Beyond Project Funding

Highlights from the CMF's research on business development funding

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CANADA MEDIA FUND

FONDS DES MÉDIAS DU CANADA

Contents

Bon Cop, Bad Cop

Introduction

> Our vision is to unlock new revenue streams, drive substantial growth, and achieve lasting financial stability **that will propel us into a successful future.** [1]

In response to a changing industry and a shift in government priorities towards economic outcomes, the Canada Media Fund (CMF) initiated research to examine the financial profiles of TV and interactive digital media (IDM) companies and understand their views on how to increase revenues. This initiative aligns with the CMF's *2026–2029 Strategic Plan*, in which Modernization and Monetization are two of its four pillars.[2] The work included an analysis of CMF data and a review of business development programs in Canada and internationally, alongside direct input from the industry.

A survey was launched in fall 2025 by the CMF's Analytics and Strategic Insights (ASI) department. Titled "Beyond Project Funding," the survey collected quantitative and qualitative data on business development funding, with particular interest in the industry's views on recoupment financing, a common tool for stimulating corporate growth and reinvesting funds in the sector. The survey findings are the focus of this report.

The survey appeared to strike a chord with the production community. It garnered 391 responses, providing a reliable data set for analysis. Respondents were asked about their company's net revenues, international revenues, strategies for increasing outcomes, the cost of those activities, and their views on recoupment. The survey received over 1,000 qualitative comments from respondents, many providing detailed perspectives.

The survey also evaluated the impact of four existing CMF programs that include elements of business development funding,[3] and found that each has had beneficial results. While each of these programs is targeted to a specific format or demographic, the survey identified potential for a new funding opportunity that would address a broader industry need expressed by respondents: how to monetize in today's global content market.

The enthusiastic response to the survey and analysis of the findings added to the CMF's industry intelligence and helped inform the design of a new CMF program: the Business Development Program. Guidelines will be announced shortly.

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1 All quotes in this report are from respondents to the CMF "Beyond Project Funding" survey, October 2025.

2 The other two pillars are Maximize and Mobilize.

3 CMF-Creative BC Video Games Development Program (Creative BC), CMF-Quebecor Fund Export Assistance Program (EXAP), Indigenous Company Impact Support (ICIS), and the Slate Development Pilot Program (Slate).

Key takeaways

Data from "Beyond Project Funding" returned compelling takeaways. Overall, the findings present a clearer financial picture of TV and IDM companies, signal a real need for business development funding, and indicate that the industry is ready to embrace economic outcomes and invest in the work to achieve them.

- 92 per cent of respondents stated "Yes" or "Unsure" as to whether they would apply to a recoupment-based, business development funding program.
  - A majority (66 per cent) stated "Yes." Notably, this positive view of recoupment was consistent across company size.
  - A quarter (26 per cent) responded "Unsure," with about half stating they were open to applying, they just wanted more details.

- 60 per cent of respondents reported their company had under $1M in consolidated net revenues over the last five years. 27 per cent had $1M to $9.9M, and 5 per cent had $10M or higher.

- A majority of respondents (68 per cent) reported that under 25 per cent of their total gross revenue came from international sources.
  - Low international revenues was a status shared by companies of all sizes.

- Relatedly, when asked about their top priority should they receive business development funding, over half of respondents (57 per cent) chose developing international opportunities that generate new production and/or distribution activities as their top strategy.

PHOTO: NIGEL TANG

PHOTO: CANADIAN HERITAGE INTERNATIONAL TRADE OPERATIONS

Who were the respondents?

The "Beyond Project Funding" survey was sent to all linear and IDM companies that received CMF funding in the previous five years. It launched on October 21, 2025 and closed on October 31, 2025.

A takeaway from the survey's basic screening data is that most key aspects of the respondents' profiles, including language, geographic location, content format, and company size based on revenue, align with established data about the Canadian production sector, which adds to the data reliability of this research.

- **Who responded:** The survey requested that company principals respond, and they did. 58 per cent of responses were from CEOs, executives, or founders. 37 per cent were from producers, and five per cent were from other members of the organization.
- **Where are they from:** Respondents were in every province and territory, except Nunavut. Most were based in Ontario (36 per cent) and Quebec (30 per cent).

- **What is their main production language:** 74 per cent primarily produced English content, 22 per cent French content, one per cent content in Indigenous languages, and three per cent in other languages.

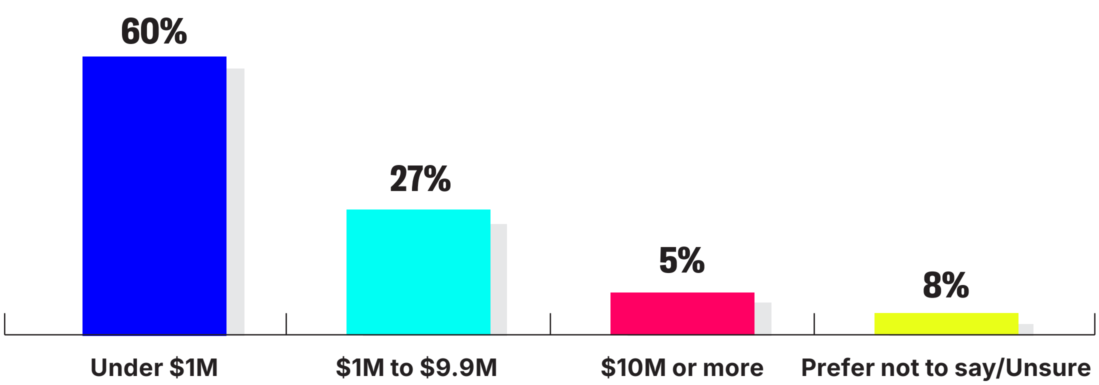
- **How many are owned by members of a diverse community:** 42 per cent of respondents' companies were owned by members of a diverse community; 51 per cent were not. Seven per cent said "Unsure" or "Prefer not to say."

- **What is their content format:** 67 per cent of respondents produced only linear content, 21 per cent produced strictly IDM content, and 12 per cent produced in both formats.

- **Corporate revenues over last five years:** 60 per cent of respondents reported less than $1M in consolidated net revenues (small). 27 per cent reported $1M to $9.9M (mid-sized). Five per cent reported $10M or higher (large).

FIGURE 1

"Please add up and estimate your company's consolidated net revenues as reported on your annual financial statements over the last 5 years."



This basic screening data was also used in the analysis to check for statistical differences across language (English/French), content format (linear/IDM), company diversity (diverse leadership/non-diverse leadership), and revenues based on company size (small, mid-sized, large).

Interest in a recoupment-based, business development fund

> **This model aligns with our long-term growth strategy—investing in tools, training, and promotional initiatives that improve production efficiency and market reach.** As our revenues grow through higher-quality releases and broader audience engagement, we would be well-positioned to repay the funds, making it a sustainable and mutually beneficial framework for both the studio and the program.

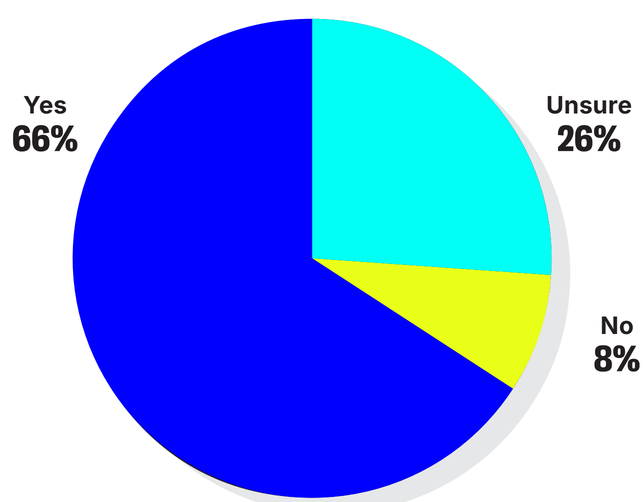
> **Happy to repay funds when successful.** The opportunity for growth and diversity of projects is worth it.

A main question of the survey asked respondents whether they would be interested in applying to a potential business development funding program that would be recoupment-based, rather than grant-based. Responses were overall positive.

Per the figure below, 92 per cent of respondents stated "Yes" or "Unsure" as to whether they would apply to a recoupment-based, business development funding program. Most (66 per cent) replied "Yes." More than a quarter (26 per cent) replied "Unsure," with about half of them expressing openness to the possibility but needing more details. Only eight per cent replied no.

FIGURE 2

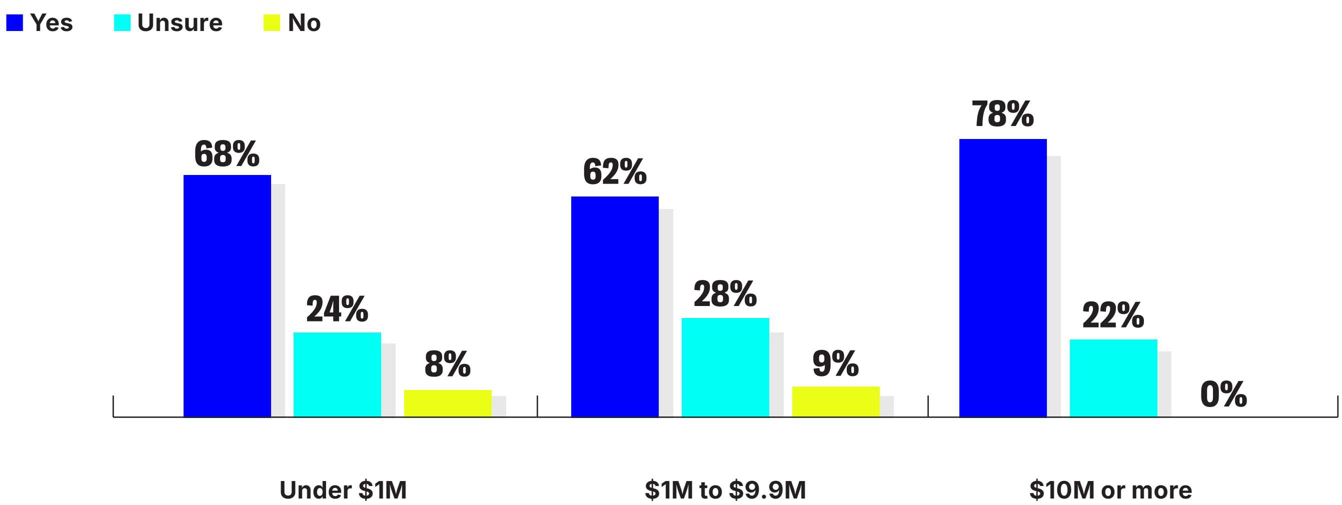
"If the CMF were to create a business development program where the funds that applicants received would be recoupable at a later date based on consolidated corporate revenues, would your company be interested in applying?"



There were no statistically significant differences when looking at this data broken out by language, content format, or company diversity. Notably, per the figure below, this positive view of recoupment was also consistent across company size: 68 per cent of companies reporting under $1M in consolidated net revenue in the last five years responded "Yes," as did 62 per cent of companies reporting $1M to $9.9M.

FIGURE 3

Interest in a recoupment-based business development funding program, breakdown by company size



Respondents were asked to elaborate on why or why not they would apply to a recoupment-based program. A dominant theme of the "Yes" responses was that a recoupment-based business development program would align well with the responding company's goals, particularly supporting financial growth and competitiveness.

> "A business development initiative with recoupable funding tied to consolidated corporate revenues offers a sustainable model that aligns incentives between the funder and the recipient. It would allow us to access critical capital for growth while ensuring accountability."

> "Investments of all types are 'recoupable' why would the CMF be any different?"

> "This support would be a great way to foster our company's growth and would allow us to take on certain risks with high potential for positive outcomes." *[translation]*

Heated Rivalry

The dominant sentiment of the “Unsure” responses was that more information was needed, especially regarding terms of recoupment.

> “Depends on the details of the fund as well as our company’s needs at that time. We would definitely consider it if the requirements were not too onerous.”

> “It would really depend on the terms. The answer is more ‘likely’ than anything else. These types of programs are typically quite favourable to the business.”

Many of the eight per cent of respondents who answered “No” noted they would prefer a grant or were unclear on what was meant by recoupment. This is understandable as recoupment terms were not specifically defined in the survey.

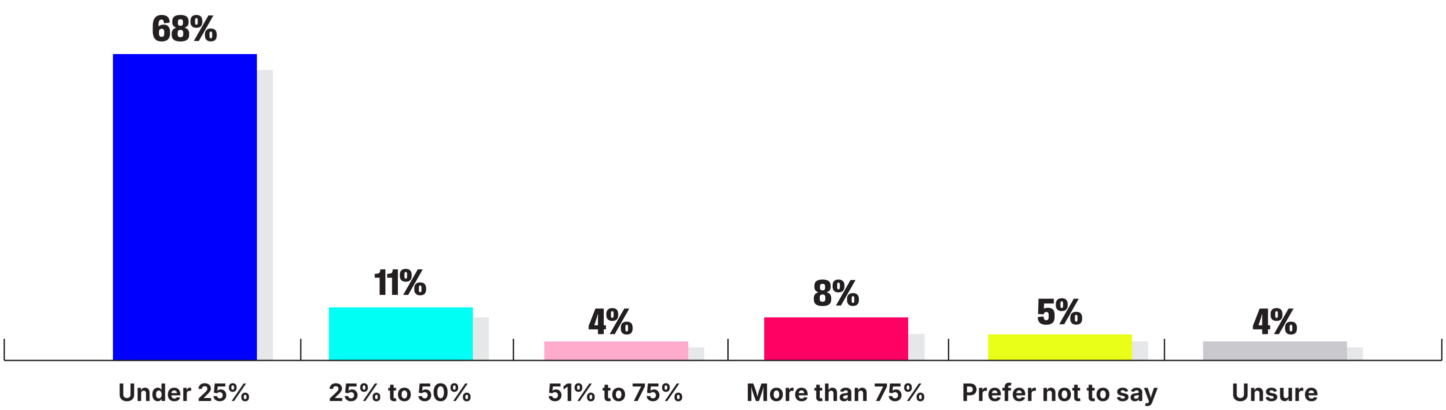
Economic profile of respondent companies

International revenues

Respondents were asked to estimate the percentage of their total revenues derived from international sources. 68 per cent said that less than 25 per cent came from international sources.

FIGURE 4

"Of your total gross revenue, approximately what percentage comes from international sources?"



Notable differences emerged when breaking out different subsets of this data.

- **Language:** Although most English and French companies reported less than 25 per cent of their revenue came from international sources, this was especially true for French companies (81 per cent vs. 64 per cent of English companies).

- **Content format:** Most linear companies reported lower international revenues compared to IDM companies (75 per cent reported less than 25 per cent of their revenue came from international sources vs. 47 per cent on the IDM side). IDM companies were far more likely than linear ones to report that nearly all revenue came from international sources (33 per cent vs. one per cent).

- **Company size:** Small companies reported less international revenue than larger companies. 76 per cent of small companies, 61 per cent of mid-sized, and 58 per cent of large companies reported less than 25 per cent of their revenue from international sources.

Corporate profitability

Respondents were asked about their company's approximate profit before taxes for the last fiscal year. 60 per cent reported a profit, whereas 31 per cent reported a loss.

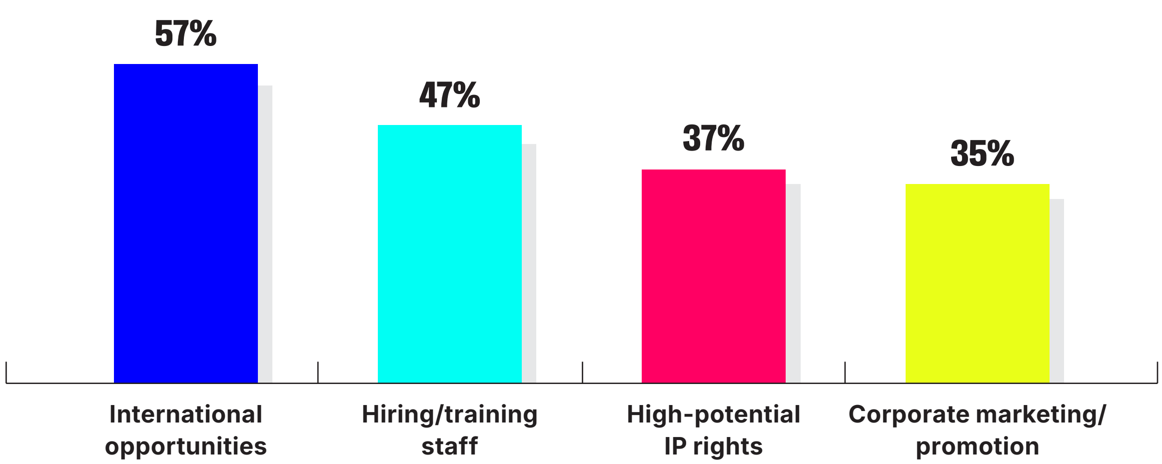
French companies noted a slightly higher percentage of loss (38 per cent) than English companies (29 per cent). IDM companies were also more likely to report loss (51 per cent) than linear companies (25 per cent). Unsurprisingly, large companies were less likely to report a loss (five per cent) than small ones (37 per cent) and mid-sized ones (26 per cent).

How respondents would increase economic outcomes

Respondents were asked how they would increase economic outcomes. They were given nine activities[4] towards which they could put potential business development funding and were asked to choose their top three priorities.

The figure below shows the four most common responses.[5] Many companies noted a combination of strategies would be needed to achieve revenue growth.

Top four responses to the question: "Currently, which strategic business activities do you think would be best suited for increasing revenue and growing your business? Select your top three."



When examining responses from various subsets—language, content format, company size, company diversity—there was often close alignment. However, IDM companies did not include international opportunities in their top three but did include studio/technological infrastructure.[6]

4 The nine options were, in order of statistical preference: developing international opportunities that generate new production and/or distribution activities (57 per cent); hiring and/or training staff (47 per cent); acquiring rights for high-potential IP (37 per cent); corporate marketing and promotion support (35 per cent); establishing or strengthening studio and/or technological infrastructure; (18 per cent); conducting market research (15 per cent); other, with the ability to specify (15 per cent); expanding office presence in Canada or internationally (14 per cent); and versioning (10 per cent).

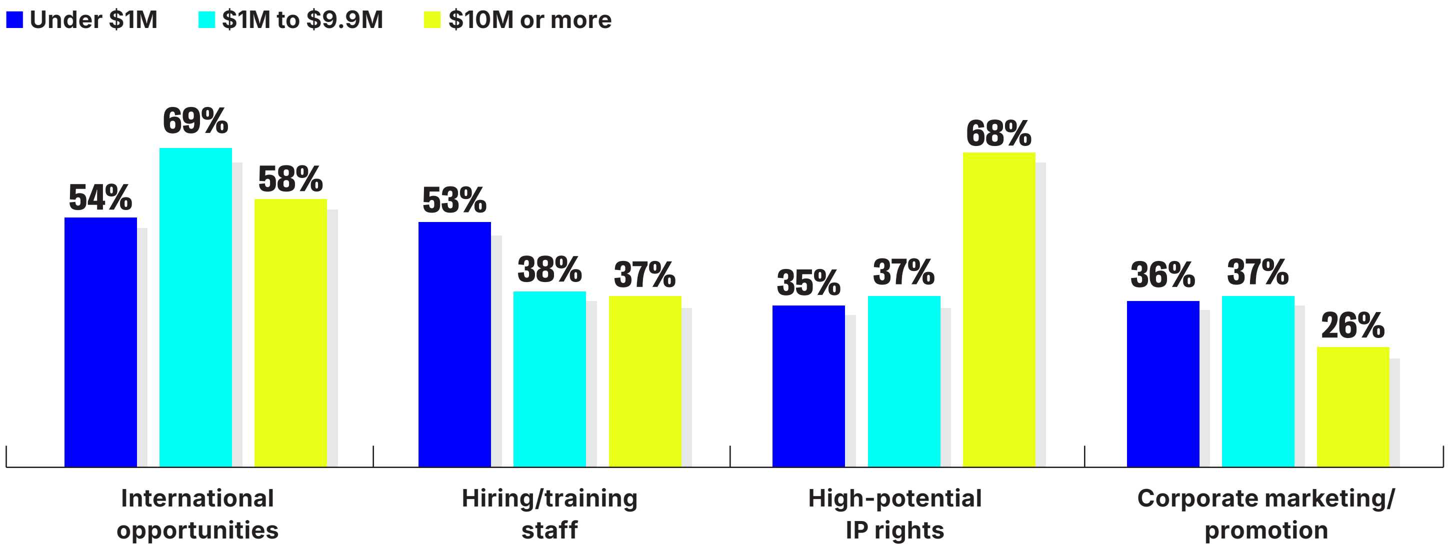
5 Per above, respondents chose three top priorities, but the data showed that four priorities were popular, as they were chosen by between 35 per cent and 57 per cent of respondents, whereas the remaining five were chosen by 18 per cent of respondents or fewer.

6 As IDM distribution, by default, tends to be international, this difference was not considered to be of great significance.

Of note, there was mostly alignment in growth strategies between the small, mid-sized, and large companies, potentially suggesting a shared understanding of which strategies lead to success in the global content marketplace.

FIGURE 6

Business activity breakdown by company size



How top activities would lead to economic growth

Respondents were also asked to elaborate on why they chose their top three activities.

A dominant theme from the top priority—international opportunities—was that key to increasing international revenues is attending markets to assess demand, build relationships, and establish credibility.

> "The current market is pushing producers to look increasingly toward international markets, but this comes at a cost that is sometimes too high. TV shows are also becoming increasingly international. Audiences are more open to foreign programs." *[translation]*

> "Global collaboration expands the creative scope and financial reach of each project, enabling access to new markets, diverse talent, and additional financing streams. Cultivating these relationships is critical to sustainability and brand visibility."

A dominant theme from the second priority—hiring/training staff—was that additional or permanent team members, often development staff, would accelerate growth by strengthening creative and financial development, for example by creating competitive pitch decks and building global relationships.

> "A skilled development team increases company revenues by expanding capacity to develop multiple projects simultaneously, increasing market-ready properties for financing; improving success rates through more polished submissions; and accelerating timelines concept to greenlight, allowing stronger cash flow. This would transform us from a project-based producer into a scalable content studio with recurring revenues and a sustainable pipeline."

For the third priority—high-potential IP—respondents often noted that valuable IP would help open doors, enhancing global competitiveness.

> "Acquiring well-positioned IP allows the company to [attract] greater international opportunities, which ultimately helps finance projects."

For the fourth priority—corporate marketing and promotion support—respondents often mentioned the importance of online discoverability tactics and building brand awareness in today's crowded content marketplace.

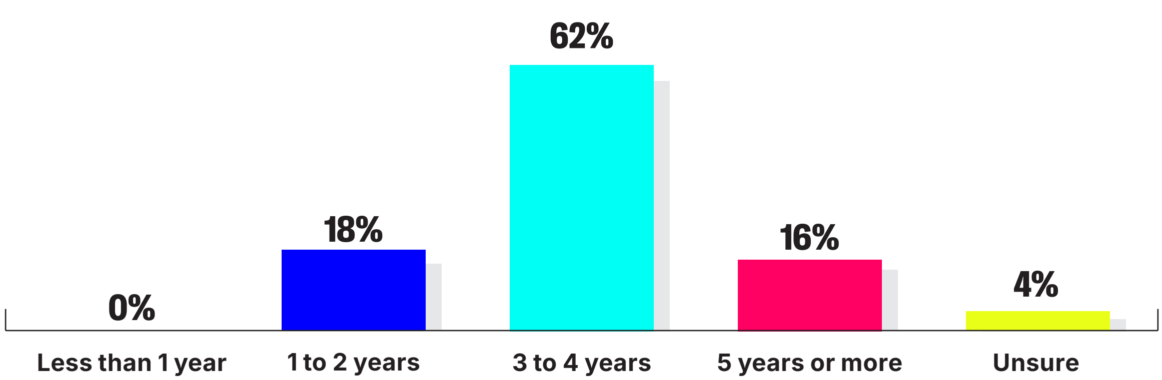
> "Supporting the company's marketing and promotion efforts—particularly by optimizing our YouTube channel and using paid advertising—is a key driver for diversifying our revenue streams ... while also strengthening our brand awareness." *[translation]*

Assessment timeframe

The survey asked respondents to identify an appropriate timeframe for the CMF to assess their company's growth, were they to receive business development funding. Per the figure below, most respondents selected three to four years, though a higher percentage of IDM companies selected one to two years, compared to linear companies (30 per cent vs. 15 per cent).

FIGURE 7

"Increasing corporate economic outcomes can require a long-term timeframe. In your opinion, what is the appropriate timeframe to assess whether growth has been achieved?"



Concluding note

> **It would enable us to scale without diluting ownership or creative control, while allowing CMF to reinvest returns into future creators.** This kind of forward-looking funding mechanism would give us the flexibility to pursue higher-value partnerships, attract top-tier talent, and strengthen revenue streams across multiple markets.

The “Beyond Project Funding” research was designed to examine economic outcomes among the CMF’s clients and understand how these outcomes might be strengthened. In simple terms, this research investigated how companies plan to grow and develop new revenue streams and how the CMF could potentially support them. The survey seemed to strike a chord with the production community and returned a robust data set.

The results point to low international revenues for many companies. But they also suggest an industry that recognizes the potential for growth in this area and is ready to seize opportunities in the global content marketplace, including through new forms of support that go beyond project funding. This would be additive to the CMF’s existing funding framework, not a replacement for what is already available to the sector.

Also of importance, the data suggests that companies across language, content formats, diversity parameters, and company size have a clear idea on how to accomplish their goal of strengthening their businesses.

Respondents suggested a wide range of activities that could bolster their competitive position in the global market, pointing to the value of flexibility in a future business development program. The common measure of success, however, is a straightforward one: increased revenue.