



**British
Columbia
Film +
Media**

**Annual Activity
Report 2012/2013**



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The Film, Television + Digital Media Industry



Production activity in film and television in British Columbia increased in 2012 to \$1.216 billion. Given strong national and international competition, this increase in activity demonstrates the resiliency of BC's industry and reflects the province's reputation as a desirable, cost effective and dependable centre for the production of creative content.

2012/13 also saw the continued development of BC as an international centre for the creation of digital animation, visual effects and interactive digital content. BC Film + Media worked closely with international companies considering locating in British Columbia and with government to ensure that the senior talent needed to manage productions is able to enter and work in British Columbia.

The growth of digital content is a worldwide phenomenon and BC is particularly well positioned to capitalize on the changing nature of content creation and distribution. Developing this potential will remain a priority.

Throughout 2012/13, British Columbia Film + Media continued to act as a catalyst for the industry by providing policy and financial support as well as by assisting the industry to manage in a rapidly changing environment. BC Film + Media remains committed to providing stable, focused and supportive programs that will allow the entrepreneurial skills of the industry in British Columbia to flourish.

In order to better define this role, British Columbia Film + Media has identified the following core responsibilities:

- Support the development and marketing of high quality, commercially viable British Columbia film, television and digital media projects;
- Sustain and grow a competitive BC owned and controlled film, television and digital media industry;
- Enable British Columbia production companies to foster existing, and establish new, relationships with national and international co-financing partners;
- Improve the ability of British Columbia production companies to secure development and production financing and retain intellectual and financial control of content produced;
- Effectively administer provincial tax credit programs, ensuring that BC remains competitive as a production centre and continues to attract private sector and federal investment;
- Encourage film, television and digital media companies to establish business operations in BC;
- Promote the development of a skilled and knowledgeable workforce.

The provincial tax credit programs, administered by BC Film + Media, are essential drivers of production activity and company growth. BC Film + Media is committed to providing the most effective and efficient program delivery in North America. We believe this provides British Columbia with a competitive advantage over other jurisdictions. Maintaining and improving our service levels in the delivery of these programs will remain an organizational priority.

BC Film + Media also recognizes its role in the development of new markets for BC produced content. Over the past year, BC Film + Media worked with Telefilm Canada and other provincial film agencies

to ensure a Canadian presence at international film and television markets. Financial assistance was provided to allow BC companies to attend these markets to find co-production partners, production financing and to make international sales. In partnership with the BC Film Commission and film industry associations (MPPIA and the CMPA-BC), BC Film + Media coordinated a targeted co-production session in London and Manchester/UK. The purpose of the mission was to inform producers on the recently announced changes to the UK's tax incentives with respect to dramatic television series and to build co-production relationships with UK companies and broadcasters. 13 BC production companies participated along with representatives from 5 Canadian Broadcasters, CMPA-BC, and Telefilm Canada. BC Film + Media also made a bigger commitment to the Asian Market by organizing a Canadian Pavilion and delegation in partnership with Telefilm and the Hong Kong Trade Development Council at the Hong Kong Film Market.

In February, at the request of the province, the responsibilities of BC Film + Media and the BC Film Commission were brought together as Creative BC. Creative BC was also given responsibility for developing the province's larger creative industry sector including book and magazine publishing and music.

BC Film + Media, now Creative BC, is committed to the growth and development of the province's creative economy. Our work would not be possible without the support of the Province of British Columbia, our Board of Directors and our many stakeholders. The development of British Columbia's creative sector is the result of effective public policy supporting the creative and business skills of the industry. It is a powerful partnership. For more than twenty five years the essential support provided by the government of British Columbia has allowed BC Film + Media to assist both government and industry achieve their goals. We look forward to continuing this role and contributing to a stronger, more sustainable industry.

Michael Francis
Chair, Board of Directors, British Columbia Film + Media

BOARD OF DIRECTORS 2012/13

Michael Francis, *Chair*
Colin Browne, *Vice-Chair, Secretary/Treasurer*
Nini Baird
Gordon Esau
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Industry Overview



Level of Production

Total British Columbia film and television production spend in BC was \$1.216 billion in 2012, up from \$1.189 billion in 2011. This increase demonstrates renewed strength within the domestic industry and the continuing strength of service and visual effects work being completed in the province. 135 service productions were shot or completed post production in British Columbia in 2012. These included 58 feature films, 26 television series, 26 animations and 25 other projects. Although US feature film production was slower than previous years, digital production activity proved robust with over 30 VFX-only (visual effects) feature projects undertaken in B.C., with expenditures totaling over \$200 million.

Domestic production in BC increased from \$209 million in 2011 to \$324 million in 2012. This increase of over 50% can be attributed to expansion in the areas of dramatic and lifestyle TV series production. In 2012, a total of 159 domestic productions were shot in the province, including 24 feature films, 58 television series, 5 animated projects and 72 other projects. British Columbia producers have established themselves as creators of high quality, award winning entertainment across the globe. This reputation, when combined with the consistent support provided by the province, has made BC producers attractive to co-production partners, other financiers, broadcasters and distributors. The continued growth of B.C.-based production companies that own the rights to their projects will help anchor the industry, and increase revenues and profits that come back to British Columbia over the long term.

The film and television industry in British Columbia is made up of two distinct yet complementary types of production – domestic and service.

SERVICE PRODUCTION

- initiated, owned and controlled by producers from jurisdictions outside of Canada
- primarily interested in British Columbia as a production location
- highly mobile, although digital content producers in animation and visual effects are increasingly making long term commitments to corporate infrastructure in BC
- expends money on a project by project basis
- hires local talent and crew
- key creative decision-making remains with the foreign producer

DOMESTIC PRODUCTION

- created, developed, owned and controlled by British Columbia production companies
- makes long term investments in corporate infrastructure
- hires British Columbia key creative talent and crew
- contributes to stable employment levels
- provides opportunities for BC content creators to find a national and international audience

The amount of production related to the Digital Animation and Visual Effects (DAVE) tax credit continues to grow, demonstrating BC's expanding reputation as a world leader in digital animation and visual effects, both in terms of the number of companies and talent choosing to locate in BC. DAVE was introduced in April of 2003 – added as a component to the existing Film Incentive BC and Production Services Tax Credit programs. The objective was to develop the animation and visual effects industry by providing an incentive to production companies employing BC based talent to create digital animation and visual effects in British Columbia.

The impact of this incentive on the local industry has been dramatic. So far, 1121 productions have accessed the DAVE tax credit, representing over \$10 billion in production and over \$1.35 billion in wages and salaries paid to BC residents.

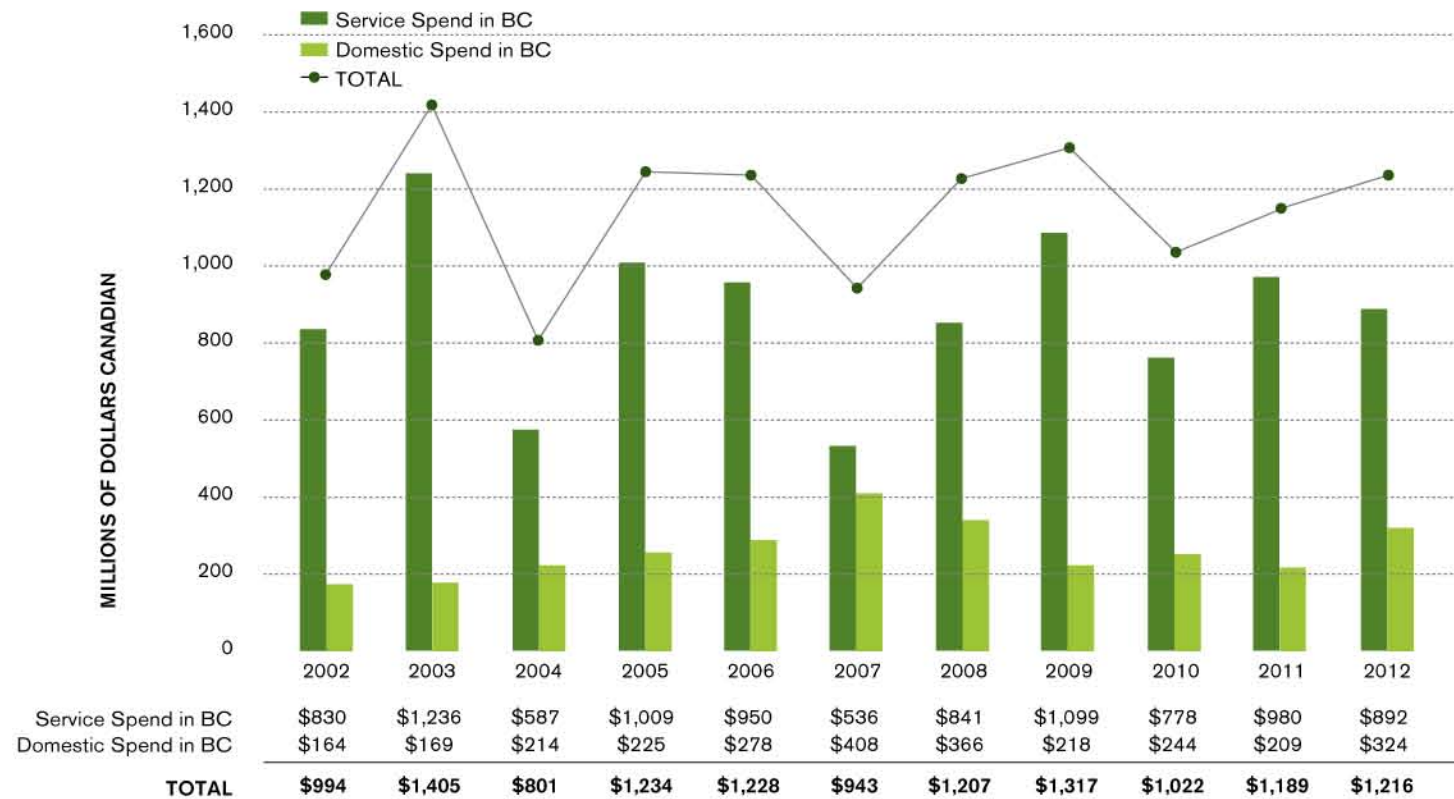
British Columbia has for many years been home to a dynamic and thriving digital animation and visual effects cluster. The DAVE incentive has allowed companies to better compete in the Canadian and international market. It has also motivated many leading visual effects and animation companies to establish studios in BC. These companies include Scanline VFX, Pixar, Nerd Corps Entertainment, The Moving Picture Company, Prime Focus, Zoic, Digital Domain, Image Engine and Sony Picture Imageworks. In fact, most major international companies now have a Vancouver studio – and are planning to increase activity

and employment in British Columbia.

The DAVE tax credit, along with a deep talent pool and well established film and television industry, has helped make British Columbia one of the few global centres for the production of visual effects for film, television and interactive content. Vancouver's ability to attract large-scale digital entertainment projects demonstrates the city's growing reputation for producing quality, cost-effective work. Combined strengths in traditional film and television as well as in digital content production are a competitive advantage for British Columbia – an advantage that will become increasingly important as creation, production and distribution processes, as well as consumption patterns, continue to become primarily digital.

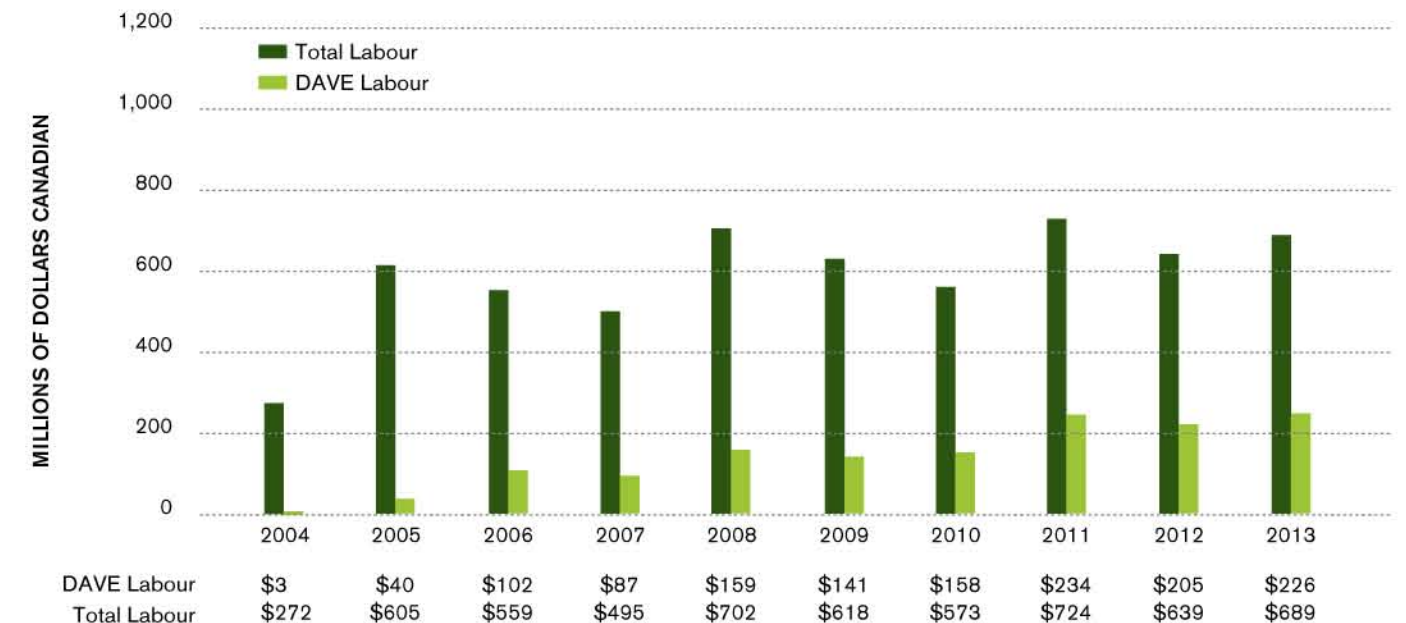
FILM AND TELEVISION PRODUCTION IN BRITISH COLUMBIA 2002 – 2012

Source: British Columbia Film Commission, 2012 – numbers are for calendar year



DAVE LABOUR AND TOTAL LABOUR IN BC 2004/05 - 2012/13

Source: Statistics – Ministry of Finance, Revenue Division, compiled by British Columbia Film + Media



Economic Impact

Film and television production is a desirable global commodity due to a multitude of economic impacts. There are many channels through which the film and television industry contributes to a local economy. Economic benefits of the industry can be measured in three ways - **direct impacts** related to the actual stages of production, **indirect impacts** in support of production and **cross-sectoral impacts** that spill over into other parts of the provincial economy.

FILM AND TELEVISION INDUSTRY – ECONOMIC IMPACTS

DIRECT

DEVELOPMENT/ PRE-PRODUCTION

- Content creation
- Rights acquisition
- Negotiation
- Casting
- Market Access/Travel

PRODUCTION

- Locations/Studios
- Processing
- On set equipment (camera/lighting)
- Permits

POST-PRODUCTION

- Editing (picture, sound, music)
- Visual effect/CGI

DISTRIBUTION/EXHIBITION

- Cinema
- DVD/Television
- Internet/Mobile
- Festivals

INDIRECT

SUPPLIERS

- Equipment
- Construction
- Transport
- Advertising

BUSINESS

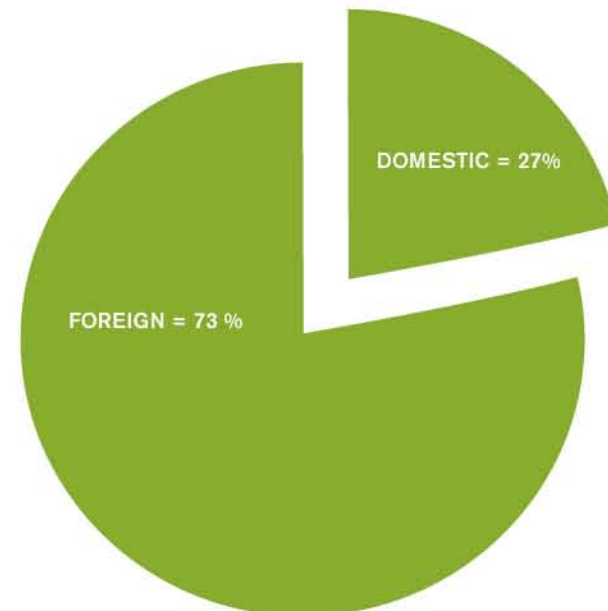
- Legal
- Accounting
- Financial/Banking

CROSS-SECTORAL

- Labour
- Skills Development
- Tourism
- Retail/Entertainment
- Trade
- Cultural



FILM AND TELEVISION PRODUCTION IN BRITISH COLUMBIA 2012



Sabrina: Secrets of a Teenage Witch, Harbour Block Production Associates

Competitive Advantage

Motion picture production ranks among the most highly competitive global industries. The industry is also defined by an ever-changing technological landscape. New technologies and emerging business models continue to shape and transform the media environment. The financing of entertainment projects is also shifting, with tax credits becoming an increasingly important component. Unlike more traditional bricks and mortar industries, the film and television industry is highly fluid because of the mobility of labour and the focus on relatively short-term projects. The project-based nature of film and television production allows producers to easily pick up and leave to take advantage of cost differences in other locations. This is particularly true for feature film production. Film incentives strongly influence production location decisions. In the last decade, the race to offer more attractive tax incentives has escalated along with competition among jurisdictions to offer the lowest cost location.

While international competition is intense, the British Columbia tax credit programs – Film Incentive BC and the Production Services Tax Credit – continue to act as a key driver of film and television production in the province, serving to keep British Columbia competitive nationally and internationally and contributing to inward investment of nearly \$900 million in 2012, largely from the United States. An essential part of British Columbia's success is its ability to offer a full service production experience that meets the needs of both foreign and domestic film and television companies. Factors that help keep film and television production in B.C. include production crew depth and quality, technological expertise, tax credits, location diversity and a critical mass

of production/post-production facilities. Given intense national and international competition, as well as a strong Canadian dollar, B.C.'s ability to sustain over \$1.2 billion in production activity demonstrates the industry's resiliency and reflects British Columbia's international reputation as a desirable production centre known for quality, value and reliability. With a world class infrastructure (studios, post-production facilities, equipment rental), experienced and highly skilled crews, depth of creative talent, labour stability, expertise in visual effects, animation and digital media, a film friendly environment, and a diversity of locations, British Columbia continues to offer numerous competitive advantages.

Dependence on service production carries inherent risk due to the mobile nature of the work and the influence of external forces beyond British Columbia's control (e.g. currency fluctuations and foreign tax incentives). A long term strategy to keep British Columbia's industry competitive includes a strong and sustainable domestic sector. Key elements to sustainability include the establishment of integrated companies operating across development, production and distribution, the adequate capitalization of existing companies, securing interest from private investors, embracing new technologies, exploiting international marketing opportunities and insuring that BC talent remains in the province. While Film Incentive BC and BC Film + Media's development programs have contributed to the growth of the domestic sector, there is considerable work that needs to be done if the full economic and creative potential of BC owned and controlled production is to be realized. This is an area in which BC Film + Media will continue to work over the coming years.



Liquidator, Anaid Productions



Spotlight

NERD CORPS ENTERTAINMENT INC.

Nerd Corps Entertainment, a dynamic Vancouver-based animation company founded in 2002, has had many successes over the last decade. The company is now one of the largest animation studios in North America and boasts a diverse portfolio of award-winning original and service properties. But Nerd Corps goes beyond the TV shows: they build stories, worlds and experiences that kids can enjoy across multiple platforms, from TV to online, mobile, toys, games and more. Nerd Corps' projects include original properties Slugterra, League of Super Evil, Rated A for Awesome, Storm Hawks, Endangered Species and the new preschool show Kate and Mim-Mim, as well as Dragon Booster for Alliance Atlantis, and Max Steel, Monster High and Hot Wheels®: Battle Force 5 for Mattel Inc.

For over 25 years, BC Film + Media has developed programs and services designed to support the growth of BC's domestic production industry. In 2006/07, Nerd Corps applied for and received \$150,000 in Slate Development funding from BC Film + Media. In 2008/09, the company received an additional \$75,000. Although relatively small, BC Film + Media's investment further enabled Nerd Corps to develop and market their company's expanding roster of projects, exploit these projects in international markets and leverage their expertise in all aspects of property creation and management, from development and production to distribution, marketing, interactive development and licensing.

Over the years, BCF+M support through the Slate Funding and the tax credit programs has contributed to Nerd Corps' ability to own and control its intellectual property, achieve greater success in international markets and create employment opportunities to keep

BC talent in the province. By pushing the boundaries of computer generated animation, Nerd Corps has built an international reputation for creating stylistically innovative animated projects from inception all the way to final delivery, based on a solid foundation of superb storytelling.

In addition, Nerd Corps' own original content has led to a thriving merchandising and licensing business. Storm Hawks now has toy, publishing, interactive and apparel components, while Slugterra has an extremely successful toy line and deals signed for apparel, back-to-school, stationary, stickers, trading cards, and more. The company also has an interactive division to support these properties with components such as web and iOS games. Nerd Corps' interactive team entered the App Store for the first time in December 2012 with a new game for iPhone, iPad and iPod touch called Slug it Out! The app quickly rose through the ranks, and after recent release in Latin America,

became the #1 free action game for iPad in nine different countries. "We've had a tremendous response to Slugterra because it's a high-quality property that hits so many of the key drivers for boys ages 6 to 11," said Juli Boylan, Head of Global Consumer Products at Nerd Corps. The success of Slug it Out! follows a robust online offering from the team that saw the flash game Battle for Slugterra hit the top spot on disneyxd.com. Games for Storm Hawks and League of Super Evil hit similar highs.

The company's success continues to grow and so has its roster of creative and technical talent. In the first half of 2013, Nerd Corps Entertainment hired 135 new staff and they expect to hire another 80 or 90 to reach a complement of 400 before the year's end, when the company will have five projects in full production plus several more in development. Nerd Corps also recently took home an Emmy for Outstanding Achievement in Sound Editing (Animation) for their work on the Slugterra series.

International Markets

Film, television and digital media is a global industry. Producers and distributors must attend national and international markets to secure co-production or co-financing partners, as well as to identify sales and distribution opportunities. British Columbia Film + Media, through the Passport to Markets program, assistance to the Canada Pavilion at various markets and other initiatives, plays a small but significant role by providing BC companies with support to attend these key markets.

Through the Passport to Markets program, BC Film + Media helps BC production and distribution companies attend dozens of internationally recognized film, television and digital media markets each year. The small grants provided (between \$1,000 and \$2,500, depending upon the market) help companies to offset the costs of travel, registration and marketing materials necessary to promote their projects.

BC Film + Media, along with other provincial agencies, also partners each year with Telefilm Canada to provide business centres for Canadian production and distribution companies at key international markets such as Cannes, MIPTV, MIPCOM and the European Film Market. Activities are housed at a Canada Pavilion where participating companies can hold meetings and market their projects to potential buyers, financiers and co-production partners. The funding provided by BC Film + Media helps ensure an international presence for the province and British Columbia companies.

The relatively modest investments provided through BC Film + Media's marketing programs yield impressive results. A total of \$152,500 in funding was provided under the Passport to Markets program in 2012/13. Participants were surveyed on the outcome of their attendance at this year's supported markets, and indicated over \$10 million in confirmed sales, distribution, development, financing and production deals.

In partnership with the BC Film Commission and film industry

associations (MPPIA and the CMPA-BC), BC Film + Media coordinated a targeted co-production session in London and Manchester/UK. The purpose of the mission was to inform producers on the recently announced changes to the UK's tax incentives with respect to dramatic television series and to build co-production relationships with UK companies and broadcasters. 13 BC production companies participated along with representatives from 5 Canadian Broadcasters, CMPA-BC and Telefilm Canada.

Although it is too soon to report on final confirmed deals, feedback from participating BC companies indicate that benefits included new business relationships, potential co-production partners, and a deeper understanding of the market conditions, opportunities and financial incentives available in the UK. All of the companies who attended indicated they would participate in the UK Co-production forum again, if the opportunity was available.

BC Film + Media also organized the Canadian delegation to FILMART in March of 2013. The Asian market is growing rapidly and Asia is an important market for BC producers and Canadian content. This is the third year that BC Film + Media has led the Canadian delegation to the FILMART. The Canada Pavilion was organized by British Columbia Film + Media with the assistance of Telefilm Canada and the Hong Kong Trade Development Council. This delegation provided an excellent opportunity for BC companies interested in expanding their film, television and digital entertainment business to Mainland China, Hong Kong and other Asian markets.

Accessing the financing and co-production or co-venture opportunities offered by the international marketplace is a vital part of any production company's business plan. By continuing to support attendance at key international markets, BC Film + Media helps BC companies to remain competitive by fostering existing, and establishing new, relationships with national and international partners.





Industry Value Chain

No matter the size or scope of budget, film or television products complete the consecutive stages of the industry value chain. This progressive cycle has much in common with the more traditional business cycle of research and development, manufacturing, distribution and retail sales.

Creative Development

SKILLS

To a large degree, the strength and size of the film sector in a jurisdiction reflects the capacity of its workforce. The film and television industry relies upon highly skilled workers for both creative “above-the-line” positions (directors, writers, producers) and crew “below-the-line” positions (electricians, set designers, camera operators). Given the rapid pace of change in all aspects of this industry – including the push to deliver content on a wide variety of media platforms – advanced training and upgrading of both emerging and established creative professionals is an important part of the process.

CONTENT

It is generally accepted in the industry that a successful project begins with a properly developed script. Developing a film or television project typically takes several years. Starting with a concept or idea, a script will undergo extensive rewriting before it is ready to be produced. Allocating significant resources (both time and money) to allow for the proper development of a script is critical to the success of any film or television project and can help mitigate the inherent risk. This development work takes place well before the start of principal photography.

The development process includes acquisition and writing, raising financing to move the project forward to production, negotiating agreements (actors, locations, equipment), planning digital and marketing strategies, and attendance at international film and television markets to pre-sell the product.

PRODUCTION AND POST-PRODUCTION

Production is a carefully orchestrated manufacturing process with all participants having a clearly defined role and purpose. A production shoot is a demanding, high stress activity – securing the production office, negotiating contracts, hiring production staff, hiring cast and crew, location scouting, ordering equipment and catering, costume design, supervising the technical aspects of post-production – these and many additional tasks are the overall responsibility of the producer. As such, film and television producers must possess extraordinary management and communication skills. A production crew can range in size from 20 to 2000 people depending on the scope and budget of the production.

Post-production involves four key activities – picture editing, sound design, music composition and/or acquisition, and visual effects. Post-production is the last step in the production process where the final story elements are shaped. These activities are capital intensive – requiring a significant investment in state-of-the-art technology and facilities.



MARKETING AND DISTRIBUTION

Marketing and distribution of a film or television production is a key element of its economic viability. Attaching a distributor early in the development phase can be advantageous to a project in achieving both commercial and critical success. Marketing and distribution require specialized skills and experience, and sales and distribution companies exist to provide this unique service. Marketing and distribution campaigns can range from “guerilla” strategies where producers engage in grassroots self-distribution to the multi-million dollar marketing efforts of Hollywood studios. Marketing campaigns are increasingly involving potential fans and media in the production process to create a buzz well in advance of the project’s final release.

EXHIBITION

The exhibition of a finished production has multiple platforms. The theatrical release of a feature length film in a cinema and the broadcast of a television show on pay or free services remain the most popular forms of exhibition. However, the ancillary platforms of festivals, DVD, Video on Demand, mobile and the internet are increasingly important vehicles for commercial success.

The economic activity of creative content industries like film and television differs greatly from other sectors of the economy in terms of cost, demand, risk and behavior.

COST

- concentrated upfront (artistic creation, research and development)
- once master is completed, reproduction costs are minimal

RISK

- impossible to predict commercial success
- release of a creative product in a smaller market is particularly risky

DEMAND

- unique and individual
- difficult to predict

BEHAVIOURAL DYNAMIC

- benefits from industry clusters
- collaborative effort at all stages

A Changing Role In The Industry Value Chain

Since its inception in 1987, British Columbia Film + Media has developed programs and services designed to support all stages of the industry value chain in support of the domestic production industry.

Over the years, the Society has repositioned its programs in response to industry needs, fiscal realities and the ever-changing demands of the global marketplace.

British Columbia Film + Media is cognizant of the fact that the media world is experiencing profound change that will have lasting effects on every aspect of the film, television and digital media industry. The extent of this change is unprecedented and will continue to be rapid

and unpredictable. The ability to purpose (create, shape and aggregate) content for multiple platforms and technologies is becoming increasingly important for film and television professionals at every stage of the industry value chain. British Columbia Film + Media remains committed to developing programs and initiatives that will help the industry make this transition.

TRAINING

Strengthening the domestic sector of the provincial film and television industry requires the ongoing professional development of above-the-line talent. British Columbia Film + Media supports nationally recognized training and, where required, develops specific initiatives that meet provincial needs.

British Columbia Film + Media supports the skills development of above-the-line film professionals in a variety of ways. A number of industry partnerships in training have been developed with industry organizations including Women in Film & Television Vancouver, the Documentary Media Society, the Documentary Organization of Canada – BC Branch, Merging Media, the Motion Picture Production Industry Association of BC, the National Film Board, Telefilm Canada and the Canadian Media Production Association – BC Producer's Branch.

British Columbia Film + Media also continues to provide administrative and funding support for the development of the Creative Industry Human Resources Council. This initiative is intended to provide a long term and comprehensive approach to the development of the diverse talent and skills necessary for the creative industries to prosper.

CONTENT DEVELOPMENT

A key challenge for production companies is to secure adequate monies to develop properties given the inherent risk involved. Recognizing the importance of the development process, British Columbia Film + Media currently offers development support through four distinct programs.

The Project Development Fund provides development financing to film and television

projects that have secured commitments from a broadcaster, distributor or other eligible triggering agent. Funding is "market-triggered" and does not include a creative or selective assessment of projects submitted.

The Digital Media Development Envelope provides film or television based entertainment companies with an envelope of money to support a range of interactive digital media activities. Applications are reviewed through a competitive, subjective process.

The Interactive Fund is intended to support the production of high quality, original, interactive digital media content owned and controlled by BC companies or individuals. Applications are reviewed through a competitive, subjective process.

The Arts Innovation Fund is intended to encourage arts and culture organizations to collaborate with digital media creators to engage audiences in new and innovative ways. The Digital Media Development envelope and the Interactive Fund and Arts Innovation Fund are a partnership between BC Film + Media and the BC Arts Council.

PRODUCTION & POST-PRODUCTION

Once the development phase is completed, the greatest challenge shared by film, television or digital media companies is securing production financing. In Canada, production financing is frequently assembled from a variety of private and public sources. Currently, British Columbia Film + Media lacks the financial capacity to offer production financing for film and television projects. However, the provincial tax credit program is a significant source of financing for both domestic and foreign film and television productions shot in British Columbia. The

Digital Animation or Visual Effects (DAVE) tax credit has had a particularly positive impact on the animation and visual effects industry.

MARKETING & DISTRIBUTION

Recognizing the limitations imposed by the size of the Canadian market for film and television product, British Columbia Film + Media has identified the international marketplace as a vital source of inward investment and export development. As the film industry has globalized, accessing the financing and business opportunities offered by the international marketplace is now a key part of a production company's business plan.

In support of this objective, the Passport to Markets program enables the attendance of British Columbia production and distribution companies at internationally recognized film, television and digital media markets. In addition, through its International Markets – Canada Pavilion initiative, British Columbia Film + Media works with federal and provincial partners to offer business centres at key international markets to facilitate sales and export development.

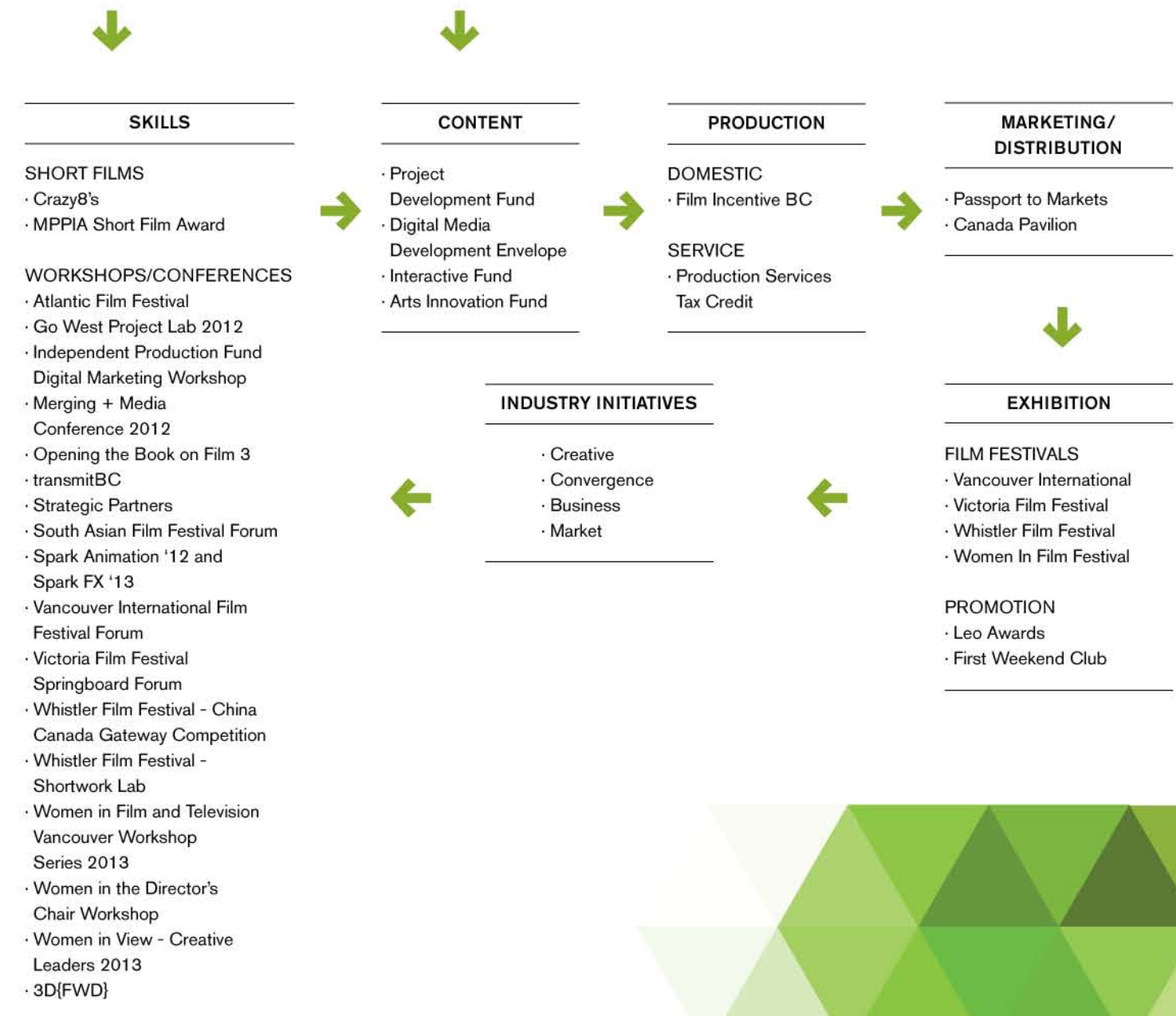
EXHIBITION

Film festivals and markets are a key part of any marketing and exhibition strategy. For independent films, successful festival screenings can promote a later theatrical release or broadcast. British Columbia Film + Media supports the major British Columbia festivals and awards that showcase British Columbia films and filmmakers including the Vancouver International Film Festival, the Victoria Film Festival, the Whistler Film Festival, Women in Film Festival and the First Weekend Club.



INDUSTRY VALUE CHAIN

CREATIVE DEVELOPMENT



A catalyst for industry growth



British Columbia Film + Media serves as a catalyst for industry development by supporting activities and company growth in both the production services and domestic sectors.

Core Businesses

OUR PROGRAMS

Tax Credit Delivery

Industry Development



OUR GOALS

Develop the film, television and digital media industry in BC and capitalize on emerging production opportunities

Develop BC based production capacity in film, television and digital media

Demonstrate industry leadership; provide effective legislative and policy advice; efficiently design and deliver relevant industry development programs



OUR IMPACT

BC positioned as a competitive, world-class production centre

Mandate

British Columbia Film + Media is an independent, not-for-profit society established by the provincial government in 1987. It has the mandate to expand and diversify the film, television and digital media sector in British Columbia. Its core responsibilities are to:

- Support the development and marketing of high quality, commercially viable British Columbia film, television and digital media projects;
- Sustain and grow a competitive BC owned and controlled film, television and digital media industry;
- Enable British Columbia production companies to foster existing, and to establish new, relationships with national and international co-financing partners;
- Encourage the development of a skilled and knowledgeable workforce;
- Improve the ability of British Columbia production companies to secure development and production financing and retain intellectual and financial control of content produced;
- Effectively administer provincial tax credit programs to ensure that BC remains competitive as a production centre and continues to attract private sector and federal investment;
- Encourage film, television and digital media companies to establish business operations in BC; and
- Assist governments in providing industry with a competitive and supportive legislative and regulatory environment.





**Program Activity
2012/2013**

Provincial Tax Credit Program

Provincial tax credit incentives act as a key driver of film and television production in the province. British Columbia's foreign and domestic tax credits, administered by British Columbia Film + Media on behalf of the Provincial Government, contribute to the province's ability to attract and sustain production in an increasingly competitive global market.

Production Services Tax Credit

The Production Services Tax Credit (PSTC) is a labour based tax incentive that provides refundable tax credits to Canadian or international film and television production corporations that have incurred eligible labour costs in British Columbia. The company does not have to be a Canadian-owned corporation, and there is no requirement that it have an interest in the copyright.

The package includes four specific initiatives:

- BASIC tax credit (33%) encourages film and television production in British Columbia;
- REGIONAL tax credit (6%) stimulates production outside of Vancouver;
- DISTANT LOCATION tax credit (6%) provides an additional incentive for productions shooting in more remote locations;
- DIGITAL ANIMATION OR VISUAL EFFECTS (DAVE) tax credit (17.5%) promotes the digital animation and visual effects industry in British Columbia.

Film Incentive BC

Film Incentive BC (FIBC) is a labour based tax incentive that provides refundable tax credits to Canadian controlled production companies based on eligible BC labour costs.

The package includes five specific initiatives:

- BASIC tax credit (35%) encourages film and television production in British Columbia;
- REGIONAL tax credit (12.5%) stimulates production outside of Vancouver;
- DISTANT LOCATION REGIONAL tax credit (6%) provides an additional incentive for productions shooting in more remote locations;
- TRAINING tax credit (3%) promotes the development of skilled workers in the industry;
- DIGITAL ANIMATION OR VISUAL EFFECTS (DAVE) tax credit (17.5%) assists the development of the digital animation and visual effects industry.

PRODUCTION SERVICES TAX CREDIT FOR APRIL 1, 2012 – MARCH 31, 2013

GENRE	# OF PRODUCTIONS CERTIFIED	PRODUCTION VALUE*	PROJECTED TAX CREDIT**
Direct to DVD	11	\$52,465,802	\$15,070,073
Feature Film	46	\$298,015,451	\$65,750,502
Mini-Series	0	\$0	\$0
MOW	10	\$40,712,367	\$7,675,328
Pilot	13	\$32,827,069	\$5,357,753
TV Program	2	\$9,124,605	\$3,086,552
TV Series	53	\$642,869,137	\$107,070,950
Web Based / Other	4	\$10,463,200	\$1,806,373
TOTAL	139	\$1,086,477,631	\$205,817,531

*NOTE: Figures based on projected BC production budget totals

**NOTE: Figures to be reconciled with the Ministry of Finance

FILM INCENTIVE BC FOR APRIL 1, 2012 – MARCH 31, 2013

GENRE	# OF PRODUCTIONS CERTIFIED	PRODUCTION VALUE*	PROJECTED TAX CREDIT**
Direct to DVD	4	\$4,696,579	\$1,094,571
Feature Film	16	\$24,999,541	\$3,928,913
Mini-Series	5	\$25,384,380	\$5,050,024
MOW	28	\$50,963,536	\$11,105,286
Pilot	1	\$310,000	\$59,075
TV Program	13	\$3,856,388	\$746,578
TV Series	61	\$280,479,848	\$52,484,834
TOTAL	128	\$390,690,272	\$74,469,281

*NOTE: Figures based on projected BC production budget totals

**NOTE: Figures to be reconciled with the Ministry of Finance

Creative Development

Creative development, in the form of content, skills and company development, is a key objective of British Columbia Film + Media in support of the growth of a sustainable domestic industry.

Project Development Fund

The Project Development Fund helps attract marketplace investment by Canadian broadcasters, distributors and funding agencies to British Columbia, encouraging support for existing and emerging British Columbia companies on a project by project basis. The program provides financing for script development to feature films, dramatic or animated television projects or documentaries that have secured development commitments from a broadcaster, distributor or other eligible triggering agent. Funding is "market-driven" and does not

include a creative or selective assessment.

A non-recoupable advance, triggered by a broadcast or distribution commitment, is available. Applicants must be British Columbia owned and controlled production companies and international treaty or interprovincial co-productions are eligible.

In 2012/13, British Columbia Film + Media provided a total of \$347,956 in development financing to 34 film and television projects representing total development budgets of \$1,729,016.



PRODUCTION	BC FILM + MEDIA	DEVELOPMENT BUDGET	RECIPIENTS
FEATURE FILM			
Canada In a Day	\$8,900	\$26,700	Screen Siren Pictures Inc.
Headwaters	\$10,000	\$45,000	Canada Wild Productions Ltd
Milton's Secret	\$4,000	\$31,500	Hulo Films Inc.
Mimi & Me	\$6,000	\$33,600	Blake Corbet Productions Inc.
Mixed Match	\$1,500	\$4,500	Mixed Match Productions
Reasonable Doubt	\$10,000	\$37,000	Reasonable Doubt Productions
Red Snow	\$5,000	\$15,000	True West Films Ltd
Remedy in Paris	\$10,000	\$58,500	Screen Siren Pictures Inc.
Small Houses	\$3,750	\$22,498	Designer Living Productions Inc.
Super Pulp!	\$7,500	\$70,000	South Creek Pictures Inc.
The Secret Evidence	\$5,000	\$15,000	South Creek Pictures Inc.
PROJECT TOTAL: 11	\$71,650	\$359,298	
TELEVISION MOVIE			
Brides March	\$10,000	\$34,360	Bauman Productions Inc.
A Sister's Nightmare	\$10,000	\$30,000	Honalee Productions Inc.
A Daughter's Nightmare	\$10,000	\$30,000	Honalee Productions Inc.
PROJECT TOTAL: 3	\$30,000	\$94,360	
TELEVISION PILOT			
Anna and Kristina: Cooked	\$10,000	\$30,000	Anna and Kristina Productions Inc.
PROJECT TOTAL: 1	\$10,000	\$30,000	
TV MINI SERIES			
Ecstatic!	\$19,178	\$57,534	Sonia Productions Inc.
PROJECT TOTAL: 1	\$19,178	\$57,534	
TELEVISION SERIES			
Yukon Gold ~ Season 1	\$10,000	\$89,354	Paperny Films Development Inc.
Motive ~ Season 1	\$20,000	\$278,838	Motive Productions I Inc.
Curious Beast ~ Season 1	\$7,500	\$28,966	Red Letter Films Ltd.
Priests Pagans and Party Animals	\$19,178	\$57,534	Asterisk Productions Ltd.
Now and Forever	\$19,178	\$57,534	Asterisk Productions Ltd.
Path of Pilgrims	\$19,178	\$60,356	Monkey Ink Media Inc.
The Adventures of Laser Boy	\$11,000	\$200,000	Strutt Roar Media inc.
Artful Living	\$10,000	\$60,000	Dr. E (1) Entertainment Inc.
Samaqan: Water Stories ~ Season 4	\$10,000	\$51,198	Tsa'Mahgwon Productions Inc.
Power of the Ports	\$8,333	\$25,000	Curious Entertainment Inc.
Special Forces Security	\$8,333	\$25,000	Curious Entertainment Inc.
Being Hindu ~ Season 1	\$19,178	\$57,534	Howling Mood Productions Ltd.
High Wire Warriors ~ Season 1	\$9,963	\$39,851	Y & J Productions Inc.
PROJECT TOTAL: 13	\$171,841	\$1,031,165	
TELEVISION PROGRAM			
Explore Canada: Hope & Fraser Canyon	\$10,000	\$42,049	TCF Studio Inc.
Fractured Land	\$6,000	\$26,750	Two Island Films Ltd.
Adam	\$10,000	\$30,000	Sepia Films Ltd.
Women and Porn	\$9,287	\$27,860	Dimstore Productions Inc.
Keepers of the Magic	\$10,000	\$30,000	Sepia Films Ltd.
PROJECT TOTAL: 5	\$45,287	\$156,659	
DEVELOPMENT TOTAL: 34	\$347,956	\$1,729,016	



Digital Media Development Envelope

The Digital Media Development Envelope is a partnership between BC Film + Media and the BC Arts Council. The program is intended to provide film or television based entertainment companies with up to \$25,000 to support eligible interactive digital media activities associated with their film or television properties.

In 2012/13, British Columbia Film + Media provided a total of \$125,000 in digital media development funding to 5 companies.

COMPANY	PROJECT TITLE	BC FILM + MEDIA
Thunderbird Films	Mr. Young, Season 3	\$25,000
Stranger Productions Inc.	Foncie's Photos	\$25,000
Sepia Films	Hue Digital	\$25,000
May Street Productions Ltd.	iSave The World	\$25,000
Optic Nerve Films Inc.	Preggoland	\$25,000
TOTAL: 5 COMPANIES		\$125,000



Interactive Fund

The Interactive Fund is a program created in partnership between BC Film + Media and the BC Arts Council. The program is intended to support the production of high quality, original, interactive digital media content owned and controlled by BC companies or individuals.

In 2012/13, British Columbia Film + Media provided a total of \$500,000 in funding to 10 companies.

COMPANY	PROJECT TITLE	BC FILM + MEDIA
Twenty Year Media Corp.	Qdup	\$ 50,000
Reel Apps Inc.	Shot Lister	\$ 50,000
Agentic Communications Inc.	Tree Up	\$ 50,000
Eon Altar Productions Inc.	Eon Altar	\$ 50,000
Martin Gottfrit	The Veil of Nature	\$ 50,000
CineCoup Media Inc.	CineCoup Film Accelerator	\$ 50,000
Fourcorner Publishing Inc.	Color Magazine	\$ 50,000
Zeros 2 Heroes Media Inc.	Centenary	\$ 50,000
Twofold Films Inc.	Windy and Friends	\$ 50,000
Slant Design + Marketing Inc.	CityBits: Vancouver	\$ 50,000
TOTAL: 10 COMPANIES		\$500,000

Arts Innovation Fund

The Arts Innovation Fund is a partnership between British Columbia Film + Media and the BC Arts Council. The program is intended to encourage arts and culture organizations to experiment with digital technology and digital content in support of the organization's mandate, engaging audiences in new and innovative ways.

In 2012/13, British Columbia Film + Media provided \$270,860 in funding to 11 companies.

COMPANY	PROJECT TITLE	BC FILM + MEDIA
Coastal Jazz and Blues Society	TIME (Tonal Interactive Media Experiment)	\$ 25,000
Touchstone Theatre	Performing Identity	\$ 25,000
The Virtual Stage	The Zombie Syndrome: On Death's Door	\$ 25,000
Surrey Art Gallery	Aerial Fields	\$ 25,000
Boca del Lupo	Fall Away Home	\$ 25,000
Mortal Coil Performance	Salmon Row: Fish Tales	\$ 25,000
Presentation House Cultural Society	A Live Video-Walk Web Experience	\$ 25,000
Grunt Gallery (Visible Art Society)	Background Vancouver	\$ 25,000
Access to Media Education Society (AMES)	YouthMADE Take 2 (YMT2): Climate Matters	\$ 25,000
On Main (On The Cutting Edge Productions Society)	Mobile Interactive Modular Multiscreen Ipad Canvas (MIMMiC)	\$ 25,000
VIVO Media Arts Centre	Permanent Change 2	\$ 20,860
TOTAL: 12 COMPANIES		\$270,860

Marketing/Export Development

Success in the highly competitive and rapidly changing entertainment industry requires that content creators adopt a global market approach. Content creators must think globally when choosing stories to develop, securing project financing, and engaging production partners. Content creators require market access, market intelligence and market preparedness in order to prosper in this environment.



Passport To Markets

Passport to Markets supports the attendance of British Columbia film and television companies at key international markets, co-production and co-financing conferences. Applications are considered from British Columbia resident producers who have professional experience in the film and television industry and, where applicable, have been pre-selected by event organizers to participate at an eligible market site.

In addition, applications are considered from British Columbia resident sales agents or distributors. British Columbia Film + Media support offsets a portion of travel, accommodation and registration expenses.

In 2012/13, British Columbia Film + Media provided \$152,500 in support to 92 participants.

MARKET/CONFERENCE	COMPANY	RECIPIENT	BC FILM + MEDIA
STRATEGIC PARTNERS CO-PRODUCTION CONFERENCE (HALIFAX, CANADA)	Quadrant Motion Pictures Inc.	Mary Anne Waterhouse	\$1,500
INTERNATIONAL FINANCING FORUM	Screen Siren Pictures Inc. Submission Films Inc.	Trish Dolman Andrew Boutillier	\$1,500 \$500
TORONTO PRODUCERS LAB	At The End of The Day Productions	Rajvinder Uppal	\$500
MIPCOM (CANNES, FRANCE)	FanTrust Entertainment Strategies Omnifilm Entertainment Ltd. Picture Box Distribution Inc. Unity Pictures Group Inc. Bron Studios Inc. Triton Media Holdings Inc. OverInterActive Media Inc. Atomic Cartoons Inc. Big Bad Boo Studios	Catherine Warren Michael Chechik Marilyn Kynaston Ron French Aaron Gilbert Rupert Harvey J. Joly Robert Davies Shabnam Rezaei	\$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000

NEXT MEDIA TORONTO	May Street Productions Inc. Moosestash Films	Mike Wavrecan Josephine Anderson	\$1,000 \$1,000
FILM BAZAAR	At The End of The Day Productions	Rajvinder Uppal	\$2,000
AMERICAN FILM MARKET (SANTA MONICA, USA)	Independent Edge Films Inc. Arcana Studios Inc. NGN Productions Inc. Joker Films Inc. Random Romance Productions Inc. Oddfellows Entertainment Inc. Honalee Productions Inc. Quadrant Motion Pictures Inc.	Kyle Mann Sean O'Reilly Jack Nasser Jhod Cardinal Darren Reiter Chris Ferguson Tina Pehme Mary Anne Waterhouse	\$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$1,500
IDFA FORUM (INTERNATIONAL DOCUMENTARY FILM FESTIVAL AMSTERDAM)	Two Island Films Ltd. Screen Siren Pictures Inc. Krysmofilm/BSP	Fiona Rayher Trish Dolman Bart Simpson	\$2,000 \$2,000 \$2,000
CARTOON CONNECTION CANADA	Atomic Cartoons Inc.	Mauro Casalese	\$1,000
CHINA CANADA GATEWAY FOR FILM SCRIPT COMPETITION	True West Films Mountain Lake Films N/A Massey Productions Ltd.	Elizabeth Yake Wendy Ord Ian Smith Raymond Massey	\$500 \$500 \$500 \$500
REEL SCREEN SUMMIT (WASHINGTON DC, USA)	May Street Productions Inc. Kate Kroll Productions Anaid Entertainment Inc. Monkey Ink Media De Vries Productions Inc.	Erin Skillen Kate Kroll Margaret Mardrossian Marilyn Thomas Sean De Vries	\$1,500 \$1,500 \$1,500 \$1,500 \$1,500
NATPE	FanTrust Entertainment Strategies	Catherine Warren	\$1,500
EUROPEAN FILM MARKET (BERLIN, GERMANY)	Bauman Entertainment Inc. Bowen Arrow Productions Inc. Artifact Films Inc. Joker Films Inc. Screen Siren Pictures Inc. Pink Buffalo Films At The End of The Day Productions Inc. Red Cedar Films Inc. Honalee Productions Inc.	Ted Bauman Katrin Bowen Mark Lewis Nolan Pielak Trish Dolman Martin Fisher Rajvinder Uppal Henrik Meyer Tina Pehme	\$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000
CINEMART CO-PRODUCTION MARKET (ROTTERDAM, NETHERLANDS)	The Siblings	Amy Belling	\$2,000
KIDSCREEN SUMMIT	Atomic Cartoons Inc. Big Bad Boo Studios Two 4 The Money Media Inc. Harbour Block Productions Associates Inc.	Robert Davies Aly Jetha Kim Arnott Ruth Vincent	\$1,500 \$1,500 \$1,500 \$1,500
SOUTH BY SOUTHWEST (AUSTIN, USA)	Moosestash Films CineCoup Media Inc. Mabooshi Film Company	Josephine Anderson J. Joly Michael Kezin	\$1,500 \$1,500 \$1,500
AIDC (AUSTRALIAN INTERNATIONAL DOCUMENTARY CONFERENCE)	Ferns Productions Inc.	Pat Ferns	\$2,000



HONG KONG FILMART (WANCHAI, HONG KONG)	Centurion Pictures Inc.	Shea Wageman	\$2,000
	Hulo Films Inc.	Stephen Huszar	\$2,000
	Joker Films Inc.	Nolan Pielak	\$2,000
	Honalee Productions Inc.	Kim Roberts	\$2,000
	Impatient Pictures Ltd.	Gregory Mackenzie	\$2,000
	Silo Entertainment Inc.	Mel D'Souza	\$2,000
	Massey Productions Ltd.	Raymond Massey	\$2,000
MIPTV (CANNES, FRANCE)	NGN Productions Inc.	Jack Nasser	\$2,000
	Anaid Entertainment Inc.	Margaret Mardirossian	\$2,000
	Up North Entertainment Inc.	David Doerksen	\$2,000
	Picture Box Distribution Inc.	Marilyn Kynaston	\$2,000
	Omnifilm Entertainment Ltd.	Michael Chechik	\$2,000
	Force Four Productions Ltd.	John Ritchie	\$2,000
FICCI FRAMES (MUMBAI, INDIA)	Skycorner Entertainment Ltd.	Selena Paskalidis	\$2,000
AUSTRALIA INTERNATIONAL DOCUMENTARY CONFERENCE (GLENSIDE, AUSTRALIA)	Ferns Productions Inc.	Pat Ferns	\$2,000
MIPDOC (CANNES, FRANCE)	Ferns Productions Inc.	Pat Ferns	\$2,000

CANNES MARCHE DU FILM 2013 (CANNES, FRANCE)	Opiate Pictures Inc.	Karen Lam	\$2,000
	Joker Films Inc.	Tim Brown	\$2,000
	South Creek Pictures Inc.	Dave Valleau	\$2,000
	Screen Siren Pictures Inc.	Christine Haebler	\$2,000
	Pacific Northwest Pictures Inc.	Emily Alden	\$2,000
	Raven West Films Ltd.	Carl Bessai	\$2,000
	Final Cut Films Inc.	Craig Adlard	\$2,000
	CMHL Enterprises Inc	Michel Duran	\$2,000
	Industry Works Pictures Inc.	Caterina Scrivano	\$2,000
	HOT DOCS FORUM 2012 (TORONTO, CANADA)	Reel-Myth Productions Inc.	Jill Sharpe
May Street Productions Ltd.		Erin Skillen	\$1,000
Ferns Productions Inc.		Pat Ferns	\$1,000
Paperyn Entertainment Inc.		Aynsley Vogel	\$1,000
Omnifilm Entertainment Ltd.		David Gullason	\$1,000
Face to Face Media Ltd.		Betsy Carson	\$1,000
Meditating Bunny Studio Inc.		Jeff Chiba Stearns	\$1,000
Lightspeed Productions Ltd.		David Vaisbord	\$1,000
BJIFF (BEIJING INTERNATIONAL FILM FESTIVAL AND MARKET)	Story Lab Productions	Joely Collins	\$2,000
	New Look Film Entertainment	Jenny Li	\$2,000
MIFA (FESTIVAL INTERNATIONAL DU FILM D'ANIMATION D'ANNECY)	Atomic Cartoons Inc.	Robert Davies	\$2,000
TOTAL: 92 participants			\$152,500





2012/13 Industry Sponsorships & Partnerships

In 2012/2013, British Columbia Film + Media supported the following industry initiatives. Each of these is consistent with the goals and objectives established for the year and consistent with our core responsibilities.

ATLANTIC FILM FESTIVAL - STRATEGIC PARTNERS

British Columbia Film + Media was a sponsor of Strategic Partners, one of the world's pre-eminent co-production markets. Focusing on feature film, TV and multiplatform fiction, Strategic Partners brings together industry players from around the world who are looking for financing or co-production partners.

CRAZY8'S SHORT FILM COMPETITION

With the CBC and Telefilm Canada, British Columbia Film + Media co-sponsored Crazy8s 2013 – an opportunity for 6 filmmakers to each make a film in 8 days with only \$800.

FIRST WEEKEND CLUB

The First Weekend Club celebrates Canadian film and talent with a goal of building audiences and appreciation for Canadian cinema by facilitating a series of special screenings across the country, interviews with directors, and media profiling. British Columbia Film + Media continued its sponsorship of these initiatives in 2012 and 2013, in addition to sponsoring the development of the First Weekend Club's new streaming platform for Canadian films.

GO WEST PROJECT LAB 2012

British Columbia Film + Media co-sponsored this intensive four day lab bringing industry experts together with a select group of producers. Facilitated by the Whistler Film Festival in partnership with the Canadian Film Centre, this lab gave producers the opportunity to receive feedback on their feature films from the sales agents, distributors and marketing experts in attendance.

INDIAN SUMMER FESTIVAL

British Columbia Film + Media sponsored the 2nd annual Indian Summer Festival, an international festival and series of workshops that celebrate arts, ideas and diversity. The festival showcases top talent from South Asia across film and visual arts, opening the dialogue between South Asian, Vancouver and Canadian counterparts.

INDEPENDENT PRODUCTION FUND

DIGITAL MARKETING WORKSHOP

Presented in association with the Independent Production Fund, the Vancouver Digital Marketing Workshop is a 2-day workshop for independent film, television, interactive, web series and transmedia producers. Topics included designing a marketing strategy/ plan, understanding audiences, developing digital content for audiences, search marketing, social media, taglines and tag words, websites, analytics and tracking, and working with influencers.

MERGING + MEDIA CONFERENCE 2012

British Columbia Film + Media sponsored the 3rd Merging + Media conference, a 2-day event discussing transmedia, financing, gamification, social media and convergent technologies. The conference included panels, industry presentations, a masterclass and pitching session and business to business meetings. BC Film + Media also provided development support to the winners of the Pitch 360 Competition.

MPPIA INDUSTRY WEEK – CAREER EXPO

British Columbia Film + Media took part in the career expo during the Motion Picture Production Industry Association's sixth annual Motion Picture Industry Week. The expo was a chance for people interested in working in the local film and television industry to gain insight from people and organizations already active in the community.

MPPIA SHORT FILM AWARD

An industry-building initiative by the Motion Picture Production Industry Association, British Columbia Film + Media and the Whistler Film Festival Society, the MPPIA Short Film Award provides a BC filmmaker with a \$15,000 cash award plus in-kind production services of up to \$100,000 for a short film project, which premieres at the next Whistler Film Festival.

OPENING THE BOOK ON FILM

British Columbia Film + Media co-sponsored Opening the Book on Film 3 in partnership with the Association of Book Publishers of British Columbia and the Canadian Media Producers Association – BC Producers' Branch. This special program brought together publishers and media professionals for a keynote talk by renowned American Futurist Robert Tercek. In addition to the keynote talk, B2B meetings enabled publishers and literary agents to meet film television and digital media professionals in a series of 15-minute appointments.

REEL CANADA

British Columbia Film + Media sponsored Reel Canada in British Columbia in 2012. This program helps BC teachers and students organize festivals and screenings of Canadian film in their schools in order to build an appreciation and sense of pride in Canadian cinema.

TRANSMITBC

British Columbia Film + Media helped support this 2-day workshop where leaders in the TV, film, gaming, digital media, music and other creative sectors were invited to become part of the 100 stakeholders defining the "BC Story" for the province's screen-based entertainment industries. The workshop focused on how BC's screen-based cluster makes BC companies attractive to domestic and global markets.

SOUTH ASIAN FILM FESTIVAL FORUM

British Columbia Film + Media sponsored the Forum associated with the 2012 South Asian Film Festival featuring a collection of recent features, shorts, documentaries and animated films from South Asian countries.

SPARK ANIMATION '12 AND SPARK FX '13

British Columbia Film + Media sponsored the Spark Animation '12 Conference & Festival and the Spark FX '13 Conference & Festival, where international artists, inventors, directors and studio executives from around the world come to share their experiences and inspire the BC animation and visual effects communities.

VANCOUVER INTERNATIONAL FILM FESTIVAL & FORUM

British Columbia Film + Media was a sponsor of the 31st Vancouver International Film Festival in 2012. BC Film + Media also sponsored the 27th Annual Film and Television Forum, which included four days of seminars, workshops, master classes and networking events. For the third year running, BC Film + Media collaborated with Forum organizers on producing an industry program for visiting Chinese delegates.



Report On Performance



The British Columbia Film + Media Service Plan identifies the role that BC Film + Media can play in industry development, the priorities against which we intend to invest our resources and the performance targets against which our success can be measured.

The following summarizes the goals and objectives set for 2012/13, and how they were met over the past year.

GOAL 1 Develop the film, television and digital media industry in British Columbia

GOALS AND OBJECTIVES	MEASURES	2012/2013 TARGET/FORECAST
1.1 Deliver a fair, transparent and accountable provincial tax credit program	Percentage of applicants expressing satisfaction with BC Film + Media's administration of tax credit programs	Not less than 75% (target)
1.2 Enable film, television and digital media projects to be financed for production in British Columbia	Dollar value of projects assisted by the tax credit program	>\$1 billion
1.3 Support the creation of employment opportunities in British Columbia	Dollar value of salary and wages paid for by projects assisted by the tax credit program	\$450 million

2012/13 RESULTS

In 2012/13 British Columbia Film + Media processed tax credit applications representing \$1.47 billion in production activity resulting in an estimated \$690 million in salaries and wages paid to British Columbians. Total film and television production spending related to tax credit certifications in 2012/13 increased by almost \$170 million over the previous year.

To improve clients' access to information on the tax credit programs, BC Film + Media updated its website. As part of this update, an extensive question and answer section on tax credits was developed. Additionally, a tax credit estimator was created as part of the web site to assist clients in determining what benefits a production could be eligible for.

In 2012/13, BC Film + Media continued to refine its online application system. This system has been well received by the industry with online submissions now representing 89% of FIBC applications and 95% of PSTC applications. BC Film + Media intends to migrate all applications to the online system in 2013/2014.

The effective and efficient delivery of the provincial tax credits is a priority of BC Film + Media as it is one of the province's competitive advantages. Applicants to the film and television tax credit programs were surveyed to determine satisfaction with BC Film + Media's administration of the programs. The responses indicated a 4.7/5 satisfaction level, exceeding performance targets.



GOAL 2
Develop a British Columbia based film, television and digital media industry with a national and international market

GOALS AND OBJECTIVES	MEASURES	2012/13 TARGET OR FORECAST
2.1 Design and deliver a relevant, transparent, and accountable program of financial incentives for British Columbia companies and individuals	Percentage of applicants expressing satisfaction with BC Film + Media's administration of development programs	Not less than 75% (target)
2.2 Support development of intellectual property in British Columbia	Development dollars leveraged by BC Film + Media's project funding (ratio)	4/1 (forecast)
2.3 Assist British Columbia companies to retain intellectual and financial ownership and control of their creative properties	\$ value of BC-owned and controlled productions supported by tax credits	\$200 million (forecast)
2.4 Assist British Columbia companies to develop international market, financing and partnership opportunities	Percentage of participants expressing satisfaction with opportunities supported by BC Film + Media	Not less than 75% (target)



2012/13 RESULTS

Development funding assists BC companies to bring projects from concept to the point where production decisions can be made. Having control of the development process is also critical if BC companies are to retain the control of the resulting intellectual property and the rights to benefit from commercial exploitation.

British Columbia Film + Media invested \$347,956 in 34 projects in 2012/13. This funding triggered development budgets of \$1.7 million, a ratio of 5/1, exceeding targets. As with production spending, development investment attracts federal and private sector funding. For these 34 projects, BC companies received \$789,290 in development funding from the marketplace and \$455,018 from combined Federal sources. The remaining \$484,708 represents producer investment.

Film and television is a global industry and producers must attend national and international markets to secure co-production and co-financing partners and to identify sales and distribution opportunities. BC Film + Media, through our Passport to Markets program and our partnership with Telefilm Canada, assists BC producers in attending these markets.

BC Film + Media provided \$152,500 under these programs in 2012/13. Market reports from participants indicate confirmed sales, distribution, development, financing and production deals of over \$10 million. Measuring business outcomes related to market attendance is challenging. BC Film + Media is working with Telefilm Canada to refine data collection in this area.

BC Film + Media surveyed applicants to the industry assistance programs to determine client satisfaction with the programs and their administration. The results were as follows:

Project Development Program	4.7/5
Digital Media Programs	4.5/5
Passport to Markets Program	4.8/5

These results exceed targets.



Goal 3
Capitalize on emerging opportunities in digital media

GOALS AND OBJECTIVES	MEASURES	2012/13 TARGET OR FORECAST
3.1 Develop industry knowledge of new digital media opportunities	Percentage of participants expressing satisfaction with events and professional development opportunities supported by BC Film + Media	Not less than 75% (target)
3.2 Develop program initiatives to encourage growth in the BC owned digital media industry	Percentage of participants expressing satisfaction with digital program opportunities supported by BC Film + Media	Not less than 75% (target)

2012/13 RESULTS

Recognizing the importance of digital content, British Columbia Film + Media continued its partnership with the British Columbia Arts Council in providing digital programs to assist the industry. The Digital Media Development Envelope and Interactive Fund were designed to encourage film and television producers to identify digital content related to film and television production and to encourage interactive companies and individuals to create digital content for distribution on alternate platforms.

Both of these programs were designed to encourage the production of digital content in British Columbia. For film and television producers, the ability to produce related digital content is becoming critical in competing for Canada Media Fund (CMF) assistance and increasingly important to broadcasters who are looking for content that can be deployed over a variety of platforms. For interactive producers in BC, who tend to be small, start-up companies with limited research and development capacity, the interactive fund is intended to be a

production fund that will allow companies to explore new ideas, bring product to market and establish their position in the marketplace.

Although it is not possible to draw a causal relationship between the programs of BC Film + Media and success in attracting national funds, BC companies are performing well in accessing federal digital funds. In 2012/13, BC companies received \$7.3 million (21%) of the CMF Experimental digital fund.

In 2011/12, BC Film + Media also developed the Arts Innovation Program designed to bring the performing and visual arts communities together with digital content providers. This program was continued in 2012/13.

Additionally, BC Film + Media provided support to a number of digitally based initiatives including; the Merging + Media conference, the Pitch 360 competition, the Independent Production Fund Digital Marketing workshop and Spark Animation Conference and Festival.

Client satisfaction ratings for the digital programs were 4.5/5.



GOAL 4
Demonstrate industry leadership by providing effective legislative and policy advice

GOALS AND OBJECTIVES	MEASURES	2012/13 TARGET OR FORECAST
4.1 Deliver timely, relevant policy and program advice to the provincial government	Timely and relevant policy and program advice provided to the provincial government as required	Ongoing
4.2 Deliver a clear and consistent provincial perspective to federal regulatory, policy and program delivery agencies	Clear and consistent provincial perspective provided to federal regulatory, policy and program delivery agencies	Ongoing
4.3 Facilitate communication between industry and government on policy and program issues	Effective communication between industry and government on policy and program issues maintained	Ongoing

2012/13 RESULTS

British Columbia Film + Media continued to provide policy and program advice to the provincial government on request. It also provided statistical information to the province and to the industry to assist in providing the factual basis necessary for policy decisions.

The film and television industry operates in a primarily federal regulatory, policy and program environment. BC Film + Media continues to advance the position of the industry in British Columbia to such federal agencies as the Canada Media Fund, Telefilm Canada, CRTC, and the Canadian Audio Visual Certification Office. In addition to advancing BC's position to these agencies, BC Film + Media also participates in the national film and television association that works collectively to respond to common issues affecting the development of the industry in Canada.

The growth of the digital industry in BC and the establishment of a large number of international visual effects and animation companies in BC have significantly increased the demand for senior foreign workers required to manage large and complex projects. BC Film + Media has worked with officials from the province, the federal government and industry to streamline the process for temporary foreign workers in the digital sector. This collaborative approach has resulted in an improved processing system that is better able to respond to industry growth.

BC Film + Media has also continued its work in the development of a Screen Based Industry Human Resource Sectoral Council. This initiative has brought together representatives from all sectors of the industry in an attempt to develop a common approach to the industry's long term human resource needs.

GOAL 5
Maintain an efficient, knowledge-based organization

GOALS AND OBJECTIVES	MEASURES	2012/13 TARGET OR FORECAST
5.1 Continue efficient program administration	Administration costs as a % of programs delivered	3%
	Working days to process an application from receipt of a complete submission	30 working days
5.2 Nurture an expert, knowledge-based organization	Number of professional development hours per employee	25 hours
5.3 Utilize technology to improve client services	Online application systems developed and implemented	Client satisfaction and usage baseline established
	Percentage of clients using online systems	
	Percentage of clients expressing satisfaction with online systems	

2012/13 RESULTS

For the year ending March 31, 2013, British Columbia Film + Media processed the following under the tax credit programs:

- 139 accreditation certificates (Production Services Tax Credit)
- 128 eligibility certificates (Film Incentive BC)
- 110 completion certificates (Film Incentive BC)
- The total tax credit value of the applications certified was \$280 million.

Processing performance continued to exceed the target set for processing completed applications (Target – 30 working days; Actual average performance at March 31, 2013 – 5 working days).

Administrative cost and professional development targets were also exceeded. Administrative costs remained below one percent of the value of applications processed and the average number of professional development hours per employee was 43.

In 2012/2013, BC Film + Media continued to upgrade its online application programs for FIBC and the PSTC as well as improving the capacity of its database.

Client usage of the online application system reached 89% for FIBC and 95% for the PSTC. BC Film + Media intends to migrate all applications to the online system in 2013/14. Client satisfaction ratings were as follows:

Clarity of tax credit application forms	4.4/5
Ease of use of online system	4.3/5





The Great Gatsby, Prime Focus World

BC Film + Media is an independent, not-for-profit society established by the provincial government in 1987. It has the mandate to expand and diversify the film, television and digital media sector in British Columbia. The society gratefully acknowledges the financial assistance of the Province of British Columbia through the Ministry of Community, Sport and Cultural Development.

