimulate export of our content, and continue to excel in its operations.

Determination, boldness, and openness are the essential ingredients in this crucial endeavour to ensure the sustainability of Canada's audiovisual industry.

**ONLY BY TAKING INTO ACCOUNT ALL ASPECTS
OF A MATURE INDUSTRY WILL TELEFILM HELP
CANADA BECOME THE WORLD'S LARGEST
PRODUCER OF INDEPENDENT CONTENT.**



IN ITS WILLINGNESS
TO “DARE TO CHANGE,”
TELEFILM DEVELOPED,
IMPLEMENTED, AND
STRENGTHENED INITIATIVES,
PROGRAMS, AND
BUSINESS RELATIONSHIPS
THAT PUT THE
ORGANIZATION
IN THE POSITION
TO ACHIEVE
THE PRESENT PLAN.



AN ORGANIZATION FOCUSED ON **RESULTS**

Over the last few years, Telefilm introduced many results-oriented management practices, and developed tools, performance indicators, and processes for its teams and the industry.

Three of these achievements merit particular attention:



PROGRAM REDESIGN

Telefilm simplified access funding by conducting a comprehensive review of its financing programs, the number of which was reduced from 37 to eight.



SUCCESS INDEX

Created in 2010, this performance indicator has since enabled the industry to evolve and innovate. The index, developed in collaboration with industry partners, led to an increase in coproductions, private funding, and funding granted to successful companies. The Index is a valued tool in this context of change.



STRONG MANAGEMENT

Strict control of its practices has allowed Telefilm to reduce its management expense ratio, which fell from 7% to 5.2% in five years. This performance generated close to \$10 million in administrative budgetary savings that were reinvested in production financing. This outcome is all the more satisfying given that Telefilm now enjoys a customer satisfaction rate of 90%.

AN ORGANIZATION FOCUSED ON **PARTNERSHIPS**

For the audiovisual industry to flourish, targeted partnerships with strategic players must be forged. These alliances are essential to both the creation of major film productions, and to their funding, marketing, and distribution.

Partnerships are also essential for the promotion of Canadian talent and content nationally and internationally.



MARKET DEVELOPMENT

Promotion of Canadian talent involves a set of national and international activities. Over the years, Telefilm has organized many large-scale events in collaboration with major partners, including the Canada Media Fund, Bell Media, Corus Entertainment, the Rogers Documentary Fund, Air Canada, Birks, Eurimages, My French Film Festival, the National Film Board, as well as the provincial agencies, consulates, and embassies. These partnerships help increase the notoriety of our talent, which in turn helps further their careers in key markets.



PUBLICATIONS

Telefilm conducted several research activities, including studying audiences' changing preferences and consumption habits, in partnership with the Canada Media Fund, the Société de développement des entreprises culturelles du Québec, the Canadian Media Producers Association, and the Observatoire de la culture et des communications du Québec.



ONLINE DISTRIBUTION

Pilot projects were undertaken to ensure the worldwide distribution of Canadian productions. As a result of these initiatives, more than 150 titles are currently available through the Canadian iTunes store, and some 200 hours of content is available on VIA Rail Canada's onboard entertainment system. As well, under an agreement with Éléphant ClassiQ, some 50 classic Quebec films will be subtitled into Spanish and made available to Spanish-language film festivals in the United States and Latin America, as well as on iTunes.



AN ORGANIZATION FOCUSED ON **TALENT** AND **PROMOTION**

Canada's audiovisual industry operates in a highly competitive global environment, where several major players have the financial resources needed to dominate the audiovisual content market. Nonetheless, Telefilm believes that real opportunities exist to spotlight Canadian talent. To this end, a variety of projects were launched over the last few years.



DIVERSITY

Diversity is the main asset of Canada's audiovisual industry. More than ever, Telefilm supports women, emerging talent, and Indigenous filmmakers from across the country in their ability to offer homegrown and foreign audiences films that are original, entertaining and—quite simply—outstanding. To ensure that these voices are given their place, concrete and actionable measures have been implemented.



PROMOTION

The international promotional initiatives See Big, Perspective Canada, and Not Short on Talent were launched, yielding heightened visibility and recognition at Cannes, Berlin, and several other major festivals and markets around the world. To ensure that Canadian films find audiences, consumer-oriented initiatives were created, including *Canada Now* screenings and the digital marketing campaign *Watch Us Watch Us*.



TALENT FUND

Created in 2012, the Talent Fund primarily supports the discovery of emerging Canadian talent and their career progression. Since its launch, the initiative has obtained a significant level of financial support—more than \$16 million—from corporate Canada. The Talent Fund subsidizes a large part of the Talent to Watch program, the newly expanded micro-budget program, which now aims to fund 50 projects each year.



MOVIE NIGHTS ACROSS CANADA

The Movie Nights Across Canada initiative was created in honour of the 150th anniversary of Canadian Confederation and Telefilm's 50th anniversary. Screenings held in eight cities from coast to coast to coast highlighted the abundant creativity of our film, television, and digital media industries.



SUPPORT AND RECOGNITION

Telefilm provided Canadian talent with an unprecedented level of support on both the national and international stages, including in Cannes, Venice, Berlin, and Sundance, as well as at MIPTV and MIPCOM. Ongoing support was provided to nominees at the Oscars, Césars, and the Golden Globes. Furthermore, Telefilm helped organize various events in all parts of the country.

STRENGTH IN ACTION AND **CHALLENGES** TO BE MET

Achievements in the last several years have led to significant change in perception among Canadians, who are now aware of the value of our movies and the essential role the audiovisual industry plays in our country's economic and cultural development. These achievements have also built our reputation abroad, allowing our industry to enjoy unrivalled international recognition. This success not only testifies to the progress made to date, but also confirms that Telefilm has embarked on the right path: to support the production of high-quality content, to serve as a talent incubator, to offer conditions conducive to the emergence of original voices, and to expand their global reach.

TODAY, CANADA'S AUDIOVISUAL INDUSTRY STANDS OUT FOR :

- ▶ **THE SIGNIFICANT** number of Canadian filmmakers who have emerged on the international scene, and the quickening pace at which new talent continues to appear—creators that help boost Canada's reputation as fertile ground for creativity.
- ▶ **THE LONGSTANDING** recognition it has earned for high-quality films and television series, and the wealth of Canadian cultural diversity.
- ▶ **THE MATURITY** and self-confidence it has acquired to create and produce world-class content.
- ▶ **THE PROMISING** new generation of up-and-coming creators that have emerged.

FOR ITS PART, TELEFILM CAN ATTEST TO:

- ▶ **INCREASINGLY** incorporating the notion of quantified performance measurement into its approach, in line with developing a broader results-based culture.
- ▶ **POSSESSING** organizational agility that has enabled itself to adapt to a rapidly changing environment, innovate, and attract new private funding sources.

LOOKING TOWARDS THE **FUTURE**



**TO CONTINUE EVOLVING IN THIS ENVIRONMENT,
TELEFILM—TOGETHER WITH THE INDUSTRY—MUST FACE
THREE MAJOR CHALLENGES:**



ENSURE THAT COMPANIES ARE FUNDED

The organization is questioning how to adapt its rules to ensure a variety of high-quality content continues to be produced, and how to better support its clients in their efforts to meet new global competition in production and distribution.



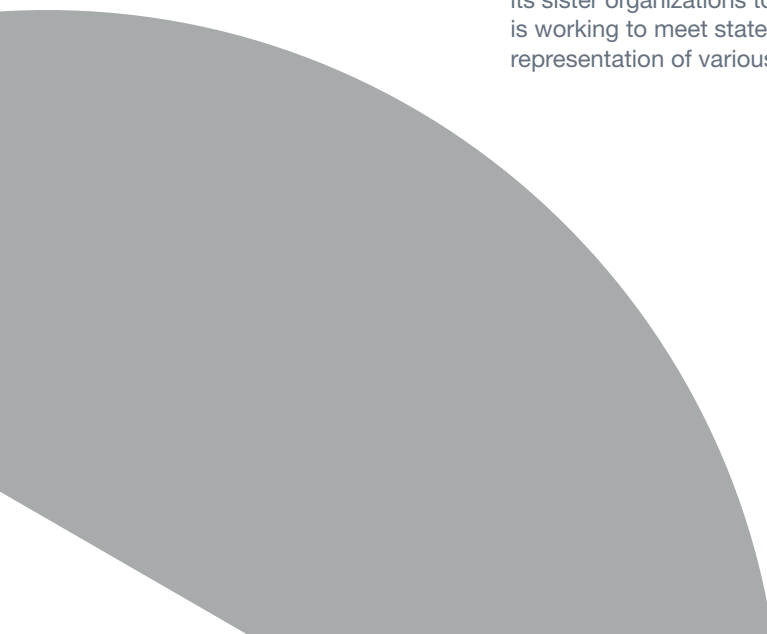
ACCESS AUDIENCES AND OPTIMIZE PROMOTION

The organization is reflecting on how to best access the dominant internet players as both potential funding and audience sources they represent, especially in the United States. Telefilm is also looking at ways to best stimulate the use of new distribution and promotion channels and, in doing so, contribute to the discovery and awareness of Canadian productions and talent.



ADAPT GOVERNANCE

Telefilm wants to support the industry by identifying how it can complement its sister organizations to best meet the industry's needs. As well, the organization is working to meet stated expectations with regards to equity and the representation of various interest groups.



A CONSTANTLY **EVOLVING** ENVIRONMENT

The audiovisual industry and Telefilm are facing an environment undergoing rapid and significant change. To achieve its objectives, Telefilm will take several variables into account and adjust as needed.

A COMPLEX, VIBRANT, AND MULTIFACETED WORLD

1

POLITICAL AND REGULATORY ENVIRONMENT

- New administration in office (Canadian Heritage, CRTC, CBC-Radio-Canada, Telefilm)
- New Canadian cultural policy currently in development
- Growing pressure to respond to fiscal challenges involving new digital players

2

ECONOMIC ENVIRONMENT

- Established, if not dominant, presence of foreign digital players in distribution and production of audiovisual content
- Quickening pace of globalization, and concentration of players
- Disruption of traditional business models

3

TECHNOLOGICAL ENVIRONMENT

- Key advances mass-data analytics and use, to the benefit of new digital players
- Development and imminent roll-out of 5G, furthering to drive mobile consumption

4

SOCIAL ENVIRONMENT

- Widespread consumer adoption of new channels for on-demand content
- Growing pressure for fair economic treatment of all content creators
- Concerted efforts to ensure respectful and safe working environments
- Rising interest in more diversified and niche creative content – fed especially by YouTubers sustained by their millions of followers

5

COMPETITIVE ENVIRONMENT

- The TV and film worlds have been systematically kept separate in Canada, whereas there is a global trend toward converging the two sectors
- The Canadian audiovisual industry is made up of several micro companies, under-capitalized entities show little propensity for export
- Competition is resolutely playing out around the world

2018-2020 STRATEGIC PLAN

NEW DIRECTIONS

Based on these findings and on its past achievements, Telefilm will work on growing the Canadian presence on the international scene over the next few years. At the same time, the organization will support the Canadian audiovisual industry in its transformation to ensure the industry is equipped to take global competitors head-on.

The directions put forward in the 2018-2020 strategic plan are the outcome of a consultative process, an analysis of the environment, and a process of reflection aligned with the industry's needs. They are based on tangible achievements and strong leadership, and on an in-depth knowledge of the national and international landscape. They ensure continuity with previous action plans, and builds on key achievements.

In order to quickly take advantage of the benefits flowing from these new directions, Telefilm has already initiated a number of strategic projects. The first results are expected during year one of this plan's implementation.



**STRATEGIC
PILLAR**

Encourage and stimulate innovation in the matter of content,
business models, and management.

INNOVATE

THREE DIRECTIONS WILL GUIDE OUR ACTIVITIES IN THE FIRST YEAR

1**Develop**

Canadian creative talent
and encourage innovation

2**Improve**

discoverability of
and access to
Canadian content
on all platforms

3**Diversify**

funding sources
and revenues
to finance niche
or distinct content

**PROJECTS
IN PROGRESS
OR LAUNCHING
AS OF 2018-2019****TALENT TO WATCH –**

Through its Talent to Watch Program, (formerly the Micro-Budget Production Program), Telefilm invites Canadians to unleash their full creative potential, and offer bold, cutting-edge, and unique projects. A \$7-million budget is forecasted to finance 50 new projects.

INNOVATION – A new \$2 million program that aims to kick-start markedly innovative projects.

**STRATEGIC
PILLAR**

Telefilm will introduce new conditions to strengthen the competitiveness of the industry by fostering an entrepreneurial approach.

STRENGTHEN

THREE DIRECTIONS WILL GUIDE OUR ACTIVITIES

1

Provide
stable and
predictable funding

2

Encourage
financial risk-taking,
the emergence of
new partnerships,
and the development
of innovative
business models

3

Offer
more flexible,
company-based
funding support

**PROJECTS
IN PROGRESS
OR LAUNCHING
AS OF 2018-2019**



PROVIDING FUNDING TO BUSINESSES –

Telefilm is assessing industry needs and possible forms of aid sought by industry players, and addressing problematic issues.

PARTNERSHIPS – The organization is developing directives to foster better alignment between private and public partners.

STRATEGIC PILLAR

Telefilm will strengthen the industry's export potential by leveraging Canada's reputation as a coproduction partner of choice, and by increasing the visibility of our productions at international festivals and markets.

EXPORT

THREE DIRECTIONS WILL GUIDE OUR ACTIVITIES

1

Encourage
coproduction

2

Promote
the Canadian brand
and talent

3

Develop
a concerted approach
for marketing and promotion
at international markets
with partners

PROJECTS IN PROGRESS OR LAUNCHING AS OF 2018-2019



COPRODUCTION – Specific amounts are earmarked for coproduction and for encouraging coproduction projects with selected international partners.

PROMOTION – Telefilm is reviewing the assistance provided to emerging talent and Canadian Eurimages projects. The organization is also revising its promotional strategies and actions in key international territories, and the communications activities and methods in Canada. At the same time, the organization is working with major digital players to improve the accessibility of Canadian productions and talent both in Canada and in international markets.

THE TALENT FUND – Telefilm is seeking to secure new private funding sources that will ensure the Fund's sustainability, an important mechanism for expanding the visibility of new Canadian talent. Moreover, the organization is studying best practices in philanthropic funding and examining ways to enter new philanthropic markets.

STRATEGIC PILLAR

Telefilm will continue to offer added-value and efficiency to its stakeholders, and outperform in a rapidly changing environment.

EXCEL

THREE DIRECTIONS WILL GUIDE OUR ACTIVITIES

1

Maintain

management expense ratios at their lowest level and the customer satisfaction rate at its highest level while improving the organization's overall performance

2

Develop

new key performance indicators and update existing indicators as required

3

Examine

possible solutions to better serve clients, particularly in succession planning

RISKS AND MITIGATION MEASURES

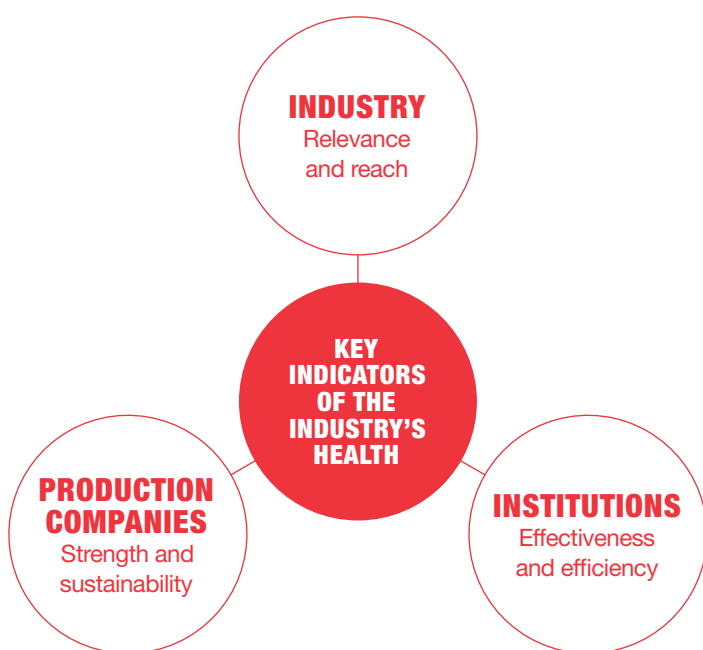


TAKING on the challenge of global competition raises a number of issues. Telefilm will mitigate these risks by assuming a leadership role and by advocating for a review of the industry's financial framework and its underlying institutional support structure.

To ensure a sustainable future for Canadian production, Telefilm will continue to optimize funding allocation so that funding is directed toward the achievement of solid results, succession planning, regional representation, diversity, and equity.

SUCCESS MEASUREMENTS

The strategic plan wouldn't be complete without identifying the measurements needed to assess the health of our sector. Undertaking this assessment will involve performance indicators tied to three distinct entities: the industry, its institutions, and its production companies. Telefilm will develop this measurement framework and provide an annual report on the achieved results.



▶ **INDUSTRY** – The industry's relevance and reach will be measured by its economic weight (in terms of dollars, jobs, and share of GDP), through an indicator focusing on the number of views (channels and territories selected based on available data), the number of recognized and discovered talent through festival selections and prizes won, and by the overall perception of the Canadian industry.

▶ **INSTITUTIONS** – The institution's effectiveness and efficiency will be measured according to the customer satisfaction level, private funding obtained in dollars, an efficiency ratio such as public funds invested per Success Index point, the management expense ratio, and the degree to which strategic or operational objectives have been met.

▶ **PRODUCTION COMPANIES** – Production company strength and sustainability will be assessed by tracking the Success Index's overall score, the annual change in the total performance score, the share of private funding invested in projects, and total revenues and assets.

PROJECT IN PROGRESS



INDUSTRY DASHBOARD

Telefilm along with various partners are working to identify specific indicators and success measurements. A first version of the industry dashboard will be developed once the necessary data is collected and analyzed.

CONCLUSION

By making innovation a core priority, encouraging the emergence of forward-looking content that emanates from Canada's diversity, heightening the presence of Canadian talent, encouraging exports, investing in new distribution platforms, scrutinizing business models that will allow us to stand out in a constantly changing environment, and complementing work done by industry partners, Telefilm seeks to support the industry in its transformation and help Canada become the world's largest producer of independent content.

These next years will be crucial in terms of ensuring the industry's longevity, and it is with great optimism that we embark on this new phase.

**THIS STRATEGIC PLAN SPEAKS TO TELEFILM'S
REAFFIRMED COMMITMENT TO FOSTER
AND ENCOURAGE THE DEVELOPMENT OF
CANADA'S AUDIOVISUAL INDUSTRY.**

STRATEGIC PRIORITIES
OVER TIME