

2024-2025

ANNUAL BUSINESS PLAN



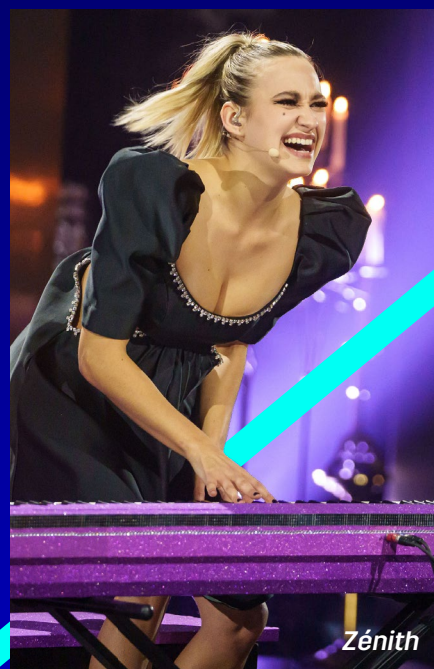
Push



Les Autochtones, tu connais?



Sort Of



Zénith



My Big Indian Family



Satan Wants You



Les bracelets rouges



CANADA
MEDIA FUND

FONDS DES MÉDIAS
DU CANADA

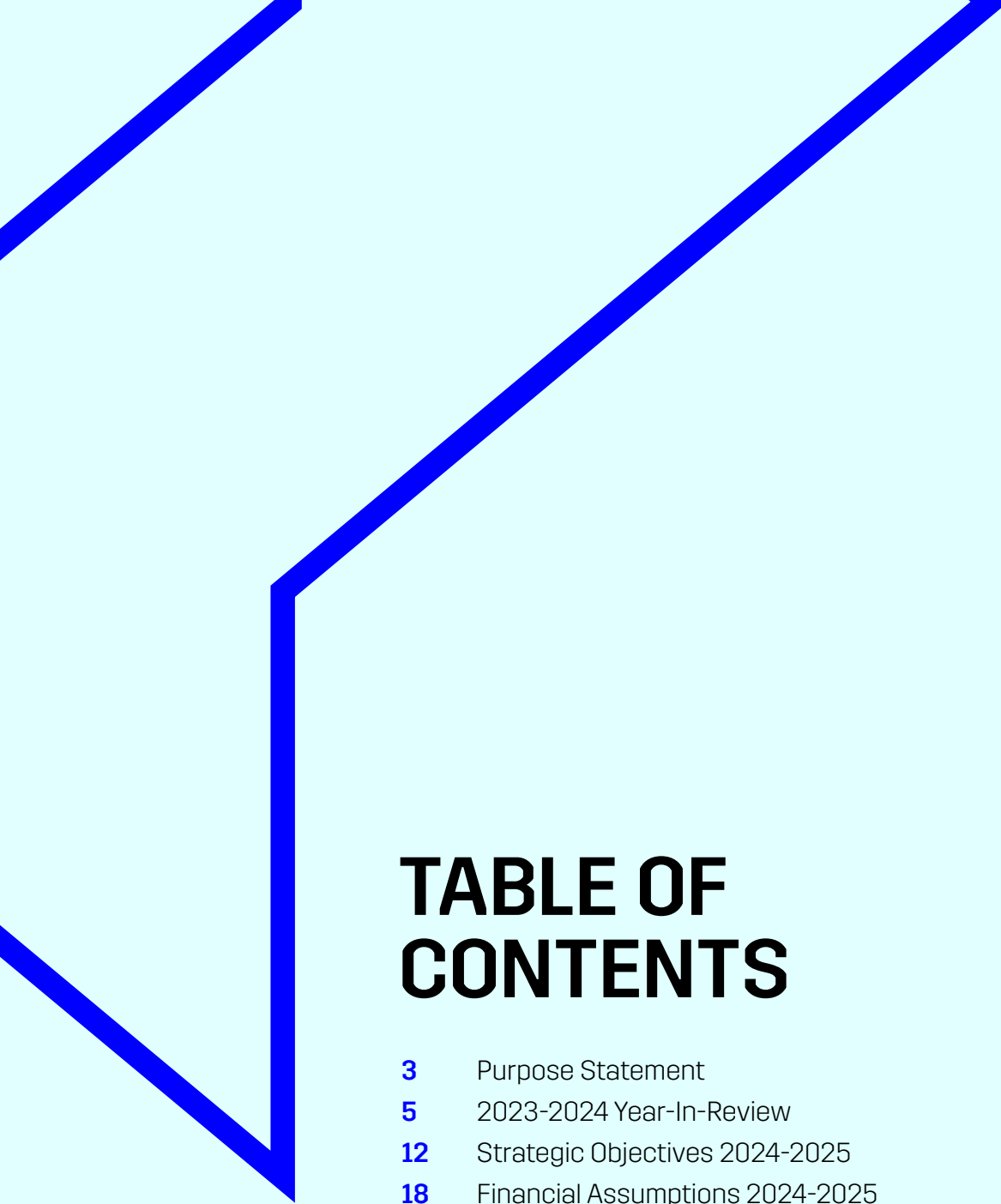


TABLE OF CONTENTS

3	Purpose Statement
5	2023-2024 Year-In-Review
12	Strategic Objectives 2024-2025
18	Financial Assumptions 2024-2025



PURPOSE STATEMENT

The Canada Media Fund's Board of Directors has determined the following purpose statement for the CMF, including three strategic pillars:

MANDATE To foster, promote, develop, and finance the production of Canadian content and relevant applications for all audiovisual media platforms.

MISSION To guide Canadian content towards a competitive global environment by fostering industry innovation, rewarding success, enabling a diversity of voices, and promoting access to content through industry and private sector partnerships.

VALUES Innovation
Transparency
Accountability





PURPOSE STATEMENT cont'd

VISION

**A WORLD WHERE CANADA'S
TALENT AND STORIES
TRANSCEND PLATFORMS
AND BORDERS, SPARKING
EMOTION, INNOVATION,
AND IDEAS.**

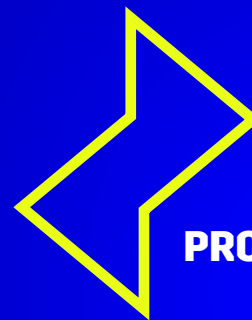
MANDATE ECOSYSTEM



**FOSTER &
DEVELOP**



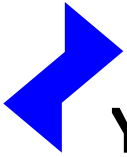
FINANCE



PROMOTE

2023-2024
YEAR-IN-REVIEW





YEAR-IN-REVIEW 2023-2024

The 2023-2024 fiscal year marked a significant milestone for the Canadian media industry, as Bill C-11 was passed and the CRTC regulatory process began. The Canada Media Fund (CMF) was committed to ensuring resiliency through this transitional period while preparing for growth in 2024-2025. Our strategic approach for the year was based on the expectation of a three-year commitment from the federal government to increase the CMF's financial resources, starting in 2024-2025. To date, this commitment has not come to fruition.

During the year, the CMF was granted new and expanded authorities. We engaged with stakeholders and facilitated discussions on issues that affected our industry, working towards a future model that supports creators and stories across platforms, enhances capacity throughout all phases of production, fosters innovation, and delivers high-quality Indigenous and Canadian storytelling.

TRANSITION

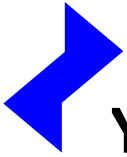
A **Develop a phased approach that ensures the organization is future ready as we prepare for a new regulatory framework.**

OUTCOMES:

- Provide new ways to support Canadian content and innovation through a reorganization of CMF programs and incremental simplification in process and accessibility
- Develop a strategy, in consideration of the proposed formula change, to support the distinctiveness between the French and English markets for implementation in 2024-2025
- Implement the Narrative Positioning Policy for core CMF programs
- Broaden focus on sustainability policies and supporting initiatives internally and externally that advance best practices
- Identify gaps in Sector Development funding and develop a plan to address them through the next phase of our Equity & Inclusion Strategy
- Align structure and functionality of the organization to ensure CMF staff has the appropriate support, tools, and infrastructure to provide the best results

The CMF aimed to deliver a reorganized Program Model that would provide stability to the industry, while advancing policy direction from the Department of Canadian Heritage (DCH) and our Equity and Inclusion strategy. The approach for the 2023-2024 Program year focused on continuity mixed with transitional elements, ensuring CMF Programs remained relevant amidst a changing landscape, setting the stage for future changes.





YEAR-IN-REVIEW 2023-2024 cont'd

The transitional elements focused on simplification of the overall Program design, the elimination of mandatory convergence, implementation of a Narrative Positioning policy, and the introduction of environmental-sustainability policies.

When the CMF launched in 2010-11, there were 11 Programs offered. More than a decade later, that number has grown to over 35. While newer programs means the CMF reaches more communities and better serves Canada's audiovisual industry, it also creates a layer of complexity that contributed administrative burden for both applicants and the CMF. In 2023-2024, the CMF consolidated and grouped "like-activities" in Convergent Pre-Development, Development, and Regional Incentive streams to simplify our Program Guidelines.

As part of the federal budget announced in March 2023, the CMF received confirmation from the government of an additional \$40M targeting French-language content and underrepresented creators. Following consultations with a wide range of industry stakeholders, the CMF allocated the first \$20M through existing CMF programs to maximize our ability to effectively distribute funds based on the remaining time left in the 2023-2024 fiscal year and our existing program deadlines. \$10M went toward supporting French-language content and \$10M toward underrepresented creators, while accounting for the intersectionality between applicants in both priority groups.

However, the additional funds were not enough to address the government-proposed 60:40 (English:French) language split. The CMF worked closely with DCH to develop a strategy that supports the distinctiveness between the French and English markets, which can be implemented in future years if new funding is provided.

As participation of stakeholders from underrepresented communities continues to grow across our industry, accountability in content creation as it relates to community engagement, identity, authorship, and access becomes more and more important. With this in mind, the CMF introduced our Narrative Positioning Policy to encourage individuals making projects with key storylines, main characters, or subject matter relating to Indigenous and Equity-Seeking Communities are well-positioned to tell those stories. While it is not the role of the CMF to police content creation, it is our role to encourage and signal greater accountability and transparency in the narrative positioning of producers and key creators of CMF-funded projects.

Canada has made a commitment to reducing greenhouse gas emissions and supporting an urgent global need to combat climate. In 2022-2023, the CMF began encouraging all applicants to implement more environmentally sustainable practices and cleaner technologies to help reduce their carbon footprint in the development, production, and exploitation of their projects. In 2023-2024, the CMF moved this agenda forward by introducing new sustainability policies, including expanding our list of eligible costs to recognize green options and requiring all live-action Convergent Stream projects with larger budgets to complete a carbon calculator.

2023-2024 was the last year of our Equity and Inclusion strategy, and the CMF continued to emphasize our work around capacity building (mentorship, professional development, career advancement or training) and market access (inbound export markets, B2B events, outbound export missions). The Growth and Inclusion team will reveal their new equity, diversity, inclusion, and accessibility (EDIA) strategy in the upcoming months.





YEAR-IN-REVIEW 2023-2024 cont'd

INFLUENCE

B Continue to establish the CMF's role as industry leader, convenor, and ally through thought leadership, partnerships, and innovation.

OUTCOMES:

- Advance the CMF's growth and inclusion agenda, including the renewal or increase of dedicated EDI funding; provide an evaluation framework and analysis of cultural and economic impact.
- Continue to facilitate industry discussion on the redefinition of Canadian content
- Define the organization's role in furthering PERSONA-ID, in tandem with a national data collection tool
- Engage with the CRTC and industry stakeholders in the Commission's upcoming Bill C-11 policy review
- Implement the second phase of the data strategy to simplify reporting, design an early-stage program & sector development/partnership evaluation roadmap, and rollout out a new DM measurement in line with the new logic model
- Develop a strategy to consider private sector financing partnerships
- Determine the CMF's leading role in future modernization of the sector

In September 2023, the CMF completed a comprehensive evaluation of the impacts of additional government funding for equity, diversity, and inclusion. In January 2024, we published the key findings in our *Creating Change* report, demonstrating that this funding was a key driver in advancing EDI across Canada's audiovisual sector. Part of the objective of the evaluation was to encourage the federal government to renew its \$60M commitment to the CMF. Without renewal in 2024, this pivotal funding, which has underpinned significant sectoral growth, will come to an end.

Through the CMF's EDI funding, hundreds of content creators from Indigenous and Equity-Seeking Communities were able to access targeted funding for their projects that helped amplify their voices and perspectives to wider audiences. These creators broadly reported that the CMF's targeted EDI initiatives directly contributed to the growth of their companies and increased their market access.

Over three years, the CMF invested \$37.5M in the Pilot Program for Racialized Communities (PPRC), supporting 293 projects by Black and racialized individuals. Every dollar invested in the program generated \$5.23 toward production budgets. A total investment of \$9.7M over three years in Sector Development supported 135 projects, with 85 per cent focusing on Indigenous and Equity-Seeking Communities. Additional program expansion witnessed a 23 per cent increase in projects through our Indigenous Program, a 34 per cent increase in projects through our Diverse Languages Program with 15 languages represented, and the development of 32 industry partnerships focused on Indigenous and Equity-Seeking Communities.





YEAR-IN-REVIEW 2023-2024 cont'd

In early 2023, the CMF launched a national consultation to explore the multifaceted nature of Canadian content by consulting a wide range of stakeholders to comment and reflect on the redefinition and future of CanCon in the context of the passage of Bill C-11 and the CRTC's ongoing policy review. While our goal was not to define Canadian content, we wanted to create a forum that would enrich the conversations being had about the future of Canadian storytelling. In fall 2023, the CMF officially released *New Futures for Canadian Content: What You Said*, a report that collected the diverse viewpoints from over 2,800 industry professionals and the public from coast to coast to coast. The landmark report was the culmination of a year-long research initiative that will help guide the CMF in the next phase of the CRTC hearings in 2024.

In 2022-2023, the CMF formally rolled out PERSONA-ID, our new self-identification system that measures and monitors the demographic representation and participation of key personnel and individuals with ownership on CMF-funded projects. With a positive initial response to PERSONA-ID, we expanded our approach in 2023-2024, collecting more information that helps ensure policy decisions are data-driven, especially with regards to Indigenous and Equity-Seeking Communities. Results of the PERSONA-ID data collection will be published in the *Demographic Report* in March 2024. This report highlights the value of this tool in tracking impacts and measuring levels of representation by different demographic markers across the beneficiaries of CMF programs. In 2022-2023, participation in PERSONA-ID was particularly strong in Key Roles, where 83 per cent of all Key Roles reported at application included a PERSONA-ID number.

In addition, senior leaders from the CMF appeared before the CRTC on November 20, 2023 as part of the Commission's first public hearing to implement Canada's newly modernized *Broadcasting Act*, which will lead to the development of a new policy framework. The CMF reiterated our written position that initial base contributions should be no less than the existing BDU contribution level and that the CMF should receive a sizable portion of that amount. We also demonstrated that we are the most effective and transparent vehicle to balance the needs of the industry and the priorities of the federal government and administer new existing funds and new contributions for online undertakings.

As part of the second phase of the CMF's Data Strategy, we worked closely with DCH to finalize a new Logic Model and performance framework objectives, including key performance indicators, to help guide informed decision-making and program design. We also revamped the *Key Trends* report with a newly-titled publication called *Perspectives*, focusing on industry trends that relate to key CMF strategies and initiatives.





YEAR-IN-REVIEW 2023-2024 cont'd

In addition, the CMF commissioned a research project from Toronto Metropolitan University to identify the most useful metrics in measuring digital media projects' impact and success (both economic and cultural). A new system will be implemented in the 2025-26 fiscal year.

Through the Head of Institutions Table (HIT) and its related working group, the CMF continues to engage with key agency partners and government to discuss the modernization of the Canadian audiovisual sector with the ultimate goal of a) developing a framework and path forward to a balanced approach that will support the development of resources and the capacity for production, including new financing tools and mechanisms for growth b) reaching and engaging audiences, and supporting the production and marketing of Canadian content at international markets and on all platforms, and c) focusing on definitions of Indigenous and Canadian content that takes into account cultural contributions of content itself, global competitiveness, and flexibility.

FLEXIBILITY

C Leverage the CMF's success, expertise, and agility to identify opportunities and effectively respond in the face of ongoing change.

OUTCOMES:

- Introduce a new Experimental Stream pilot initiative aimed at next generation of digital creators
- Develop and model innovative funding approaches that expand financing triggers and remove barriers for creators
- Collaborate with streamers and alternative (unregulated) platforms to provide new outlets for exhibition and financing
- Establish phased accessibility strategy across all departments to improve understanding of the CMF's processes and programs, internally and externally
- Expand export and international partnerships to grow existing relationships and identify new opportunities, especially for underrepresented communities

In summer 2023, the CMF engaged with several industry stakeholders to collaboratively develop a program focused on creators making linear content for online platforms (YouTube, TikTok, Instagram). Later in the year, we launched the Digital Creators Pilot Program, designed to support the growth of mid-career Canadian digital content creators making short-form video content exclusively for social media platforms. Applicants were encouraged to apply if they demonstrated a minimum level of success online, wished to focus on content creation for social media as their primary output, and wanted to grow their audience base and monetization opportunities. The program was a resounding success with 51 eligible creators applying for \$500,000 in funding. Of 51 applications, 26 will receive funding.





YEAR-IN-REVIEW 2023-2024 cont'd

After launching a nationwide search for passionate digital creators, the CMF's MADE | NOUS brand found three MADE ambassadors and three NOUS ambassadors to create original social media content for our MADE and NOUS channels, covering Canadian entertainment and celebrating local talent and content. With this new campaign, MADE | NOUS aims to create bridges between traditional and digital media so audiences of all ages and backgrounds can discover even more homegrown stories.

In an ongoing effort to provide more flexibility to the Program Model, the CMF extended many of our COVID-19 operational and policy flexibility measures for the 2023-2024 Program year. In addition, several new flexibility measures were introduced in Selective Convergent Programs. The allowance previously offered to foreign, scheduled broadcasters was extended to eligible Canadian distributors. This trigger offered a more flexible approach in the creation of content and rewarded projects exporting Canadian content outside of Canada.

Additional flexibility was extended beyond the POV Program to include the Indigenous Program, Diverse Languages Program, and the Pilot Program for Racialized Communities. It offered new options to Indigenous and Equity-Seeking Communities that have faced historical barriers in accessing existing broadcasters and allowed these groups to work with new partners to create content and serve Canadian audiences.

The CMF has partnered with the Disability Screen Office (DSO) to offer financial assistance for individuals who identify as Persons with disabilities or Disabled persons. This support aims to help overcome potential barriers during the application process for CMF programs. Additionally, internal training is being developed to enhance accessibility within the Canadian screen industry.



STRATEGIC OBJECTIVES 2024-2025





STRATEGIC OBJECTIVES 2024-2025

PREAMBLE

The last several years have been marked by momentous changes in Canada's audiovisual industry. We have seen the impact of global streamers, on our broadcasters and in rapidly changing trends in commissioning projects, as well as in the ever-growing gap between domestic production and foreign location production. And this is happening alongside the modernization of Canada's audiovisual institutions and funding organizations, and ongoing updates to the CRTC's regulatory framework. The Interactive Digital Media space has also seen changes and challenges, from mass global layoffs to more pressure on producers to shoulder the costs of production, from difficulty in finding and sustaining audiences to the closure of the National Film Board's interactive studios. The Canada Media Fund continues to identify and work through these changes and seek new opportunities to champion Indigenous and Canadian stories on screens at home and around the world.

The CMF's strategic direction in the 2024-25 fiscal year will be impacted by three major shifts:

- The Department of Canadian Heritage (DCH)'s ongoing work to modernize the tools and institutions in support of the audiovisual sector
- The Canadian Radio-television and Telecommunications Commission (CRTC)'s ongoing consultations to implement the new *Broadcasting Act* through the modernization of broadcasting regulations
- A record-breaking decrease in the CMF's overall budget

The CMF recognizes that new tools are critical to respond to a growing, dynamic industry and provide the consistent support our sector relies on. We are continually working with DCH to implement the new flexibilities they have provided in our mandate, which will allow the CMF to modernize its programs and better serve the industry. This new model will provide creators with more ways to unlock and access CMF funds so they can continue to create high-quality Indigenous and Canadian content across all platforms for audiences domestically and globally.





STRATEGIC OBJECTIVES 2024-2025 cont'd

The rise of streaming services has significantly impacted broadcasting distribution undertaking (BDU) contributions to the CMF, leading to a steady decline in funding. In response, the federal government implemented a stabilization initiative in 2017 to offset these declines. However, the CMF has now exceeded the cap of this stabilization funding. Compounding this decline, the federal government's investment of \$20M for three years to increase investments in projects by equity-seeking groups will sunset at the end of 2023-24. Renewal of this funding has not yet been confirmed for 2024-25*. As a result of these multiple converging factors, in the upcoming 2024-25 fiscal year, our program budget will face its most substantial year-over-year decrease in history.

With both opportunities and challenges on the horizon, the CMF remains steadfastly committed to our equity and inclusion work, in line with the federal government's priorities and building on the strength of our programs directed towards Indigenous and Equity-Seeking Communities. The flexibilities unlocked by DCH include expansion of our sector development program and the development of a three-year equity, diversity, inclusion, and accessibility (EDIA) plan.

Our 2024-25 business plan has three pillars—Modernization, Contribution, and Innovation.

*At the time of publication, renewal had not been confirmed. Thanks to the announcement in the April Federal Budget of renewed EDIA funding of \$40M from DCH over the next two years, we will confidently expand our sector development program and develop a three-year equity, diversity, inclusion, and accessibility (EDIA) plan.





STRATEGIC OBJECTIVES 2024-2025 cont'd

MODERNIZATION

A Responsibly navigate the transition period until a fresh regulatory framework and updated contribution requirements are implemented. In the meantime, the flexibilities in the CMF's mandate from DCH will empower us to take important steps towards executing our broader vision.

STRATEGIC ACTIONS

- Launch the content-centric and platform-agnostic program model that supports storytelling at every stage via our newly designed Ideation, Creation, and Industry streams
- Streamline and simplify all core CMF program guidelines and formats
- Work with funding agencies and the federal government to determine the CMF's leading role in future audiovisual sector modernization
- Actively engage in work to modernize the definition(s) of Canadian content, support the work of the Indigenous Screen Office (ISO) to develop a definition of Indigenous content, and implement any new definitions within the CMF's programs
- Further explore and model innovative financing tools and flexible funding approaches
- Provide new program criteria that lowers barriers to access and expands market tests and triggers for linear content
- Be responsive to changes in funding availability
- Align structure and functionality of the CMF to ensure staff has the appropriate support, tools, and infrastructure
- Establish an accessibility strategy across all departments to improve understanding of the CMF's processes and programs, internally and externally





STRATEGIC OBJECTIVES 2024-2025 cont'd

CONTRIBUTION

B Identify gaps in Sector Development and address them through the next phase of the CMF's Growth and Inclusion strategy, prioritizing funding for projects that embrace the voices, perspectives, and experiences of Indigenous and Equity-Seeking Communities.

STRATEGIC ACTIONS

- Execute the updated three-year EDIA strategy, embedding principles throughout the CMF's programs, initiatives, and communications
- Maintain funding and commitment to Growth & Inclusion, focusing on Content and Sector Development.
- Recognize and support the distinctiveness between the Indigenous, French-language, and English-language markets
- Expand industry leadership in PERSONA-ID to include Sector Development and more robust ownership data; reconvene stakeholder consultations with users and agencies to discuss a unified approach to help measure impact, inform priorities, and guide decision-making across the industry
- Implement Year 3 of the Data Strategy to formalize ongoing program evaluation and streamline reporting in alignment with the CMF logic model and DCH requirements
- Further refine data architecture systems to address gaps and promote rapid turnaround of insights for use in program development and outreach / communications activities





STRATEGIC OBJECTIVES 2024-2025 cont'd

INNOVATION

C Establish measures that build the resilience, sustainability, and growth of all of Canada's domestic production industry across all content forms.

STRATEGIC ACTIONS

- Research, evaluate, and design new and innovative initiatives to address certain genres facing challenges—children and youth programming and one-off documentaries—while exploring opportunities for new partnerships
- Partner with the ISO to transition the administration of the Indigenous Program and provide ongoing market and sector development support
- Increase investment in innovation, immersive digital media, and next generation of creators
- Invest in the audiovisual sector's adoption of environmentally sustainable practices in production
- Expand support to companies beyond project-by-project funding
- Invest in talent development programs, mentorship, and training to nurture emerging creators and provide pathways for career growth
- Develop a stronger international strategy to provide market access for Indigenous and Canadian producers and facilitate international collaborations, co-productions, and distribution opportunities
- Collaborate with local and international organizations to ensure our system remains future-ready



FINANCIAL ASSUMPTIONS 2024-2025





FINANCIAL ASSUMPTIONS 2024-2025

OVERVIEW

The 2024-2025 CMF Annual Budget is based on total revenue of \$372.2M and total expenses of \$389.3M. The shortfall of \$17.1M will be offset by an allocation from the reserve.

REVENUE

Total revenue of \$372.2M represents a \$26.8M or 6.7% decrease over the 2023-2024 forecast (\$20M of the decrease is due to the sun-setting of the \$60M in funding across three years from Canadian Heritage for EDI).

CANADIAN HERITAGE

The government's contribution is expected to be \$196.6M (net of Canadian Heritage administrative costs), representing a contribution of \$134.1M, maximum stabilization funding of \$42.5M, and \$20.0M for French-language audiovisual content and underrepresented voices committed in the 2023 federal budget.

BROADCAST DISTRIBUTION UNDERTAKINGS (BDUs)

The contributions from the BDUs are assumed to be \$147.6M, a \$11.0M or 7.0% decrease from the 2023-2024 forecast.

INTEREST AND RECOUPMENT

Interest is expected to be about \$9.0M, a \$500K or 5.3% decrease from the 2023-2024 forecast due to anticipated lower interest rates. Recoupment revenue, including the repayment of development advances and recoupment of equity investments, is estimated at \$12.0M, consistent with the 2023-2024 forecast.

TANGIBLE BENEFITS

Total tangible benefits are expected to be \$6.9M, a \$5.1M increase from the 2023-2024 forecast.

EXPENSES

Total expenses of \$389.3M, a decrease of \$20.2M or 4.9% from the 2023-2024 forecast.





FINANCIAL ASSUMPTIONS 2024-2025 cont'd

PROGRAM COMMITMENTS

The total program budget for 2024-2025 is \$357.0M, a decrease of \$26.7M or 7.0% from the 2023-2024 budget. This includes program commitments for the G&I strategy.

INDUSTRY PARTNERSHIPS

The CMF has a variety of industry partnerships. The total is anticipated to be \$2.0M, consistent with the 2023-2024 forecast.

CMF ADMINISTRATIVE EXPENSES

The CMF administrative expenses budget in 2024-2025 is \$10.1M, consistent with the 2023-2024 forecast.

PROGRAM ADMINISTRATION EXPENSES

This line item includes the Telefilm service fee of \$11.2M (including unrecoverable taxes) and \$0.5M for jury fees, readers, and external reviewers. The total program administration expense budget represents a decrease of \$0.2M or 1.8% from the 2023-2024 forecast.

SECTOR DEVELOPMENT

Expenses related to the G&I strategy are \$6.6M for the year while expenses to support the MADE | NOUS campaign and other Sector Development make up the balance of this category. The total of \$8.2M is an increase of \$0.3M or 3.5% above the 2023-2024 forecast totaling \$7.9M.

OTHER CMF EXPENSES

This category includes amortization and any unrecoverable HST/GST/QST not related to the Telefilm service fee. The budget for 2024-2025 of \$240K is consistent with the 2023-2024 forecast.

EXPENSE RATIO

Total administrative expenses are about 5.93% of total revenue, which is within the administrative expense cap of 6.0% in the Contribution Agreement. This category includes CMF administrative expenses, program administration expenses, and other CMF expenses.

CAPITAL BUDGET

The budget of \$118K includes the replacement of computers and equipment.





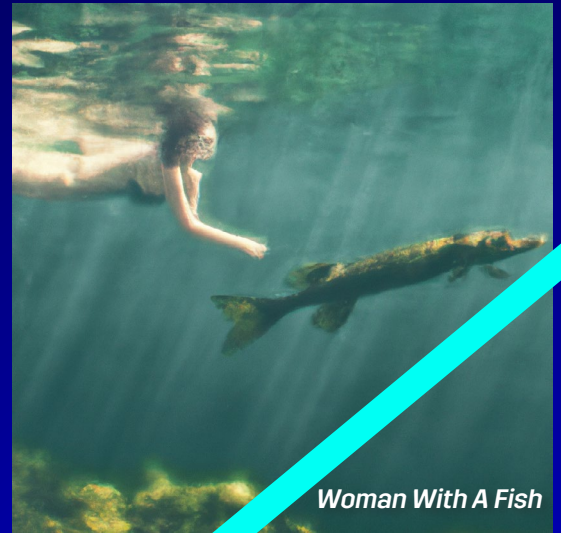
Kun'tewiktuk - A Mi'kmaw Adventure



De Pierre en fille



Twice Colonized



Woman With A Fish



Rooster



Téodore pas de H



Katak, le brave béluga



CANADA
MEDIA FUND

FONDS DES MÉDIAS
DU CANADA