CANADA MEDIA FUND FONDS DES MÉDIAS DU CANADA

BUSINESS DEVELOPMENT PROGRAM

GUIDELINES

2026-2027

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1. GENERAL INFORMATION

Interpretation, Application, Disclaimer, and other Important Information

These Guidelines are for the information and convenience of Applicants (as defined in section 3.1 herein). They provide an overview of the objectives of the CMF, the manner in which the CMF is administered, and information on typical administrative practices of the CMF. Compliance with these Guidelines is a prerequisite to eligibility for any CMF funding.

The CMF has full discretion in the administration of its Programs, and in the application of these Guidelines, to ensure funding is provided to those Applicants who contribute to the fulfillment of its mandate. In all questions of interpretation of its Programs, Guidelines, Agreements and whether Applicants meet the spirit and intent of any CMF policy, the CMF interpretation shall prevail.

While the business policies noted in Appendix B are generally geared around linear and digital media project support, recipients of funding in this Program will be required to respect applicable business policies for their business development project proposals (e.g., Accounting and Reporting Requirements, Insurance coverage, etc.). More specific details will be outlined in the Applicant's Financing Agreement with the CMF if they are selected for funding through this Program. These business policies may be found in Appendix B of these Guidelines and are also available from the CMF website at www.cmf-fmc.ca. Information included in Appendix B is an integral part of these Guidelines.

Applicants who receive CMF funding in a given year are subject to the Guidelines and the CMF policies that are in effect for that fiscal year. For greater clarity, changes to CMF Guidelines and/or policies made in a subsequent fiscal year will not be applied retroactively, unless specifically stated. The CMF fiscal year is April 1 to March 31.

Please note: These Guidelines may be changed, or modified as required, without notice. Please consult the CMF website at www.cmf-fmc.ca to receive the latest Guideline news and documentation.

Provision of Documentation

It is the responsibility of the Applicant to ensure the CMF receives all relevant documentation, and to update such documentation and information after a material change. The CMF may request other documentation and information to conduct an assessment and evaluation of the application and once assessed, to complete CMF file reviews. For the purposes of application assessment and evaluation, the CMF reserves the right to rely solely on the written materials initially submitted by the Applicant.

Failure to Comply

If an Applicant fails to comply with these Guidelines, as determined by the CMF, then the CMF may refuse the application, revoke the eligibility status of the Applicant, and may demand repayment of any sums paid to the Applicant.

Misrepresentation

If, at any time, an Applicant, as required by the Guidelines or as requested by the CMF, provides false information or omits material information in connection with an application, the Applicant may suffer serious consequences.

These may include, among other outcomes:

- Loss of eligibility for funding of the current application;
- Loss of eligibility for funding of future applications;

- Repayment of any funds already advanced, with interest; and/or
- Criminal prosecution, in the case of fraud.

These measures may be imposed not only on the Applicant but also on related, associated and affiliated companies and individuals (as determined by the CMF at its sole discretion). Any Applicant receiving approval for funding will be required to sign a legally enforceable agreement, which includes further provisions concerning misrepresentations, defaults, and related matters.

PERSONA-ID self-identification information

The PERSONA-ID self-identification is provided on a voluntary basis, and, if provided allows individuals to disclose their demographic information directly and securely to the Canada Media Fund (CMF).

The CMF shall rely on the self-identification information associated with each individual's PERSONA-ID number to determine (as applicable) eligibility for dedicated Programs, exclusive reserved portions of Program budgets, Envelope Program credit, Evaluation Grid points, ranking position in selective Programs and/or for statistical and analytical purposes. Additionally, in certain cases this information is used to cross-reference / validate with other documentation connected to the application (e.g. the application form, Envelope Program Status Reports, etc.).

As any changes to information attached to an individual's PERSONA-ID account could impact eligibility, selection and/or Envelope calculations, the CMF must be informed of any revisions or updates as soon as possible.

Repeatedly providing incorrect information connected to the ownership of an Application may result in serious consequences for the Applicant per the Misrepresentation section above.

All PERSONA-ID self-identification information in connection with the application is provided in accordance with the PERSONA-ID Terms of Use & Privacy.

For more information about PERSONA-ID, please visit the PERSONA-ID section on the CMF website.

2. OVERVIEW

2.1 INTRODUCTION

The Business Development Program (the **"Program"**) is a pilot program designed to support the growth trajectory and business activities of small to medium-sized Canadian companies (**"Company(ies)"**), who have previous commercial and/or cultural success producing linear or interactive digital media (IDM) content for domestic and international audiences. For clarity, Companies are not required to have received CMF funding in the past to apply for this Program.

This Program is intended to drive company growth, encourage revenue generation, create a more sustainable and resilient Canadian audiovisual ecosystem, and encourage competitiveness in a global creative industry. Companies who wish to scale their businesses and can demonstrate high potential for expanded monetization opportunities through clear, measurable and feasible strategic and innovative objectives are encouraged to apply.

The Program will fund two separate pools of Applicants with the CMF total budget allocation broken down equally as follows:

- Growth Track Applicants
- Accelerate Track Applicants

See section 3.1 for more information on Applicants and Track definitions.

2.2 DEFINITIONS

Please see Appendix A for definitions of the following terms found in these Program Guidelines:

- Equity Deserving Communities
- In-house Programming
- Indigenous Peoples in Canada
- Region
- Related Party

3. ELIGIBILITY

3.1 ELIGIBLE APPLICANTS

An Eligible Applicant to this Program meets the following requirements:

a) Is a for-profit Canadian corporation (i.e., a taxable Canadian corporation, within the meaning of Canada's *Income Tax Act*);

b) Is Canadian-controlled as determined in sections 26 to 28 of the *Investment Canada Act*;

c) Has been incorporated for at least five (5) years from the date of application to the CMF;

d) Has its head office in Canada;

e) Whose primary business is producing linear and/or IDM content, with a successful track record in delivering such content; and

f) Is in good standing with any applicable talent and industry associations and guilds.

Applicants to this Program must meet the requirements of one of the following tracks as defined below, based on the Applicant's total Consolidated Revenues over the most recent five (5) fiscal years.

In this Program, "**Consolidated Revenues"** shall be defined as the total revenue reported by an Applicant and the companies it controls (if any), as presented in the Applicant's annual consolidated financial statements for the most recent five fiscal years[1]. For clarity, standalone, independent companies that operate on their own without controlling other corporate entities will report the revenues for their one company as their Consolidated Revenues.

The tracks are:

- **Growth Track Applicant:** Companies with total Consolidated Revenues between $250,000 and $999,999 over the most recent five (5) fiscal years, who wish to focus on strategies to grow revenues and audience reach.

- **Accelerate Track Applicant:** Companies with total Consolidated Revenues between $1,000,000 and $9,999,999 over the most recent five (5) fiscal years, who wish to focus on strategies to build upon, expand, and accelerate their revenues and audience reach.

Note: For the purposes of these Guidelines, the term Applicant includes all Related Parties (defined in Appendix A), associated, affiliated or parent companies and/or individuals (as determined by the CMF at its sole discretion), as applicable.

The CMF encourages all Applicants to review its Default Policy in Appendix B as it contains important information that could impact the eligibility of an application and/or Applicant.

[1] Applicants must report the amount shown as **"Revenue(s)," "Total Revenue," or an equivalent revenue line** on the consolidated statement of income, statement of operations, or equivalent financial statement. The amount must be reported **as it appears in the financial statements, without adjustment by the Applicant.**

3.1.1 Ineligible Applicants

- Broadcasters (including Applicants who create In-house Programming), Distributors, or publishers.
- Companies whose primary business is the creation of content for social media or podcasting platforms.
- Companies whose primary business is in foreign service productions, vendor services, services for hire, or post-production / VFX studios, or who otherwise cannot demonstrate that they focus on producing owned and controlled linear or IDM content.
- Companies with Consolidated Revenues of:
    - less than $250,000, or
    - $10,000,000 or more.

3.1.2 Additional Applicant Requirements

- An Applicant (or its Related Parties) will be limited to submitting one (1) application to this Program.
- While participation in the PERSONA-ID process is voluntary, Applicants should note it is the self-identification information associated with each individual's PERSONA-ID number which the CMF uses to assess any specific demographic initiatives. In this Program, this includes points for Equity-Deserving Communities and Indigenous Peoples in Canada as set out in the Evaluation Grid in section 5.

3.2 ELIGIBLE BUSINESS ACTIVITIES

The focus of this Program is to foster the business development and growth goals of Companies for activities that are not directly related to the development or production of individual content projects. Proposed business activities should be in pursuit of the goals and intended outcomes of the submitted Business Plan, and must be related to the primary business of the Applicant (either linear or IDM).

Examples of Eligible Activities include, but are not limited to:

- activities related to pursuing new markets or business areas and/or changes to the Applicant's business model;
- international expansion and new monetization opportunities through sales, distribution, publishing or exhibition deals;
- establishing new relationships with domestic or international partners;
- new revenue or diversification activities for existing intellectual property (IP), libraries or catalogues (such as brand or vertical extensions, monetization and expansion to new platforms or markets);
- audience development or market validation efforts;
- company-wide market or promotion activities; and
- pursuit of acquiring new high potential IP.

3.2.1. Ineligible Activities

Examples of Ineligible Activities include, but are not limited to:

- individual creation or production of content/projects;
- activities that do not relate to the Applicant's primary core business and/or to a CMF-supported industry sector (linear or IDM);

- routine activities and expenses that are considered a normal part of the Applicant's business; and
- activities already funded by another program / contract from the CMF or a federal entity[2].

3.2.2. Business Plan

Applicants must submit a business plan (the "**Business Plan**") covering a twelve- to twenty-four-month period (the "**Term**"), depending on the length of the business activities. The Business Plan must clearly set out the Applicant's business goals, proposed activities, timeline, and targets or key performance indicators (KPIs) for measuring progress. Expected outcomes should focus on company growth, revenue or monetization targets, and facilitating access to new markets or business opportunities. Additionally, the CMF will require midpoint and final costs updates on the status of the business activities during the Term.

[2] These Programs include, but are not limited to, the CMF – Creative BC Video Game Business Development Program, CMF – Quebecor Fund Export Assistance Program, the Indigenous Company Impact Support Program, Creative Export Canada, or Export Development Canada.

4. CMF CONTRIBUTION

4.1 NATURE OF CONTRIBUTION

The nature of the CMF's contribution will depend on the Track of the Applicant.

Growth Track Applicant: will receive a CMF contribution in the form of a **Non-Repayable Contribution**.

Accelerate Track Applicant: will receive a CMF contribution in the form of a **Recoupable Investment.** Details on the recoupment of CMF funding contributions can be found in section 6 of these Guidelines.

4.2 AMOUNT OF CONTRIBUTION

The amount of the CMF contribution will depend on the Track Record of the Applicant and the types of Eligible Business Activities as outlined in the Business Plan and corresponding budget, but are subject to the following Maximum Contributions.

Growth Track Applicant: the lesser of 75% of the Eligible Costs or $100,000.

Accelerate Track Applicant: the lesser of 75% of the Eligible Costs or $300,000.

The remaining 25% of the financing must be in the form of a cash contribution. For clarity, in-kind contributions and contributions that are wholly or partially dependent on a buyback of services from the provider of the contribution are not eligible to meet this 25% financing requirement.

4.3 ELIGIBLE COSTS

Eligible Costs for this Program *must be directly related to the Eligible Business Activities* outlined in the submitted Business Plan. Such costs may include, but are not limited to:

- Employees, consultants or vendor contracts
- Marketing and promotion expenses
- Capital expenses (hardware, software, etc.) (up to a maximum of 20%):
- IP acquisition or optioning (up to a maximum of 10%)
- Travel and accommodations, where relevant to the proposed Business Plan (up to a maximum of 10%)
- Administrative expenses (up to a maximum of 10%)

A minimum of 75% of Eligible Costs must be Canadian.

Eligible Costs are real and verifiable costs set out in the budget or the final cost report, as applicable (including both Related Party and non-Related Party costs), plus costs the CMF considers necessary, and minus costs that the CMF considers excessive, inflated or unreasonable.

Assessment of Eligible Costs shall be done at the CMF's sole discretion.

4.3.1 Ineligible Costs

Ineligible costs include, but are not limited to, the following:

- Corporate restructuring costs
- Development or production costs for linear or IDM projects
- Retroactive costs that were incurred prior to the date of application
- Costs already funded by the CMF or other organizations (except those financiers in the financing structure)
- Hospitality expenses
- General expenses and ongoing core business operational costs or capital expenditures (e.g. existing company overhead and staff costs, purchase of capital assets like real estate, etc.) that cannot be directly linked to the proposed activities or Business Plan.

5. DECISION PROCESS

Program funding will be awarded to Applicants through a selective and competitive process in which applications are assessed according to the following Evaluation Grid.

Applications will only be evaluated against one another within the same Track (Growth or Accelerate). Consolidated Revenues as set out in the financial statements for the most recent five (5) fiscal years of the Applicant will determine their Track.

In the event that a large number of applications are submitted to the Program, creating significant oversubscription, the CMF reserves the right to conduct a preliminary selection process where only a reasonable number of Applicants with the highest level of Consolidated Revenues in the most recent five (5) fiscal years for each Track will be moved forward to the juried business selection process.

The total budget for the Program will be split equally (50/50) between the two Tracks. Further, 1/3 of the funding in each Track will be distributed to French-language Applicants.

Evaluation Grid

Assessment Criteria	Weight
Track Record of Applicant Company (19) ▪ Relevant knowledge, skills, expertise, and industry experience of the Applicant company and team that illustrate they can successfully implement the Business Plan with desired results ▪ Track record in their previous achievements (commercial, cultural, and business) ▪ Applicant demonstrates a positive growth trajectory across its annual revenues in the most recent five (5) fiscal years as indicated in the Applicant's financial statements ▪ Quality and originality of Applicant's current slate or portfolio ▪ Existence of current, relevant relationships or partnerships (domestic and international) that illustrate the Applicant's growth strategy and expansion into other markets **Equity Deserving Communities (2)**[3] ▪ The Applicant is majority-owned by individuals who are members of an Equity Deserving Community (as defined in Appendix A), with final control in all matters relating to the Applicant company retained by a member (or members) of one (or a combination) of the Equity Deserving Communities **Indigenous Peoples in Canada (2)**[3] ▪ The Applicant is majority owned by individuals who are Indigenous Peoples in Canada (as defined in Appendix A), with final control in all matters relating to the Applicant company retained by an Indigenous Person (or Peoples) **Region (2)** ▪ The Applicant is based in a Region (as defined in Appendix A), with its head office in the Region, and where the central decision makers in the Applicant company are located in the Region	**25**

[3] The CMF will rely on the self-identification associated with an individual's PERSONA-ID number for shareholders and board of directors of the Applicant company and parent company(ies) to determine whether Applicants qualify for these points.

Business Plan – Quality and Feasibility ▪ Articulation, quality, and relevance of the overall Business Plan outlining clear and specific planned business activities intended to advance the company over the Term via increased revenues, organization size, expansion into new markets or better business opportunities ▪ The timeliness of the proposed activities in supporting the Applicant's planned trajectory ▪ Feasibility to achieve proposed goals and complete business activities within the Term ▪ Capacity of the Applicant to carry out the proposed activities on time and on budget ▪ Potential of the Applicant for scalability and to contribute to a thriving and resilient audiovisual economy in Canada ▪ Implementation of original or innovative ideas, technology, or unique methods to create sustainable growth and strengthen the long-term viability of the Applicant	**40**
Business Plan – Economic Impact and Outcomes ▪ Projected outcomes of the business activities on revenues (domestic and international), financial stability, new business partnerships, new audiences ▪ Effectiveness of the Applicant's plan to achieve clearly defined and specific outcomes with CMF funding to increase the Applicant's revenues ▪ How the business strategy will extend or add to the Applicant's core business activity ▪ Clear plan of how planned activities will produce measurable business and market results and long-term impact (e.g. cost savings, new efficiencies, business improvements) ▪ Canada-wide benefits that extend beyond individual company growth and success to creating a stronger, more competitive Canadian cultural and audiovisual industry with new methods, intellectual property, or innovations, etc.	**25**
Business Plan – Financing and Budget ▪ Credibility of financial projections in the Business Plan ▪ The level and nature of additional financing secured for the business activities ▪ Reasonable and detailed outline of how CMF funding will be allocated across the planned activities clearly demonstrating how the business strategy will be implemented Ability to complete business activities within the proposed budget	**10**
TOTAL	**100**

6. RECOUPMENT POLICY

6.1 INTRODUCTION

This policy applies to all Companies funded through the **Accelerate Track** in this Program.

6.2. RECOUPMENT

6.2.1 Recoupment Terms

In order to recoup its investment, the CMF will receive three percent (3%) of any future Consolidated Revenues (as defined in section 3.1 above) of the Applicant, less any project-based production financing (if not already deducted) (e.g. licence fees from a broadcaster, publisher advances, exhibition or venue commissions, federal or provincial funding, or tax credits, etc.), until the full amount of the CMF's contribution is recouped.

The recoupment period for the Applicant shall begin in the calendar year that its Term ends.