



Friday, January 11, 2019

The Broadcasting and Telecommunications Legislative Review Panel
c/o Innovation, Science and Economic Development Canada
235 Queen Street, 1st Floor
Ottawa, Ontario K1A 0H5

RE: Review of the Canadian Communications Legislative Framework

INTRODUCTION

1. Canada's screen-based industries are public goods that generate social, economic and cultural benefits. In order to help achieve all of these benefits, there is a variety of legislation, regulation, incentives and funding programs supported by the Federal Government that make up Canada's Cultural Policy Toolkit. The regulatory requirement for content support from the broadcast distribution undertakings ("BDUs") is a critical element in the toolkit.
2. These measures have helped Canadian stories reach audiences from coast to coast to coast and the world over, have helped build and grow an industry filled with first-class talent, both in front of and behind the camera, and according to the most recent data, provided 171,000 jobs for Canadians¹, contributed \$8.38 billion² to the GDP and enhanced Canada's reputation around the world
3. One of these tools, the *Broadcasting Act*, has enshrined the importance of diversity and choice, prioritized Canadian creativity, talent and storytelling, and helped grow employment opportunities in pursuit of these objectives.³
4. Another instrument is the Canada Media Fund ("CMF") which fosters, develops, finances, and promotes the production of Canadian content and relevant applications for all audio-visual media platforms. In fulfilling this mandate, the CMF guides Canadian content towards a competitive global environment through fostering industry innovation, rewarding success, enabling a diversity of voices, and promoting access to content through industry and private sector partnerships.
5. One need only look at Canada's Oscar and Emmy winners, world-renowned gaming and VR industries, its export of domestic content enjoyed by international audiences, and its reputation as a top-ranking shooting location to realize that the existing tools have allowed Canada to not just subsist, but *thrive* in an increasingly competitive marketplace.
6. The *Broadcasting Act* and the CMF have been two distinct, but complementary, levers in Canada's Cultural Policy Toolkit that have contributed to the creation and support of Canada's cultural and industrial autonomy while being north of the biggest content creator in the world.

¹<https://cmpa.ca/wp-content/uploads/2018/12/Profile-2017-.pdf>, page 4.

²*Ibid.*

³<https://www.crtc.gc.ca/eng/archive/2015/2015-86.htm>, para 18.

7. The evolution of the digital economy and impact of international players on the Canadian system has materially altered how content is funded, created, promoted, distributed and consumed in Canada and globally.
8. The rapid pace of change and evolution of the industry is outpacing the capacity of the current legislative and regulatory framework to effectively achieve the country's policy objectives.
9. Canada's policies and toolkit require re-alignment and re-positioning to remain relevant, flexible and effective in today's global media marketplace.
10. We have been here before. From the threat of the death star to the integration of satellite and the 1971 CRTC statement governing the cable television industry into a single system⁴, today, the technology is new, the discussion and debate are not.
11. Through the leadership of the panel, the collective intelligence and experience of the sector, combined with political will, we can have a digital communications framework that meets Canada's renewed policy objectives.
12. Canada's talent and stories have demonstrated they can compete shoulder to shoulder with the world. Leveraging the success that has been built over the last 50 years will position the country's content to transcend platforms and borders, and continue to trigger emotion, innovation, ideas and commercial success in the next generation of Canadian storytellers.

EXECUTIVE SUMMARY

13. The CMF's comments are made in reference to Part B of the Review process dealing with the evaluation of how the *Broadcasting Act* can play a pivotal role in achieving the Government's objective of protecting, promoting, and supporting Canadian culture in both official languages while at the same time capturing a greater share of global markets in a platform-agnostic way that embraces culture and creativity as a key driver for economic growth.

Specifically, the CMF's comments are made in response to the following questions as set out in the Panel's Terms of Reference:

9. Broadcasting Policy Objectives
10. Support for Canadian Content and Creative Industries
12. Cultural Diversity

14. The CMF submits that the change and disruption that has taken place in the communications environment, while potentially unnerving to some, presents tremendous opportunity for the Canadian creative industries.

⁴Canadian Broadcasting "A Single System" – Policy Statement on Cable Television, July 16, 1971.

15. Market indications are that mobility and flexibility will continue to influence content consumption in the coming years. Adobe Digital Insights notes that beginning in 2017, smartphones began to lead overall traffic growth for media and entertainment companies⁵.
16. While section 3(1) (e) of the *Broadcasting Act* states that “each element of the Canadian broadcasting system shall contribute in an appropriate manner to the creation and presentation of Canadian programming...”⁶, as the industry evolves, broadcasting services that are delivered and accessed over the Internet or received by mobile devices have been exempted by the CRTC from licensing and other regulatory requirements of the *Broadcasting Act*. However content is now viewed anytime, anywhere on a variety of platforms.
17. Despite such clear shifts in the marketplace, Canada’s traditional television system continues to fund the vast majority of programming.
18. Canadians are choosing to watch the same programs online that are *offered* on television and *funded* through the television industry, calling into question the definition of who and what is a broadcaster in this ever evolving industry.
19. A legitimate argument can be made that the relationship between the rise in OTT adoption and a decrease in paid traditional subscriptions/revenue is not just correlation, but causation.
20. In the face of rapid evolution in the content industry, the CMF has demonstrated its ability to adapt with agility to new and challenging realities. The CMF’s commitment to remain responsive has enabled it to pursue approaches that build on the success of Canada’s screen-based industries, while achieving its mandate to support a diversity of voices and ensure Canadian audio-visual productions continue to reflect all that Canada has to offer. The CMF is prepared to adapt and respond to the objectives of a newly imagined regulatory and policy framework in a nimble, effective, and timely manner.

⁵<http://www.cmo.com/adobe-digital-insights/articles/2017/9/8/media-and-entertainment-study-on-consumer-behavior-adi-.html#gs.OzEeKX8>

⁶<https://laws-lois.justice.gc.ca/eng/acts/B-9.01/page-1.html#h-4>

INDUSTRY OVERVIEW - IMPACT ON TRADITIONAL PLATFORMS

21. The growth of new online and mobile platforms has introduced dramatic changes in the areas of content production, including impact on budgets, format length, distribution, and consumption. Furthermore, the variety of consumer choice from all sources, domestic and especially foreign, can be overwhelming and is growing daily. There are some 25 online TV platforms available to Canadian consumers, most of them foreign⁷.
22. These new platforms are affecting traditional broadcasting platforms at an astounding rate. New mobile and online platforms essentially use one of three models:
 - Embedded advertising or advertising-based video on demand (“AVOD”);
 - Subscription-based video on demand (“SVOD”); and
 - Transactional or pay-per-view models (“PPV”).
23. All indicators point to exponential growth of professional-grade content creation by, and consumption on, these new platforms over the next few years.
24. Many of these new entrants are untethered to conventional outlets and now have a dominant foothold in not only the content distribution industry but also in the content creation and production industry. Reports of Netflix planning to spend \$12-13B (USD)⁸ to make half of its library original content by 2018 and Amazon planning to spend \$5B (USD)⁹ in content acquisition and production is proof of this dominant market position. To put those numbers in context, in 2016-2017, the *total* amount of license fees from *all Canadian broadcasters* was \$775M.¹⁰
25. Additionally, digital technology companies like Apple, Facebook and Google (YouTube) are all beginning to enter the content production and distribution business. Apple has earmarked \$1B to offer high-quality video on its existing music-streaming service¹¹. Facebook may spend up to \$1B through 2018 to cultivate original shows for its “Watch” tab of original programming¹². Google now offers access to live and recorded content from major networks on YouTube TV and access to original content through YouTube Red and other offerings¹³.
26. These OTT services are increasingly requiring Canadian producers to enter into all rights licensing agreements. While this model generates short-term success, it does very little to maximize the returns on investment from Canadian Intellectual Property which, in an earlier time, would have been retained in Canada and subsequently reinvested in the creation of new homegrown content.
27. Canadian industry incumbents are adopting these new online strategies. We now see legacy broadcasters with on-demand services to complement their linear offerings. Examples include Blue Ant Media’s Omnia Media, MUCH Creators, and on- demand offerings from Bell (Crave TV), Vidéotron (Club Illico) and Société Radio-Canada’s (Tou.tv Extra, CBC Gem).

⁷<https://trends.cmf-fmc.ca/out-to-conquer-canadian-tv-viewers-online-television-vs-conventional-television/>

⁸<http://fortune.com/2018/07/08/netflix-original-programming-13-billion/>

⁹<https://www.mediapost.com/publications/article/315055/amazon-expected-to-spend-5-billion-on-video-content.html>

¹⁰<https://cmpa.ca/wp-content/uploads/2018/12/Profile-2017-.pdf>, page 37.

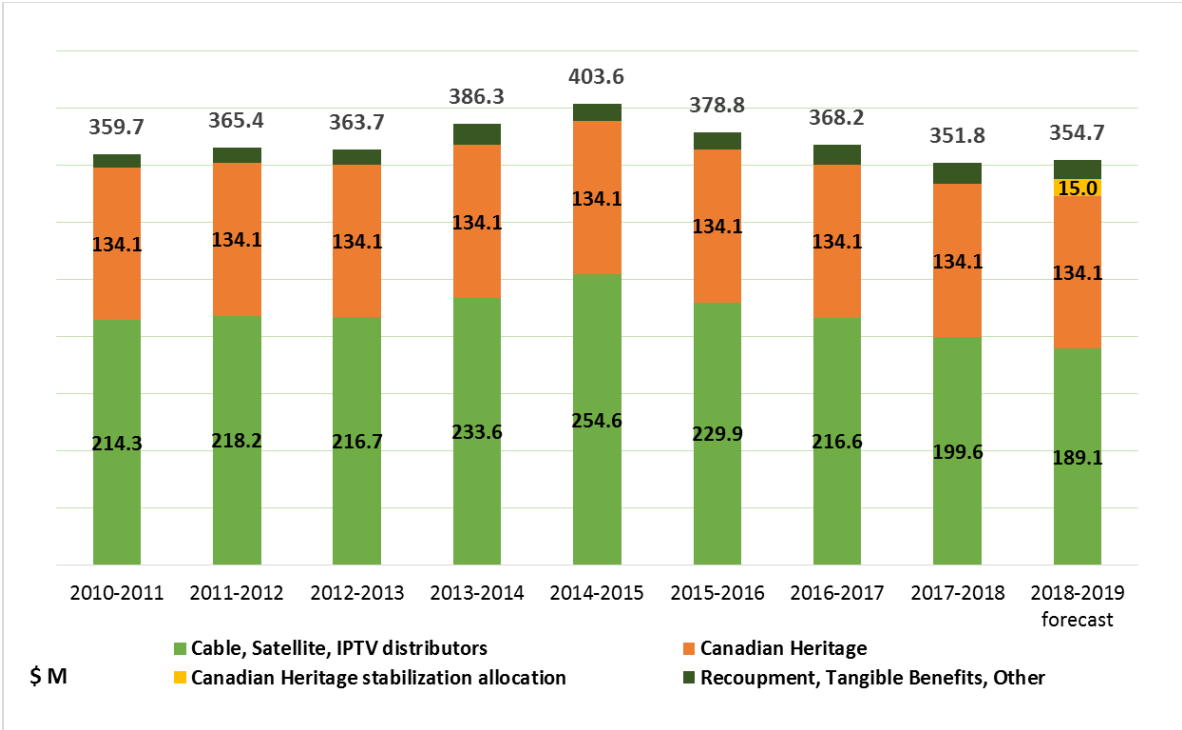
¹¹<https://variety.com/2017/digital/news/apple-1-billion-original-tv-shows-movies-budget-1202529421/>

¹²<https://techcrunch.com/2017/09/08/facebook-plans-to-spend-up-to-1b-on-original-shows-in-2018/>

¹³Pierce, David. YouTube's Quest To Make TV Work Everywhere, Wired, October 30, 2017, online <https://www.wired.com/story/youtubes-quest-to-make-tv-work-everywhere/>

- 28. In the Creative Canada policy direction announced by the previous Minister of Canadian Heritage, the CMF will be expanding its funding triggers to allow Canadian-owned platforms to trigger CMF funding. This move gives Canadian producers more flexibility to access funding for digital-first projects.
- 29. The CMF's funding comes from two primary sources: regulated contributions from cable, satellite and IPTV distributors ("BDU") revenues and an annual contribution from the Government of Canada.
- 30. As noted in Figure 1 below, BDU contributions, a critical investment in the success of Canadian content, have been consistently decreasing in each of the past 4 years and this downward trend is forecasted to continue.

Figure 1



- 31. In early 2018, the Federal Government accorded \$172M over 5 years to stabilize the CMF's yearly budget and help mitigate the decline in contributions received from BDUs. \$15M has been earmarked in 2018/2019, \$29M for 2019/2020, and \$42.5M for the following three years. Notwithstanding this commitment from the Federal Government, the decline of BDU contributions is outpacing these stabilization funds.
- 32. From 2012 to 2017, the number of Canadian cord-cutters rose from 193,000 to 357,000, with this number projected to further increase to 406,000 by the end of 2018¹⁴.
- 33. According to Communications Management Inc. the number of Canadian households who report never having a traditional television subscription, or who have cut the cord which once delivered TV to them, rose to 17.8% in 2017 for all Canadians and 44.5% for those Canadians under the age of 30.¹⁵

¹⁴<https://www.statista.com/statistics/258444/number-of-tv-cord-cutter-households-in-canada/>
¹⁵<https://cartt.ca/article/cord-cutters-or-nevers-under-age-30-approaches-50>

34. According to the Canadian chapter of the Cable & Telecommunications Association for Marketing (“CTAM”), the number of Canadian households subscribing to Netflix in 2017 is 47% (up from 41% in 2016) and Amazon Prime is 8% (up from 3% in 2016)¹⁶. Looking at home grown SVOD platforms, the number of Canadians subscribing to Crave TV is 10% (up from 8% in 2016)¹⁷ and Club Illico has remained steady at 4%¹⁸.
35. Despite the rapid growth of OTT platforms and the recent investment in original programming, in Canada, “traditional TV still pays the bills for most new shows”¹⁹. According to Convergence Consulting, in 2014, the traditional Television system contributed \$3.3 billion into Canadian programming, compared with \$300 million from digital outlets²⁰.
36. The two-tiered system, regulated and unregulated, is unsustainable. In the absence of a new model, as Canadians increasingly consume content from services that are not obligated to participate in the financing, presentation and promotion of Canadian programming and on platforms which are exempt from regulation under the *Broadcasting Act*, the traditional broadcast system and the effect on Canadian programming will continue to be negatively impacted.

VALUE PROPOSITION OF THE CMF - THE CMF’S ROLE AND ROI

37. The CMF was identified as an element of the “Content Pillar” in Industry Canada’s Digital Canada 150 strategy, as a not-for-profit corporation that fosters, develops, finances and promotes the production of Canadian content and applications for all audio-visual media platforms.
38. Created in 2010 by the Government of Canada through the Department of Canadian Heritage (“DCH”) and Canada’s BDUs, referred to as a unique public/private partnership, the CMF supports content through two Streams, an Experimental Stream and a Convergent Stream. The Experimental Stream supports innovative digital media content, software applications and linear web series. The Convergent Stream supports content in the underrepresented genres of drama, documentary, children’s and youth, and variety and performing arts on at least two distribution platforms, one of which is television.
39. The 5 key components below drive the CMF’s effectiveness:
- A. Demonstrated Results;
 - B. Commitment to Transparency;
 - C. Comprehensive Approach;
 - D. Efficient Operation; and
 - E. Independence

¹⁶CTAM Canada, “2017 Video Consumption Research”, October 2017.

¹⁷*Ibid.*

¹⁸Media Technology Monitor, combined 2016/2017 survey, consulted on November 3, 2017: <https://mtmotm.ca/DataAnalysisTool> (paywall).

¹⁹Bradshaw, J., “Streaming Wars: How disruptors are shaking up the TV business”, *The Globe and Mail*, April 17, 2015.

²⁰*Ibid.*

A. Demonstrated Results

40. The CMF's program budget for its 2018-2019 fiscal year is \$352M with funding derived primarily from contributions from Canada's BDUs coupled with contributions from the Government of Canada. Additional income was derived from returns on equity investments made in a limited number of projects and Canadian Heritage's \$15M stabilization allocation.
41. Since its inception, the CMF has accelerated the production of convergent and experimental content and provided a total of \$2.9B to support 3,949 television shows, or over 22,000 hours of new content and 1934 digital media productions, and has triggered over \$10.4B in production activity across Canada.
42. In the Television market, CMF-supported programs (in peak viewing hours) captured a 56% audience share of overall domestic programming in Canada's English market, and a 66% share of overall domestic programming in the French market. Further, since 2011, an average of 25 CMF programs per year have achieved audiences of over one million viewers, 18 in the French market and 7 in the English market.
43. On the digital front, total measured visits to CMF-supported content were 123.9M in the Convergent Stream and 24M in the Experimental Stream. Further, the CMF has been instrumental in creating an independent Canadian gaming ecosystem and, with funding to over 120 projects to date, has supported Canada to become a leading market in the production of Augmented Reality and Virtual Reality content.
44. Internationally, the CMF has contributed to an export success story. A review of sales data reveals that 612 television and digital media projects supported by the CMF have generated approximately \$139M in sales revenue (after production financing) in the calendar year 2017, from territories that spanned the globe. Recent successes include:
 - *Burden of Truth*, an ICF Films, eOne and Eagle Vision production which will air on The CW in the U.S., while Hulu has taken second-window rights. This police procedural has also sold to the U.K., where it will air on Universal TV.
 - Netflix has picked up comedy series *Kim's Convenience* for international distribution, as well as the two first seasons of Québec's *Série Noire*.
 - American OTT giant Hulu acquired two seasons of cult series *Letterkenny*.
 - *Murdoch Mysteries* has been licensed to broadcasters in 120 countries and territories worldwide to date, including Netflix and Hulu in the U.S and Chinese state-owned drama channel CCTV-8, which reaches 200 million homes.
 - *ToonMarty*, an animated children's television series, was picked up by Amazon Prime and will be launched in the U.S., the U.K., Ireland, Australia, New Zealand, German-speaking territories and France.
 - Projects like Squeeze Productions' *Cracké*, a 3D animated series with no dialogue, has built a solid fan base among children and their parents in more than 200 territories.
 - *Camp Lakebottom* aired on Disney XD in the US, and has since been acquired by Disney Channels in Latin America, Ireland, Italy, Spain, Portugal, Benelux, MEA and Japan, as well as ABC TV (Australia), Super RTL (Germany) and Canal+ Family (France and Africa).

45. Further leveraging its resources and generating market opportunities for Canadian product, the CMF pursued its strategy to execute co-development and co-production matching agreements with international partners. The initial matching fund with New Zealand On Air, CMF's counterpart, was the first co-production initiative in digital media in the world. Matching Funds since the inception of the initiative include Australia, Italy, Ireland, Northern Ireland, South Africa, Wallonia, Mexico, Germany, Denmark, Israel, Luxembourg, Colombia and Brazil. In March 2018, the CMF entered into a Matching Fund with the Sami Film Institute in Norway to strengthen Arctic Indigenous film production and, with a range of other Circumpolar Arctic partners, collaborated on the creation of the Arctic Indigenous Film Fund. The Matching Funds Program leveraged \$4,352,000 into production from foreign sources since its creation in 2014-2015.
46. Prior to the creation of the Matching Funds, from 2010-2011 to 2013-2014, 17 official treaty co-productions occurred with the countries with which Canada has co-production agreements. Since the creation of the Matching Funds that number has more than doubled as 38 co-productions have been financed by the CMF.
47. On the domestic front, the return on investment in content leveraged through CMF funding remains strong. In 2017-2018, \$4.14 was generated in production activity for every \$1.00 in CMF funding. This represents the highest leverage ratio since the CMF was created in 2010 and a total of \$1.4B in production activity was generated across the country²¹.
48. The CMF's financial support is the engine that drives a substantial proportion of high-quality Canadian programming produced each year in *all* areas of the country, in both official languages, in Aboriginal languages, as well as in numerous third-languages. Furthermore, the CMF actively promotes gender balance in both how content is created as well as what appears on screen.

b. Commitment to Transparency

49. The CMF consults with television and digital industry stakeholders in a meaningful, formal, ongoing and inclusive manner. During the fall of 2018, the CMF conducted 20 cross-country focus groups in 18 Canadian cities, 3 Working Groups and Leaders Roundtables with broadcasters and producers in both language markets to gain industry feedback on possible changes to its Programs to be implemented in April 2019.
50. The CMF meets quarterly with its public and private funders to report on the success of its Programs and review progress on the achievement of corporate strategic objectives.
51. Through these transparent processes, the CMF remains adaptive to the industry in the interest of fostering, supporting and promoting Canadian content which delivers on the objectives of the *Broadcasting Act*.

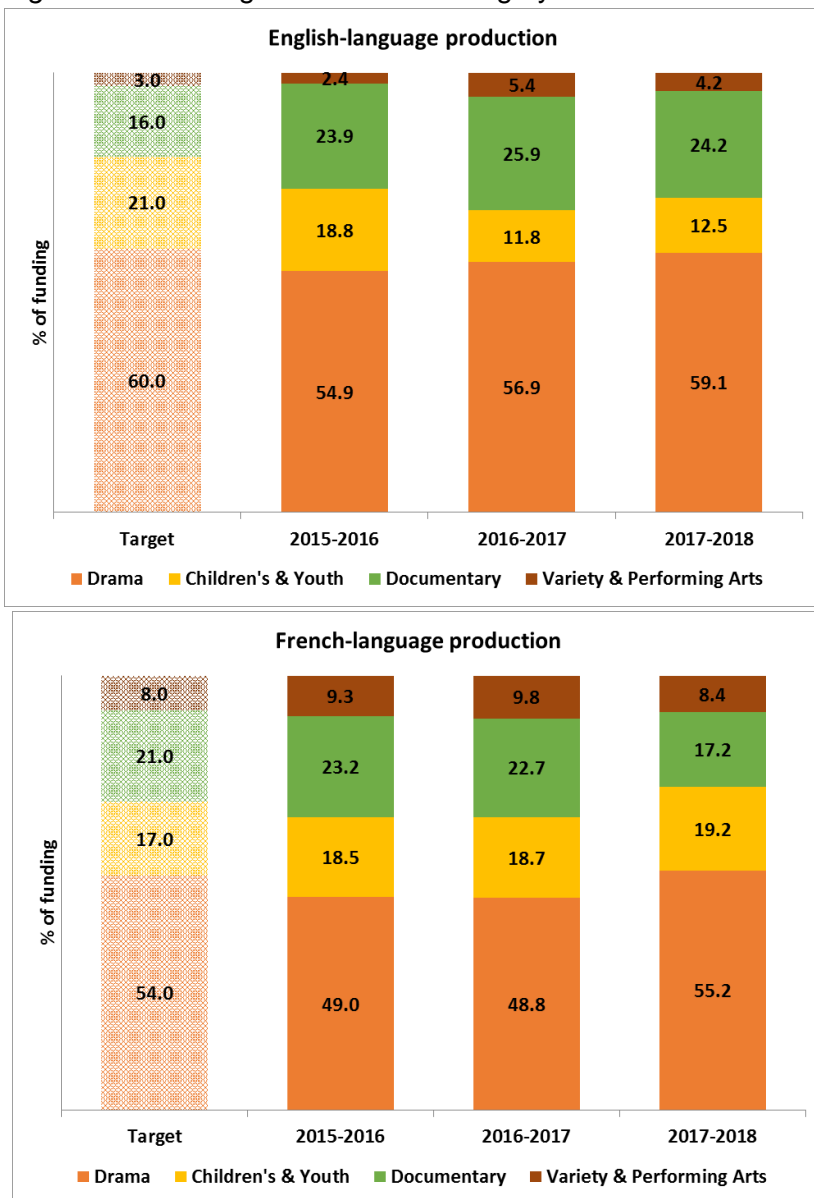
²¹https://ar-ra17-18.cmf-fmc.ca/about/message_from_the_president_and_ceo

c. Comprehensive Approach

The Convergent and Experimental Streams

52. The Convergent Stream supports the creation of multi-platform Canadian productions. They must include content intended for distribution on at least two platforms, one of which must be television, and one, or a combination of, a related Digital Media Component, making the television content available via a CRTC-licensed video-on-demand service or by a Canadian entity through non-simulcast digital distribution. The Stream enables the development and production of television shows and related digital media content in four underrepresented genres, from coast to coast to coast. Digital Media Components can include games, web series, and social media projects, for example.

Figure 2 – Convergent Stream Funding by Genre²²

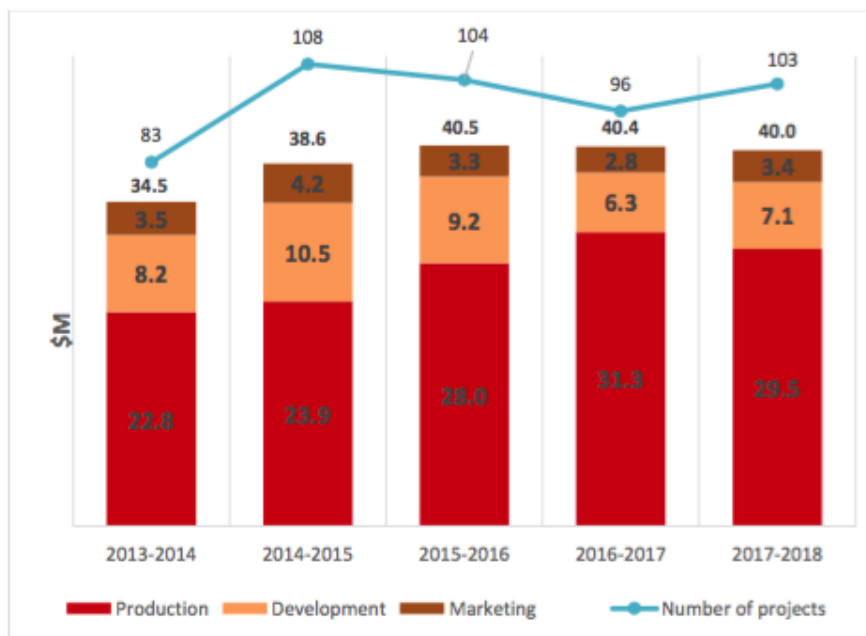


²²https://cmf-fmc.ca/en-ca/global-assets/general/outreach-consultation/consultation-tour-presentation-deck_2018-19.aspx

53. The Experimental Stream supports both (i) linear web series and (ii) innovative digital media content and application software that is connected to the Canadian cultural sector through three Core programs:

- The Innovation Program, designed to support Canadian interactive digital media content and software applications that are innovative and leading-edge (e.g., mobile applications, video games and immersive technologies). Projects are supported at the prototyping, production and marketing stages.
- The Commercial Projects Pilot Program (“C3P”), designed to support the production of Canadian digital content and software applications which have an increased focus on potential commercial success. Projects are supported at the production and marketing stages.
- The Web Series Program, designed to support original, linear series in their second (or subsequent) season, created initially for the web, in the designated CMF genres of Drama, Children’s and Youth, or Documentary programming. Projects are supported at the production stage.

Figure 3 - Experimental Funding by Activity²³



Enhancing Discoverability and Export

54. Discoverability has emerged as a major issue in the Canadian broadcasting industry. As Canadians are now able to consume content from around the globe, Canadian creators, producers, and distributors are now fighting for market share on every front: at home and abroad, and through old and new models.

²³2017-2018 Canada Media Fund Program Activity Report, page 43.

55. In addition to the International Matching Funds, the CMF launched two export pilot programs in 2017-2018 that aligned with the Government of Canada's Creative Canada Policy Framework and its vision for Canadian content in the global marketplace. These pilot programs were developed to promote content creation for international markets, increase the volume of content exports, create a leverage effect to help finance additional content, and increase both the reach and the revenue earned by Canadian productions. These programs complement the CMF's comprehensive international strategy, which include the launch and renewal of numerous international incentives with funding counterparts in various other jurisdictions around the world, active participation at key international industry events, as well as the research and publication of industry and intelligence on key international markets through CMF Trends.
56. The Export Pilot Program funded pitches, sales, and promotional activities for television projects intended for international markets during the development stage. The CMF-Quebecor Fund Export Assistance Program Pilot Partnership was an innovative initiative to jointly fund export initiatives of audiovisual content intended for foreign markets by Quebec-based producers for the development of initial phases of projects leading to international export pre-sales.
57. In addition to international discoverability initiatives, the CMF initiated and is working with Google, Broadband TV, Deluxe and Telefilm to create Encore+, a YouTube channel dedicated to streaming memorable Canadian film and television shows from the past. Curated playlists with Hot Docs, the NFB, talent, and ImagineNATIVE Film and Media Arts Festival have been added to the channel. The ImagineNATIVE Festival Collection on Encore+ will stream a curated selection of Canadian shorts and feature length films by some of Canada's most accomplished Indigenous filmmakers.
58. As of December 1, 2018, just over one year after its launch, Encore+ has over 31K subscribers, 6.76 million views with 40% of the viewing audience from outside of Canada. Intellectual property holders have made new sales for this content. There were 48% more views of Encore+ in the first two quarters of the CMF's 2018-2019 fiscal year than in 2017-2018. This new platform has sparked renewed interest in some of Canada's iconic programming and therefore makes it possible to develop new market opportunities for rights-holders that would not have been possible when this content was locked in analogue.
59. These kinds of partnerships and others like them encourage the discovery of Canadian content both in Canada and around the world.

Cultural Diversity and Underrepresented Voices

60. The Creation of Canadian programming that reflects Canadian attitudes, opinions, ideals, values, and artistic creativity lies at the heart of the *Broadcasting Act*.
61. To date, the CMF has been a funding engine that drives a substantial portion of high-quality Canadian programming produced each year in both official languages (including official language minority communities), in aboriginal languages, and in numerous third-languages.

62. After initiating a multi-stakeholder engagement process and following a series of recommendations emerging from this process, the CMF led the creation of Canada's Indigenous Screen Office, tasked with implementing a long-term strategy to nurture and support Indigenous screen content. This initiative was financially supported by CMF, APTN, Telefilm, CBC, CMPA, NFB and program partners Harold Greenberg Fund, Vice Canada, and some Canadian broadcasters. Furthermore, the CMF's Aboriginal Program is designed to support Aboriginal language independent production in Canada.
63. The CMF has also established a Diverse Languages Program, which is designed to support the independent productions and languages that reflect the diversity of Canadians by funding programming in languages other than English, French, or Aboriginal Languages. In 2017-2018, the Diverse Languages Program committed \$3M to eleven convergent projects in Spanish, Italian, Mandarin, Cantonese, Punjabi, Urdu, and Hindi. Production activity triggered by this program totalled \$8.8M.
64. Inspired by ongoing efforts to improve representation in the screen-based sector, the CMF took a number of important measures in 2017-2018 to advance gender balance in Canada's audio-visual industries. As a result, on aggregate, over 40% of key creative roles in 2017-2018 CMF funded television projects are now filled by women. Screenwriters and producers are at or near 50%. While directors had a 10% increase from 16% to 26%, a new incentive will be considered to improve this percentage. In the Experimental Stream, while 29% of all reviewed applications received the designated points allotted for gender parity, the CMF is optimistic for continued progress and is committed to improve gender representation Canada's digital media industry.

d. Efficient Operation

65. The CMF is committed to adhering to best practices in corporate governance to ensure that it is managed responsibly for the benefit of its members, funders, industry stakeholders and the Canadian public.
66. The CMF also strives to ensure its processes and operations meet high standards and are kept current and optimal. In 2017-2018, CMF's total administrative expenses, including the outsourced services of the program administrator Telefilm Canada, amounted to 5.0 % of total revenue.

e. Independence

67. From the funds it receives from the public-private partnership with the Government of Canada, the BDU's and any recoupment revenue it receives in connection with funded projects, the CMF embodies the definition of an independent third party that serves the public interest through its support of the creation, production, distribution and promotion of Canadian content.
68. The CMF's Board of Directors is fully independent from CMF management, the CMF's funders and any beneficiaries of the CMF's programs. Strict criteria and policy for determining independence is in place and the Board assesses whether its nominees are independent on an annual basis and whenever new information is provided.

CONCLUSION

69. The CMF and the *Broadcasting Act* have served as critical resources in Canada's Cultural Policy Toolkit. With a small population in the shadow of an imposing media market south of the border, Canada's content creation policies have delivered high-quality programming to Canadian and international audiences and strengthened an industry renowned for its talent, creativity, innovation and export which has served as a model for countries around the world. Leveraging this success with financial investment, flexibility and real time responsiveness to the evolution of the industry in future legislation and regulation is paramount for Canada to be competitive in the global market.
70. The CMF has been tremendously successful, with a demonstrated track record of achieving certain objectives from both the *Broadcasting Act* and federal cultural policies as they relate to content creation.
71. As the *Broadcasting Act* is reviewed and updated to address the new digital landscape, the CMF is well-positioned and prepared to evolve in step, to continue to be a complementary lever in Canada's Cultural Policy Toolkit and to ensure that the next generation of Canadian storytellers have the appropriate tools to create and succeed in the digital age.

Sincerely,



Valerie Creighton
President and CEO

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