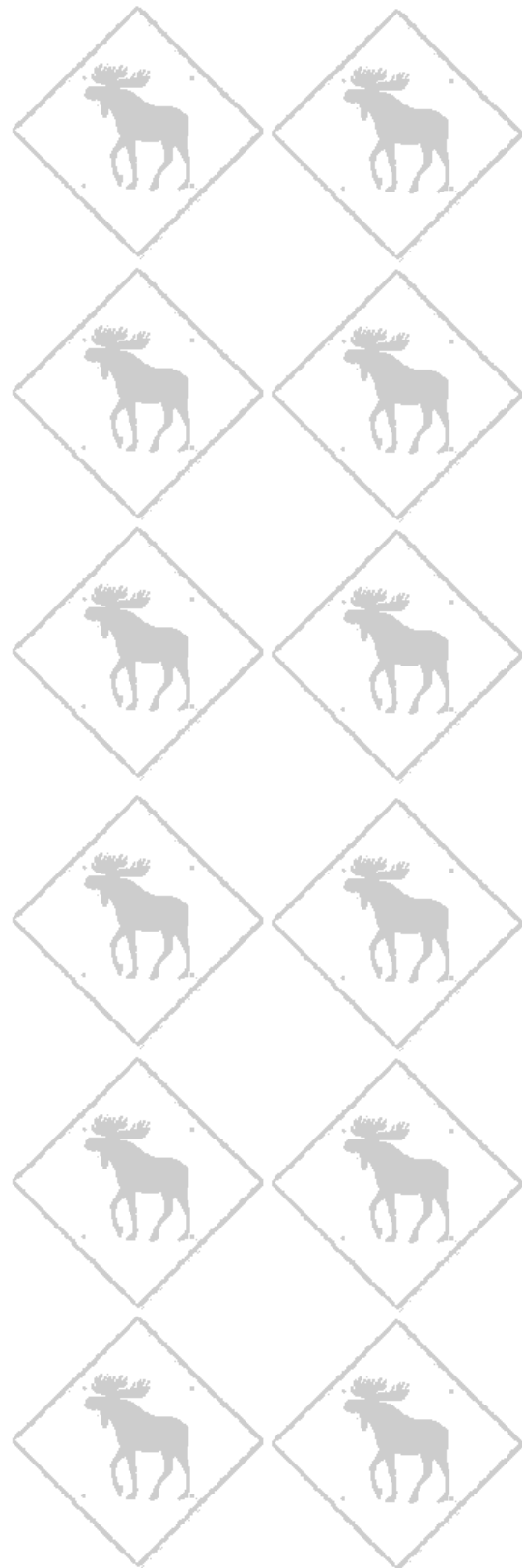


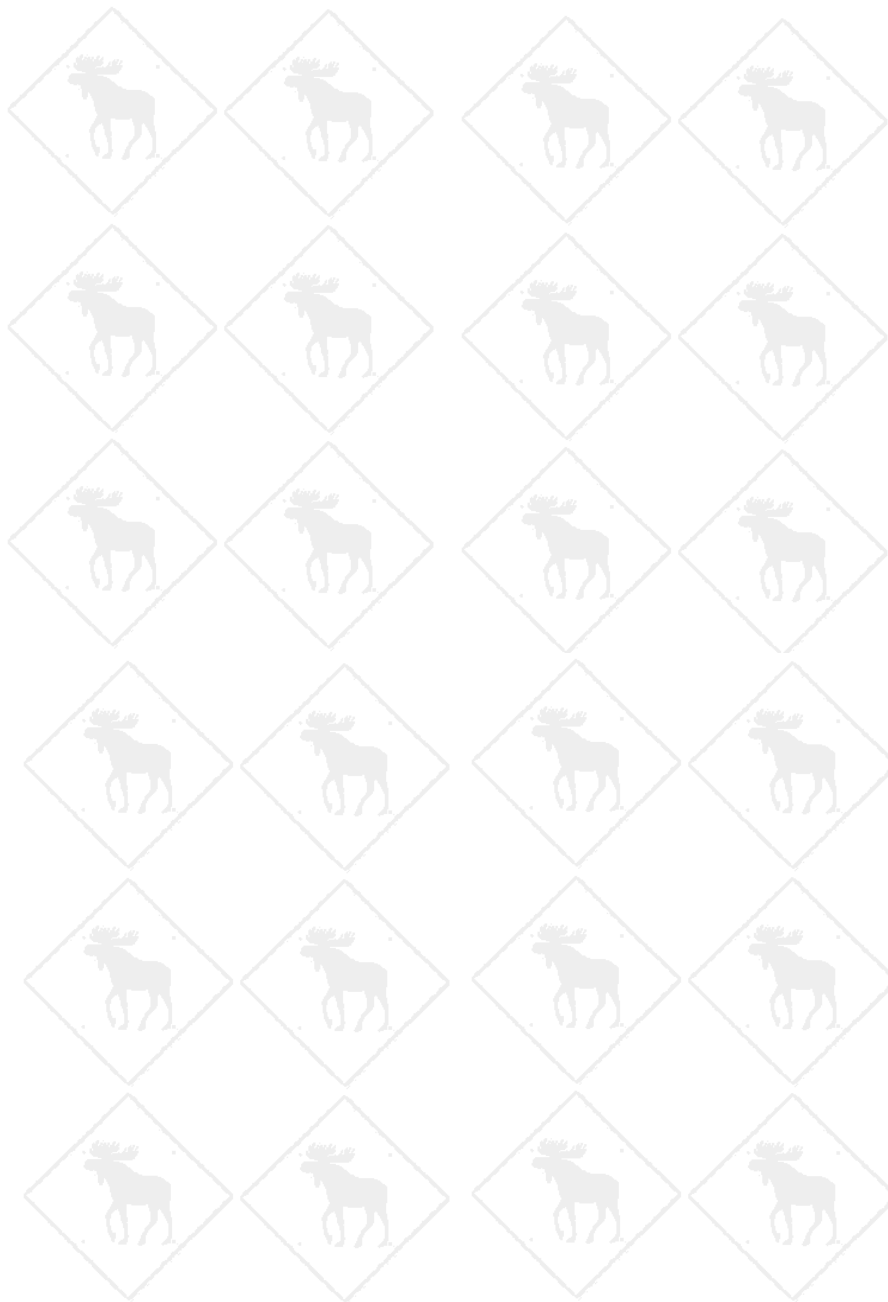
# Telefilm 07

International Markets • Television • Feature Film

**TELEFILM**  
C A N A D A



## Report 2007



**May, 30 2008**



**Telefilm Canada  
360, St. Jacques Street  
Suite 600  
Montréal, Québec  
H2Y 1P5  
[www.telefilm.gc.ca](http://www.telefilm.gc.ca)**

*This report was prepared by:  
Planning, Policy and Research*

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# Executive Summary

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*The following report summarizes intelligence gathered by an on-going research initiative officially commissioned to Pollara Inc. Data includes sales activities and overall client satisfaction at international markets. The data is complimented by accounts of the activities and events at these markets.*

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## Telefilm Canada's Corporate Strategy in the International Marketplace

To help promote Canadian film and television globally, Canadian companies receive support from Telefilm at international markets and festivals.

The goal is to ensure that creators, producers and distributors are well-equipped to do business abroad as well as at home. Attendance at these markets also helps promote the visibility of Canadian film in the national and foreign media.

Telefilm Canada offers a range of initiatives that assist in the market preparedness of producers and distributors at international markets. In Telefilm's five-year corporate plan, *From Cinemas to Cell Phones (2006-07 to 2010-11)*, the corporate objectives of our participation in these markets include:

- Providing support to the international launch of select Canadian productions with special

marketing initiatives at festivals identified as priority opportunities; and

- Bolstering the sales efforts of producers and distributors at international markets and festivals with initiatives directed at investors and buyers.
- Enable and encourage Canadian and foreign producers to pool resources in co-producing film and television programs.

In order to ensure that its services and support are on target, Telefilm Canada continually surveys Canadian companies who participated in foreign TV and feature film markets.

Analysing these findings will go a long way in determining future Telefilm strategy with respect to international markets.

## An Overview of the 2007 Markets

International sales are becoming more and more important to the Canadian audio-visual industry. Given Canada's modest domestic market and its proximity to the largest international producer of big budget audio-visual content (USA); it is critical for the health of the Canadian industry that sales strategies include markets beyond our borders. Opportunities abound at these international market places, and this year Canadian companies continued to see relatively strong sales performances.

Since 2006, Telefilm has commissioned Pollara Inc. to track the performance of its initiatives at international markets. This research activity not only gauges the sales performance of participating Canadian companies, but in line with Telefilm's corporate strategy, it is also a tool to assess client satisfaction with the event, with Telefilm's business centres and the perceived value of the event. Last year's surveying revealed a rate of five dollars in closed international sales deals for every dollar invested by Telefilm. It also revealed a strong level of overall satisfaction with the resources and amenities provided by Telefilm at these markets. This year was no different, with reasonably high levels of satisfaction and actual increases in overall sales relative to the previous year.

Markets surveyed by Pollara in 2007 include the TV markets *NAPTE*, *MIPTV* and *MIPCOM* and the feature film markets *European film Market Berlin*, *Cannes Film Market*.

2007 also saw major changes in the E<sup>3</sup> market, an interactive media market formerly supported by Telefilm. The event has been revamped by its organizers and it is now a smaller, 'invitation-only' event. Although Telefilm was not present at E<sup>3</sup> this year, Canadian companies attending the National Association of Television Program Executives (NATPE) were surveyed by Pollara. Held in Las Vegas every year, NATPE is the largest market for television programming in North America. In 2007, NATPE expanded its scope to include more international players as well as funding organizations.

Telefilm contributed a total of about \$866,000 in 2007 to international market activities. When the staff costs are considered, this commitment is worth almost \$1.4 million. In total, Telefilm helped (either directly or indirectly) 251 companies participate in the five surveyed markets of 2007. Support for these companies was mostly provided through the Canadian pavilions and business centres that allow Canadian participants an opportunity to display their promotional literature as well as a place to conduct meetings.

In 2007, 149 companies reported sales activity (including closed deals and likely deals) and 76 companies reported likely or competed pre sales. This represents almost \$46 million in sales and likely sales and an additional \$24 million in completed or likely pre sales.

Likely sales activity is actually down from last year. However, the value of closed sales deals increased by 52% (for both sales and pre sales) over the previous year. The total closed sales and pre sales for 2007 were valued at almost \$7.5 million: \$2.5 million more than last year.

An aggregate picture indicates a strong return on investment for Telefilm dollars. Overall, for every dollar that Telefilm committed in support, Canadian companies reported almost nine dollars worth of sales. When likely sales are considered in the total, there was more than \$82 returned for each dollar of Telefilm's investment.

In addition to the sales figures, participating companies expressed strong levels of satisfaction for both the markets themselves as well as the usefulness of Telefilm's Canadian Pavilions. On average, 90% of respondents reported using Canadian Pavilions or business centres. For the second year in a row, high marks were given for the helpfulness of Telefilm staff at the events as well as the usefulness of the Canadian pavilion's amenities.

### **Perspective Canada Initiative**

2006 saw the launch of a new initiative: Perspective Canada. It was designed to promote and encourage sales of Canadian films in foreign markets through organizing market screenings in Cannes and in Berlin of selected Canadian titles for prospective buyers.

This past year has seen the second instalment of Perspective Canada at both Berlin and Cannes. A diverse and dynamic series of titles were screened in 2007. This initiative received an enthusiastic response for the second year in a row.

# International Markets Overview

## Survey Findings

A total of 181 completed surveys were gathered from companies that had participated in the five international market surveys conducted in 2007. This represents an overall annual response rate of roughly 72%: an excellent result. In total, 149 companies reported sales or likely sales and 76 reported pre sales or likely pre sales at the markets.

Similarly to last year, MIPTV was the most successful market for sales in terms of percentage of participants achieving sales. About 87% of companies at MIPTV saw some sales activity. By number of companies achieving sales, MIPCOM was actually the most successful. There were 84 companies that reported some level of sales or pre sales activity at this market.

### International Market Survey - Sales Activities

		NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
Completed sales for titles or began discussions that will likely lead to sales	%	73%	77%	87%	62%	85%	
	#	11	10	47	26	55	149
Completed PRE-sales for titles or began discussions that will likely lead to sales	%	40%	46%	43%	33%	45%	
	#	5	6	23	13	29	76

The highest volume of closed deals occurred at MIPTV which saw more than \$2.6 million in completed sales, up almost 40% over the previous year's sales. In fact, all the television related markets; NATPE, MIPTV and MIPCOM each broke a million dollars in completed sales this year. However, Canadian companies had fewer successes at the film-focused markets in 2007. Berlin saw \$280,000 in closed deals (half of 2006's sales) and Cannes dropped considerably from almost a million in 2006 to barely \$70,000 this past year. The reasons for this drop are not clear. On a more positive note, in Cannes likely sales were up considerably: a \$5 million gain over 2006.

	NATPE	Berlin	MIPTV	Cannes	MIPCOM
Sales Completed at Market	\$ 1,238,000	\$ 280,000	\$ 2,641,440	\$ 69,857	\$ 1,069,300
Sales likely to occur from discussions at market	\$ 3,498,000	\$ 2,164,500	\$ 9,003,435	\$ 9,450,000	\$ 16,382,620
Pre-Sales completed at market	\$ -	\$ -	\$ 950,000	\$ -	\$ 1,238,000
Pre-Sales likely to occur from discussions at market	\$ 2,314,000	\$ 800,000	\$ 2,494,500	\$ 550,000	\$ 16,418,000

When sales are examined by genre, it is clear that Canadian companies are internationally competitive in the animation category. Although overall sales for animation has dropped from last year's \$20 million high, the combined results from NATPE, MIPTV and MIPCOM, is almost \$11 million in sales and likely sales to this genre for 2007.

Documentary content has taken a considerably jump over last year. Sales of documentary and educational programming rose 20% for a total of almost \$9 million in sales and likely sales.

The drama category took a downward turn in 2007. The previous year, this genre was seconded only by animation, with about \$13 million in sales. 2007 saw the total sales and likely sales to drama drop to about \$8 million. This is mostly due to the drop in sales at Cannes. In 2006, the Cannes Film Market alone reported over \$10 million worth of sales (and likely sales) to Canadian drama programming. However this year, sales for science fiction at Cannes reached an interesting \$7 million. Last year, there were no sales reported for this genre.

### International Market Survey - Sales and Likely Sales Activities - By Genre

	NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
Animation	\$ 1,768,000	\$ -	\$ 3,867,000	\$ -	\$ 4,930,000	\$ 10,565,000
Documentary/Educational	\$ 1,490,000	\$ -	\$ 5,981,000	\$ 50,000	\$ 1,205,000	\$ 8,726,000
Drama	\$ 780,000	\$ 1,945,000	\$ 685,000	\$ 2,310,000	\$ 2,271,000	\$ 7,991,000
Science-Fiction	\$ -	\$ -	\$ -	\$ 7,000,000	\$ -	\$ 7,000,000
Lifestyle	\$ 620,000	\$ -	\$ 272,000	\$ -	\$ 4,270,000	\$ 5,162,000
Children's Programming	\$ -	\$ -	\$ 599,000	\$ -	\$ 4,000,000	\$ 4,599,000
Comedy	\$ 30,000	\$ 500,000	\$ 120,000	\$ 159,000	\$ -	\$ 809,000
Action/Adventure	\$ -	\$ -	\$ 10,000	\$ -	\$ 780,000	\$ 790,000
Performing arts	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Reality	\$ 48,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 98,000
Sports	\$ -	\$ -	\$ 33,000	\$ -	\$ -	\$ 33,000
Other	\$ -	\$ -	\$ 16,000	\$ -	\$ -	\$ 16,000
Horror/Thriller	\$ -	\$ -	\$ 13,000	\$ -	\$ -	\$ 13,000

Co-production and co-venture deals were up by 10% relative to 2006. With a total of 66 deals and representing business with 12 individual countries, the total volume reported was over \$162 million. Cannes saw the highest volume of international co-production and co-venture deals with \$64 million.

#### Co-Production and Co-Venture Deals

	NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
Number of companies reporting deals	1	7	13	10	7	38
Number of deals	5	11	21	14	15	66
Total number of Countries involved*	3	7	8	6	5	12
Value of deals	\$10,000,000	\$32,030,000	\$23,220,000	\$64,000,000	\$33,350,000	\$162,600,000

\*net number of countries

MIPTV was not only successful with respect to the percentage of companies engaging in sales activities, but it was also the market with the highest level of overall satisfaction. On a scale of 1 to 10, the mean satisfaction level for the respondents to this market was 8.4.

The perception of value was highest for Cannes. It received a mean score of 7.7 out of 10 for value.

#### International Market Survey - Overall Satisfaction with Event

	NATPE	Berlin	MIPTV	Cannes	MIPCOM
Overall Satisfaction with event on a scale of 1-10 (mean)	7.1	6.8	8.4	7.9	8.1
Rating of value of event on a scale of 1-10 (mean)	7.1	6.4	7.6	7.7	7.3

In partnership with provincial agencies and federal organizations, Telefilm adapts the business centers to best reflect the needs of the participating Canadian industry. In Cannes, the Canada Pavilion offered a general reception with information, consulting and message-taking services, as well as general meeting areas open to all attending Canadian companies. The business centers coordinated by Telefilm at the TV markets and Berlin provided meeting areas to participating clients. These business centres and pavilions have proven to be very popular with all surveyed markets. On average, 90% of respondents reported using the Telefilm's services when doing business abroad.

#### The Canadian Pavillion

	NATPE	Berlin	MIPTV	Cannes	MIPCOM
Used the Canadian Pavillion	87%	75%	96%	100%	94%

There was a more varied response for the satisfaction levels among individual pavilion elements. The overall highest score across the three events was for “helpfulness of booth staff”. In general, no single element scored below seven except in Berlin, which received a lower mark than average probably due to the limited available space.

**Satisfaction with the Canadian Pavillion - Various Elements - 1-10 Scale**

	NATPE	Berlin	MIPTV	Cannes	MIPCOM
Helpfulness of booth staff	8.4	7.3	8.8	7.5	8.6
Overall utility of the Canada Pavilion to your company	8.5	6.8	8.3	7.7	8.0
Location of the stand	8.2	7.4	7.6	8.7	7.2
Usefulness of pavilion in holding meetings	8.1	6.0	8.3	7.3	7.9
Availability of meeting spaces	8.5	5.6	8.0	6.8	7.4
Design and appearance of the stand	6.2	7.2	7.8	7.6	7.4
Size of meeting spaces	7.6	5.6	7.6	6.7	7.1

**Investment Analysis**

Relative to last year, Telefilm’s investment in 2007 is about \$100,000 less than the previous year. This is largely due to the elimination of the E<sup>3</sup> market and the inclusion of NATPE which had a smaller Canadian delegation.

Telefilm committed a total of about \$866,000 to the six major markets analysed here. When relevant staff salaries are included this total comes to almost \$1.4 million. The market that drew the most Telefilm resources was Cannes. On average, the contribution to a market was \$276,788 (including salaries).

**Telefilm Contributions to Canadian Participation in International Markets -2007**

	NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
TFC Contribution	26,231	169,147	238,411	238,725	193,059	865,573
TFC Estimated Related Salaries	5,882	51,634	123,302	139,011	129,184	449,013
TFC Total Contribution	32,113	220,781	361,713	377,736	322,243	1,314,586

When the sales achievements of Canadian participants in the markets for 2007 are considered, Telefilm saw a significant return. Overall, nearly \$70 million in completed or likely sales and pre-sales were reported at these markets. Telefilm’s contribution accounted for only 1.2% of the total completed and likely sales and pre-sales deals. If only closed deals are considered, this figure is 11.6%, well down from the previous year’s 26%.

**Telefilm's Commitments (minus salaries) to Market as a percent of Total Sales**

	NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
Completed Sales PreSales	2.1%	60.4%	6.6%	341.7%	8.4%	11.6%
All Sales Activity including likely deals	0.4%	5.2%	1.6%	2.4%	0.5%	1.2%

When Telefilm’s contributions are expressed as a percent of sales, NATPE was the most efficient. NATPE’s investment counts as only 2.1% of the total closed sales deals. If all likely sales are considered, this drops to less than half of one percent. Berlin had the highest contribution percent of sales with more than 60%.

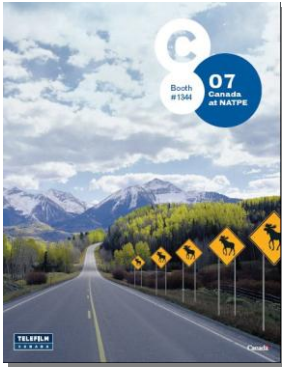
The 'return' on Telefilm's investment in these markets was significant. Overall, for every dollar committed to international markets, Canadian companies reported \$8.65 worth of completed sales. This is up significantly from the five dollar return of 2006. If likely deals are included every dollar spent by Telefilm resulted in more than \$82 worth of sales.

**Dollars worth of sales for every dollar spent by Telefilm**

	NATPE	Berlin	MIPTV	Cannes	MIPCOM	Total
Completed Sales and PreSales	\$ 47.20	\$ 1.66	\$ 15.06	\$ 0.29	\$ 11.95	\$ 8.65
All Sales Activity including likely deals	\$ 268.77	\$ 19.18	\$ 63.29	\$ 42.18	\$ 181.85	\$ 81.52

# NATPE 2007

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## Background

NATPE is the largest market for American television programming. Sales are mostly generated with American buyers as an estimated 80% of participants are from the USA. These participants represent all activity sectors of the American audio-visual industry, from the major television broadcast networks, cable companies and cable networks to independent stations, studios and independent producers.

In the wake of increasing trade globalization, NATPE has opened up to the world. At present, some 20% of representatives come from outside the USA, mainly from Europe and Latin America. Asian participation is also growing steadily.

In view of the changes that are shaking up the audio-visual and communications fields, NATPE has expanded its activities to include funding organizations, telephone companies, advertising agencies, film boards and companies involved in the area of new media. This past year was the first time that Telefilm has surveyed participating Canadian companies at this event.

Compared to the other surveyed markets, NATPE has only a modestly-sized group of participating Canadian companies compared to larger markets such as Cannes.

## Overview of Events

In its 43<sup>rd</sup> year, NATPE attracted a record attendance of well over 8,000 delegates. Going beyond television companies, 2007 saw an increase in communications and high tech companies' participation at the event. Mobile companies also were in large attendance; however organizers report that the mobile presence had slightly decreased from the previous year. NATPE held 50 sessions over the three day period and hosted 250 speakers in total.

## Participant Survey

### Overview

Pollara's research began in 2007 with a new addition to the survey group: NATPE. Although it was a smaller group of participating Canadian companies relative to the other markets, the response rate was satisfactory and the findings were invaluable. Surveys were conducted between February 22 and March 22, 2007. Almost all of the contacted clients participated in the survey (15 out of 16). This is a response of 94%. The majority of respondents were companies from Ontario (11 completed surveys).

73% of the respondents self-identified as producers and 67% identified themselves as distributors (totals added up to more than 100 as the respondents could choose more than one response).

Given the nature of the event, it is no surprise that 93% of the respondents indicated their main platform of interest was television. However, about a third of the group also indicated an interest in new platforms from the interactive media industry.

Mostly consisting of smaller firms, almost half (47%) of the participating companies had less than 10 permanent members of staff.

### Sales activities

The sales activities at NATPE proved to be reasonably strong: only 3 of the 15 responding companies actually reported their sales numbers in the survey, yet altogether 11 companies indicated some sales activity. Three reporting companies negotiated deals for 14 titles and more than \$1.2 million in sales. A further \$3.5 million of likely sales were generated. Two companies reported \$2.3 million in likely pre-sales. Overall, \$5.1 million were reportedly generated by closed deals, likely sales and pre sales.

Sales	Pre Sales
3 Companies	2 Companies
14 Titles	6 Titles
14 Deals	7 Deals
\$1,238,000 Deals Completed	\$2,314,000 Pre Sales likely to occur
\$3,498,000 Sales likely to occur	
<b>Total Sales and Pre Sales = \$5,109,000</b>	

The genres that saw likely sales were extremely diverse including animation, comedy, reality, drama, lifestyle and documentary. The most lucrative genre was animation with a combined total of sales and likely sales of almost \$1.7 million.

### Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Animation	\$728,000	\$1,040,000	\$1,768,000
Comedy	\$0	\$30,000	\$30,000
Reality	\$0	\$48,000	\$48,000
Drama	\$0	\$780,000	\$780,000
Lifestyle	\$90,000	\$530,000	\$620,000
Documentary/Educational	\$420,000	\$1,070,000	\$1,490,000

Most deals were discussed with the USA with over \$1.9 million of negotiated sales and likely sales. Sales to France and Latin America both exceeded three-quarters of a million dollars.

#### Sales By Country

	Sales	Likely Sales	Total
USA	\$1,410,000	\$495,000	\$1,905,000
France	\$780,000	\$0	\$780,000
Canada	\$650,000	\$15,000	\$665,000
UK	\$500,000	\$90,000	\$590,000
Belgium	\$80,000	\$0	\$80,000
Latin America	\$48,000	\$728,000	\$776,000
United Arab Emirates	\$30,000	\$0	\$30,000

Pre sales, for the most part, saw closed and likely deals with the USA (\$1.3 million) and Canada (\$1 million). There was an also modest \$28,000 pre sale deal with the UK.

#### Likely Pre Sales by Country

	Likely Pre Sales
USA	\$1,286,000
Canada	\$1,000,000
UK	\$28,000
<b>TOTAL</b>	<b>\$2,314,000</b>

#### *Co-production and co-venture deals*

Only one company indicated that they either signed, or began negotiating co-production or co-venture deals while at NATPE 2007. This company reportedly made five co-production or co-venture deals that are expected to be worth \$10 million with Germany, the UK and the USA. Respondents reported that they participated in an average of 32 business meetings each while at NATPE.

#### Co-Production and Co-Venture Deals

	production or co-venture deals signed/likely to be	Estimated Value of deals to company	Countries involved
Company 1	5	\$10,000,000	3
<b>Total</b>			

#### *Canada Pavilion*

According to the Pollara, the Canada pavilion was used by most Canadian participants. More than 87% of the participants reported using the pavilion in some capacity. Of the elements for which respondents were asked to rate their satisfaction, the *utility of the pavilion* and the *availability of meeting spaces* were tied for the highest score with a rating of 8.5 out of 10. The poorest rated element was the design of the stand which received a mean satisfaction level of 6.2 out of 10.

Canadian Pavilion Element	Average Satisfaction rating /10
Overall utility of the Canada Pavilion to your company	8.5
Availability of meeting spaces	8.5
Helpfulness of booth staff	8.4
Location of the stand	8.2
Usefulness of pavilion in holding meetings	8.1
Size of meeting spaces	7.6
Design and appearance of the stand	6.2

The poor marks for the design of the booth appeared to less to do with what the booth had than what it 'lacked'. Some of the respondents' comments indicate this:

- *“We work in a visual medium. The booth should have at least one monitor playing footage from the exhibiting companies. I was very disappointed that there wasn't one.”*
- *“Better signage is required to identify location, and the reception desk needs to be redesigned. Provision needs to be made for the posting of brochures.”*
- *“The Telefilm staff was very helpful, courteous and efficient. I would suggest that the Telefilm Pavilion or general seating area return to its more vibrant and colourful look as was the case at NATPE 2006. This year's blue upholstered walls and lack of artwork failed to make it stand out among the other exhibitors”*

#### *Costs of attending the market*

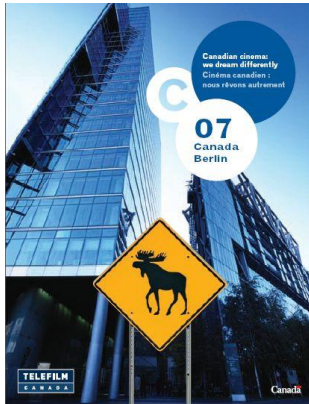
Respondents reported that their companies incurred an average cost of \$11,500 in attending NAPTE in 2007. The market received an average score of 7.1 out of 10 for its overall perceived value for money invested.

#### *Overall impression of the market*

Among the participating companies, NATPE received an average overall satisfaction rating of 7.1 out of 10. Attendees were most satisfied with the opportunity that the market provided to “re-connect with existing business contacts”. However, 7% of the respondents rated NATPE as the best event of its kind. Almost 60% of the NATPE participants indicated that MIPCOM is actually the best television market.

# European Film Market Berlinale 2007

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## Background

The European Film Market (EFM) is the business component of the Berlinale International Film Festival held in Berlin. The 2007 edition took place between February 8 and February 18, 2007. Telefilm spearheaded the *Canada Sales Desk*, a business centre that provided five office spaces to 6 Canadian distribution companies and a general seating area for attending producers.

A total of 11 Canadian feature films were presented as official entrants in the 57<sup>th</sup> Berlinale; two Canadian productions were selected for the *Berlinale Co-production Market* and nine participants from Canada were invited to the *Berlinale Talent Campus*.

This year had the second iteration of the screening initiative, *Perspective Canada* showcasing 13 recent Canadian feature films as part of the EFM. This initiative continues to contribute to raising the visibility of Canadian cinema internationally and to maximizing its commercial exploitation.

## Overview of the Market

### *The market*

The EFM continued to grow qualitatively and quantitatively. In 2007, the EFM attracted 259 exhibitors (up from last year's record of 250 exhibitors) from 46 countries for a total of 5,750 film industry participants. A total of 702 films were screened (up from 650 last year) and 878 buyers from around the world accredited.

Telefilm coordinated and administered the *Canada Sales Desk* in partnership with the Department of Canadian Heritage's Trade Routes program, International Trade Canada, New Brunswick Film, SaskFilm and Video Development Corporation on this initiative.

### *Perspective Canada*

A total of 12 narratives and one documentary were presented as part of the Perspective Canada's screenings in 2007. Five of these 13 films were also selected by the Berlin Film Festival, an added-value for the selected titles: *Away from Her*, *Brand Upon the Brain!* (screening at the *Berliner Oper* with live orchestra), *Dans les villes*, *The Tracey Fragments* (Panorama Opening Night), and *Poor Boy's Game*.

The final film selection offered a cross-section in terms of genre and name recognition of on-screen talent and film directors. Four films were French-language, nine were English-Language

On average, a Perspective Canada screening attracted 20 industry professionals. This is a relatively respectable average, given the competitive nature of the market where 1,099 screenings take place in a period of eight days, in addition to the 934 festival screenings in a period of 11 days.

It is clear that any film shown at the EFM that is also selected at the Festival, shown as a world premiere, with an international cast and/or whose director is well-known, will attract larger audiences. *The Tracey Fragments*, *Poor Boy's Game* and *Brand Upon the Brain* attracted double to triple the average Perspective Canada audience.

## **Participant Survey**

### *Overview*

This year Berlin's questionnaire was slightly different than the previous year's test questionnaire and included a specific question related to the Perspective Canada screenings. The response rate to the survey was lower than the other surveys with 12 completed surveys out of 28 invitations. Nevertheless, there were sufficient data returned to determine an estimated sales performance as well as satisfaction levels.

Of the response, 85% described the primary business focus of their company as a 'producer'. About 15% described themselves as distributors. Not surprisingly, 93% of the respondents indicated feature film as their main area of interest. The list of participating companies hailed from across Canada.

More than half (56%) of the participating companies were small organizations with modest revenues of less than \$300,000 annually. Moreover, 92% of all participating companies had less than 10 staff. There were a few companies that saw annual gross revenues of more than \$5 million. No company had more than 50 staff.

### *Sales activities*

For feature film, 85% of participants came to the market with an interest in selling drama. About 77% of the participating companies claimed to have completed sales or to have started discussions that were likely to lead to sales, and 46% of participants reported pre-sales that were likely to occur.

Of the companies that actually reported their sales figures (some declined), the breakdown of Canadian sales and pre sales at the EFM are as follows:

Sales	Pre Sales
4 Companies	2 Companies
8 Titles	3 Titles
11 Deals	5 Deals
\$280,000 Deals Completed	\$800,000 Pre Sales likely to occur
\$2,164,000 Sales likely to occur	

**Total Sales and Pre Sales = \$3,244,000**

Given that only 12 companies returned sales figures, overall totals are a conservative estimate of the total sales story. Relative to last year, Canadian reporting companies at Berlin saw sales drop from \$5.1 million in 2006 to \$3.2 million in 2007. The largest drop was seen in completed sales deals which dropped almost 50% from \$500,000 to \$280,000. Likely pre sales dropped from \$1.4 million to \$800,000.

Only two genres had any reported sales action. The drama genre saw the most sales interest with more than a \$250,000 in confirmed sales and \$2.2 million in likely sales. Comedy, the only other genre, did not see any completed deals. However, there was about \$500,000 in likely sales reported for this category.

#### Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Drama	\$280,000	\$1,665,000	\$1,945,000
Comedy	\$0	\$500,000	\$500,000

The country with which companies did the most business was actually their own: Canada. Almost \$250,000 in sales remained among Canadian companies and a further \$500,000 were reported in likely sales. Buyers from Sweden confirmed a total of \$90,000 in sales. The USA and UK both produced around \$500,000 in likely sales.

#### Sales By Country

	Sales	Likely Sales	Total
Canada	\$225,000	\$500,000	\$725,000
Benelux	\$55,000	\$600,000	\$655,000
USA	\$0	\$555,000	\$555,000
UK	\$0	\$500,000	\$500,000
Scandinavia	\$0	\$10,000	\$10,000

The \$1.4 million in pre sales that are likely to occur involved the UK alone. About \$800,000 in pre sales were reported.

#### Likely Pre Sales by Country and Genre

	Country	Genre
Berlin Pre Sales \$800,000	UK	Drama

### *Co-production and co-venture deals*

There were seven participating companies (54% of those who responded to the survey) who indicated that they either signed, or began negotiating co-production or co-venture deals while at the EFM. Financial data was only volunteered by five of these companies. A total of 11 co-production or co-venture deals were either signed or will likely be signed as a result of discussions initiated at the EFM. These deals are reported to be worth \$32,030,000 about three times the total of 2006. Countries involved included France, Germany, the UK, the USA and Slovenia.

#### **Co-Production and Co-Venture Deals**

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	4	\$18,000,000	France, German, UK
Company 2	3	\$12,000,000	German, Italy, UK, USA
Company 3	1	\$2,000,000	UK
Company 4	1	\$10,000	Slovenia
Company 5	1	\$20,000	Germany
Company 6	1	\$0	Not reported
Company 7	0	\$0	Canada
Total		\$32,030,000	

### *Screenings*

Of the total responding companies to the survey, five of them or 42%, indicated that they had a title or titles screened at the EFM. Two companies indicated specifically that the screening was part of Telefilm's Perspective Canada initiative. One of the two Perspective Canada screened companies reported that the screening helped lead to sales or likely sales.

The satisfaction level for the visibility that the screenings provided for a company's titles was relatively low. The mean rating was only 5.8 out of 10.

### *Canada sales desk*

A solid majority (75%) of participants used the Canada Sales Desk; of the 25% who did not choose to use the business center, when asked responded:

- *"Not sure what services were to be provided"*
- *"I found each part of the festival was very disconnected to the other parts and I could have used more information as it was my first time attending"*

Participants were asked to rate their satisfaction with various elements of the Canadian operation. In general, the response was mostly positive for the location of the stand. This element received an average ranking of 7.4 out of 10 for satisfaction compared to 7 last year. The helpfulness of the booth staff dropped almost a full point from an 8.2 in the previous year to 7.3 in 2007. This reflected an overall lower satisfaction with the pavilion over the previous year.

Canadian Pavilion Element	Average Satisfaction rating /10
Location of the stand	7.4
Helpfulness of booth staff	7.3
Design and appearance of the stand	7.2
Overall utility of the Canada Pavilion to your company	6.8
Usefulness of pavilion in holding meetings	6.0
Availability of meeting spaces	5.6
Size of meeting spaces	5.6

The poorest ratings related to the meeting spaces provided. The availability of these spaces received 5.6 out of 10 for satisfaction. Participants' satisfaction with the size of these meeting rooms ranked the lowest of all elements with an average rating of 5.6 out of 10. Although there has been a slight improvement from last year for these elements, the scores are still well below the average of other markets for meeting space satisfaction.

Some of the suggested future improvements for the Canadian operation from respondents include:

- *“I believe the space was somewhat too small, especially for private meetings, but given the size of the overall venue (M. Gropius Building) it was understandable. Otherwise it was fine.”*
- *“Get a bigger space with better location easier to be found.”*
- *“More needs to be made of Canada's position as a producer of independent product. There is so much that could be done to make a booth or pavilion that shows this profile, at all international events, so that Canada becomes known as the "indie" place, with stylish film clips playing etc.”*
- *“I think the Canada Pavilion could get more involved in helping to promote all Canadian films screened at the BFF. There also needs to be a social at the Pavilion as a meet and greet.”*
- *“By matching enquiries for sales or co-production with producers from Canada in attendance in a more proactive way.”*

As seen with these comments, the biggest complaint about the operation was the space itself and that it should be larger than the 50 square meters available. In 2006, Telefilm had already requested additional space with the organizers of the EFM but the market could not accommodate the request due to the oversubscription of its limited space. This issue will likely be re-visited in future markets.

#### *Costs of attending the market*

The average cost for a company to participate in this market was reported as \$5,730. This is around \$2,000 less than the average cost last year. On average, the market scored 6.4 out of 10 for its value when participation expenses are considered.

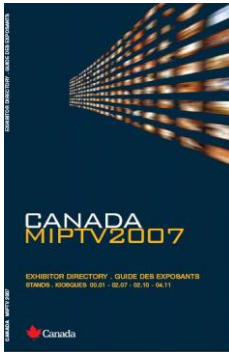
#### *Overall impressions of the market*

Berlin appears to be a less than satisfactory market to Canadian companies. Similar to last year, this market received the lowest average satisfaction score relative to the other five surveyed markets. This year it received an overall rating of 6.8 out of 10. This is down from the 7.7 score from last year.

Despite this, almost a third of the respondents indicated that the EFM is the best market of its kind. However, Cannes still appears to be the favourite as 40% of the Berlin participants rate it as the best market.

The majority of respondents would either definitely (50%) or probably (17%) recommend this market to others. About two-thirds were return visitors.

# MIPTV 2007



## Background

The International Television Programme Market (MIPTV) took place in Cannes between April 16 and April 20, 2007.

Television programming is the specialty of the MIPTV market. As described by the official program, “this event is characterized by the range and diversity of its international representation”. It is a crucial international event for the sale and purchase of broadcasting rights, co-productions, financing, networking, corporate consolidation, cross-border investments and forecasting of trends, for both programming and companies' positioning in an increasingly global business environment.

## Overview of Events

According to organizers, the total 2007 attendance figures for this year's event were 13,311 - a growth of 9%. The number of companies attending also climbed to a record 4,532 from 104 countries representing an 8% rise on last year's 4,192 companies from 96 countries.

MIPTV also received about 7% more international buyers in attendance compared to the previous year. A total of 3,816 acquisition executives attended Cannes compared to 3,564 in 2006.

## Participant Survey

### *Overview*

In May 2007, Pollara contacted 70 Canadian companies that attended MIPTV. Of these invitations, 55 companies accessed the on-line survey tool and 51 actually completed it. This is a relatively high response rate of about 73%. The survey was open to respondents from May 7 until June 22, 2007.

The majority of the companies that responded to the survey were based out of Ontario and Quebec; 62% of the companies were from Ontario and 18% were from Quebec. The majority (73%) of the responses described the primary focus of their company as 'producer', and the most represented media was television (95%).

Among the responding companies, the largest group (19%) reported revenues between \$1 and \$5 million, although in general, it was an eclectic group of companies with regard to revenues. Most of these companies were modestly sized with 70% of the respondents reporting 10 employees or less.

*Sales activities*

About 87% of all responding companies claimed to have made sales or started discussion that would lead to sales at MIPTV.

When asked what genre was of most interest for sales, for television, the two dominant categories were documentary/lifestyle and animation.

The breakdown for MIPTV Canadian sales are:

Sales	Pre Sales
19 Companies	5 Companies
79 Titles	10 Titles
109 Deals	27 Deals
\$2,641,440 Deals Completed	\$950,000 Pre Sales completed
\$9,003,435 Sales likely to occur	\$2,494,500 Pre Sales likely to occur
<b>Total Sales and Pre Sales = \$15,089,375</b>	

In total there were 89 titles that saw sales or pre-sales confirmed or discussed. Canadians made 136 separate deals which accounted for almost \$3.6 million in completed sales and pre sales in this market. This is a substantial increase over the previous year's \$2.1 million. Moreover, there were almost \$12 million worth of sales and pre sales that were likely to occur because of discussions started at the market. In total, Canadian companies that responded to the survey reported \$15 million in sales/pre sales or likely sales/pre sales.

	Sales	Likely Sales	Total
Documentary/Educational	\$2,132,000	\$3,849,000	\$5,981,000
Animation	\$42,000	\$3,825,000	\$3,867,000
Drama	\$55,000	\$630,000	\$685,000
Children's Programming	\$212,000	\$387,000	\$599,000
Lifestyle	\$98,000	\$174,000	\$272,000
Comedy	\$70,000	\$50,000	\$120,000
Reality	\$0	\$50,000	\$50,000
Sports	\$33,000	\$0	\$33,000
Other	\$0	\$16,000	\$16,000
Horror/Thriller	\$0	\$13,000	\$13,000
Action/Adventure	\$0	\$10,000	\$10,000

The highest selling genre at the market is the documentary and educational programming. This category actually edged out the animation category which was the biggest revenue producer last year. Documentaries pulled in a significant take of \$2.1 million worth of closed deals and an additional \$3.8 million in likely sales. Animation performed more modestly this year with only \$42,000 in closed sales.

By country, the Canadian participants made the most lucrative deals with the UK (when closed and likely sales are combined). In total, they reported almost \$5 million in sales or likely sales between. Of that total, more than \$500,000 were confirmed sales.

When only closed sales are considered, the intra-national sales actually surpassed the UK with almost a million dollars' worth of deals between Canadian companies. The USA also produced a relatively large volume of sales for Canadian companies. In all, there were about \$1.2 million in sales and likely sales with American companies.

**Sales By Country (Top Ten)**

	Sales	Likely Sales	Total
UK	\$555,000	\$4,417,000	\$4,972,000
Canada	\$994,000	\$1,990,000	\$2,984,000
USA	\$689,000	\$511,000	\$1,200,000
Australia	\$0	\$469,000	\$469,000
Spain	\$2,000	\$315,000	\$317,000
France	\$0	\$273,000	\$273,000
Scandinavia	\$0	\$230,000	\$230,000
Asia	\$0	\$200,000	\$200,000
Middle East	\$70,000	\$101,000	\$171,000
Latin America	\$0	\$138,000	\$138,000
South Africa	\$0	\$104,000	\$104,000

Pre sales saw the most money changing hands between Canadian companies. \$750,000 in pre sales were recorded with other Canadian companies. This grew to \$1.3 million when likely sales are considered. There actually no closed pre sales with any foreign country. However, there were \$644,000 worth of likely pre sales with the USA, and an additional \$560,000 worldwide (unspecified).

**Pre Sales by Country (Top 3)**

	Pre Sales	Likely Pre Sales	Total Presales
Canada	\$750,000	\$559,000	\$1,309,000
USA	\$0	\$644,000	\$644,000
Worldwide	\$0	\$560,000	\$560,000

*Co-production and co-venture deals*

There were 13 participating Canadian companies (25% of those who completed the survey) who indicated that they either signed, or began negotiating co-production or co-venture deals while at MIPTV. However, only 11 of these companies answered to all subsequent questions concerning the number of deals, the value of deals, and the countries with which these deals were made. This will lead to data that, although incomplete, is still useful for analysis.

In total, 12 companies provided full information about the number of co-production or co-venture deals and reported a total of 25 deals. These deals were reportedly worth \$23,220,000. Most deals were made with the UK and France. Compared to 2006, deals and sales volume were down for co-venture/co-production. Participating companies reported 28 deals worth almost \$41 million for the previous year; almost twice the volume of the 2007.

## Co-Production and Co-Venture Deals

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	3	\$7,000,000	UK
Company 2	2	\$6,000,000	France
Company 3	2	\$3,000,000	Monaco, Singapore
Company 4	4	\$2,000,000	Germany
Company 5	2	\$1,800,000	UK
Company 6	1	\$1,500,000	Australia
Company 7	1	\$650,000	USA
Company 8	2	\$500,000	USA
Company 9	1	\$420,000	USA
Company 10	1	\$250,000	South Africa
Company 11	1	\$100,000	UK
Company 12	0	\$0	USA
Company 13	1	\$0	France
<b>Total</b>	<b>21</b>	<b>\$23,220,000.00</b>	

### *Canadian Pavilion*

Clearly, the Canadian Pavilion is of use to Canadian participants at MIPTV. Almost all the companies (96%) reported using the Canadian pavilion in one way or another. Of the small percentage who claimed not to use it, the only expressed reason was that they had 'another stand to use'. It is unclear to what other business stand the respondent was referring.

The Canada Pavilion received higher ratings than its equivalent at other markets. There was no element scored below seven for MIPTV. The elements' ranking has been similar over the past two years. The highest level of satisfaction (8.8 out of 10) was the helpfulness of the booth staff. Last year, the staff received 9 out of 10. Close after that, with 8.3 out of 10 was the level of satisfaction with the utility of the pavilion overall to the participant's company.

The most major concern was the size of meeting spaces and the location of the stand.

Canadian Pavilion Element	Average Satisfaction rating /10
Helpfulness of booth staff	8.8
Overall utility of the Canada Pavilion to your company	8.3
Usefulness of pavilion in holding meetings	8.3
Availability of meeting spaces	8.0
Design and appearance of the stand	7.8
Location of the stand	7.6
Size of meeting spaces	7.6

Some of the suggested improvements for the business centre include:

- *"The Canadian Pavilion has become too spread out."*
- *"The split of areas is a bit confusing when trying to meet with clients. It would be better if there could be one larger area with one reception area."*
- *"We had the two tables on different sides of the aisle and many of our buyers were confused when coming to meet us."*
- *"Let's update the look of the stand - modern, colourful, cool looking."*

### *Costs of attending the market*

Respondents reported that their companies incurred an average cost of \$14,309 in attending MIPTV (about on par with last year's average). The market received an average score of 7.6 out of 10 for its overall perceived value for money invested, a slight increase over last year.

### *Overall impressions of the market*

In general, participating companies appear very satisfied with MIPTV as a market. With an average satisfaction rating of 8.4 out of 10, MIPTV performed better than all the other markets save MIPCOM, its fall-season sister event.

About a fifth of the respondents rated MIPTV as best international event and about 40% felt that it was the second best. The largest group of participating companies (66%) felt that it was actually the MIPCOM and not MIPTV that was the best international event of this kind.

A solid 67% of respondents reported that they would 'definitely' recommend MIPTV and a further 31% said they would 'probably' recommend it. Only 2% were not sure if they would recommend the market.

Some verbatim comments:

- *"It the best platform for building relationships in the international marketplace."*
- *"Broadcasters and distributors/producers come together from around the world; great opportunity for business."*
- *"I think that MIPTV is a great opportunity to expand my company's international contacts and sales."*
- *"Great contact and business development venue. A "must attend" for both emerging and established companies."*

# Cannes Film Market 2007

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MARCHÉ DU FILM  
FESTIVAL DE CANNES

## Background

The Cannes Film Market is held in conjunction with the International Film Festival in May each year. In 2007, it ran from May 16 to May 26, 2007. According to the official press, the film market saw 10,500 attendees in 2007 with more than 92 different countries represented. There were 1,565 screenings for 889 films of which 551 were world premieres.

In 2007, 4,082 companies registered at Cannes (up from 3,797 in 2006). Production, distribution and sales are the main activities of these companies.

Due to rising attendance numbers, the market has added extra exhibiting space to reach a total of 15,000 square meters in 2007.

Another initiative at the film market, the Producers Network, was a forum that successfully brought together producers from around the world. Launched in 2004 by the *Festival de Cannes* and the Film Market, the Producers Network creates significant co-production opportunities. This year, a record 591 producers from 62 countries registered for the Producers Network, an increase of 6% over the last year.

## Overview of events

In addition to the federal government, provincial governments, industry partners, and the 57 official participating companies, the Canada Pavilion registered more than 70 Canadian companies on site and welcomed, on average, more than 300 visitors per day. For 2007, the Canada Pavilion was redesigned and was a proved to be a real hit with participating companies. The pavilion enjoyed higher business activities than the previous year and the Perspective Canada screenings continued for the second year in a row.

### *Perspective Canada*

Six narrative feature films were presented at Cannes this year: out of the six films, three were English-language and 3 were French-language films.

The final selection offered a cross-section of films in terms of genre (comedy, thriller, period drama, family films and drama) and diversity of regional origins.

All films were represented by sales agents; three producers of English-language films signed an agreement with an American agent in the two weeks prior to Cannes. The offer to participate in Perspective Canada was timely and was well received as it could have been difficult to find available screening slots at the market.

The screenings attracted on average, 18 professionals, representing an overall total of almost 200 companies. This is a good average, given the competitive nature of the Cannes Film Market where 15 or so screenings are held every hour.

It is clear that any film selected at the Festival de Cannes with an international cast or whose director is well-known, will attract larger audiences (like *Congorama*, selected for the Directors' Fortnight in 2006, which drew audiences of 60 per screening).

Two of the 39 companies that were surveyed by Pollara indicated specifically that their film screened at Perspective Canada and one of the two indicated that the screening was helpful in producing sales.

#### *Producers Network*

Telefilm participated for a fourth time in the Producers Network. This event created added visibility to Canadian participants and provided another form of networking activity for the producers outside the Canadian pavilion.

In partnership with SODEC, Telefilm participated at the *Marché du Film's* Producers' Network spotlight on Canada, where both agencies officially introduced 10 Canadian Anglophone and Francophone producers to members. Telefilm also took part, in conjunction with its European Francophone counterparts, in a SODEC-organized "speed dating" initiative in which producers from *La Francophonie* got together to discuss their respective projects. In total, 61 producers from 15 different countries (either Francophone or Francophile) participated in 12 to 16 one-on-one meetings over the course of these sessions.

#### *Canada Pavilion*

The Pavilion also hosted three events whose objective was to encourage networking and, by extension, to develop co-production partnerships. One meeting was held with producers from the UK, another with producers from Australia and New Zealand, and a third with producers from Brazil.

## **Participant Survey**

### *Overview*

Pollara contacted 59 Canadian companies that participated in the Cannes Film Market between June 18 and August 20, 2007. Of the 59 participants contacted, 42 accessed the survey and 39 completed the survey. This represents a relatively stable 66% response rate. These companies covered a representative cross-section of the country. When asked to self-describe their primary interest, almost 83% reported 'producer', and almost all of them (98%) stated feature film as the medium they're most interested in. About 40% also claimed an additional interest in television.

Similar to the Berlin market, the respondents were from modestly sized companies. About 45% of the respondents reported revenues last year of less than \$300,000 and 88% of them had less than 10 permanent employees.

*Sales activities*

In general, sales were down for Canadian companies at Cannes in 2007. About 62% of responding companies reported some level of sales activity at the market, down from 70% the previous year. However, respondents did report that discussions started at the market were likely to lead to \$10 million in sales and pre sales. Closed deals decreased considerably from last year. About \$70,000 worth of closed sales occurred at the market this year compared to almost a million last year. Why sales fell so significantly in 2007 is not clear.

Sales	Pre Sales
5 Companies	2 Companies
9 Titles	2 Titles
12 Deals	2 Deals
\$69,857 Sales Completed	\$0 Pre Sales likely to occur
\$9,450,000 Sales likely to occur	\$550,000 Pre Sales likely to occur
<b>Total Sales and Pre Sales = \$9,574,857</b>	

Among the genres, science fiction made a rare and lucrative appearance. Discussions at the market lead to \$7 million in likely sales for this category. Drama, the typical genre for high sales, had the second largest dollar value for combined closed and likely sales of \$2.3 million. Among actual closed deals, comedy had the highest dollar value with about \$60,000.

**Sales and Likely Sales by Genre**

	Sales	Likely Sales	Total
Science-Fiction	\$0	\$7,000,000	\$7,000,000
Drama	\$10,000	\$2,300,000	\$2,310,000
Comedy	\$59,000	\$100,000	\$159,000
Documentary/Educational	\$0	\$50,000	\$50,000

Although not actually signing any closed agreements, likely sales to the US generated the highest volume at the market with almost \$7.4 million. Likely sales to India were also high; discussions lead to \$2 million in potential deals. Among closed deals, Australian companies purchased a modest \$33,000 worth of Canadian products.

**Sales By Country**

	Sales	Likely Sales	Total
USA	\$0	\$7,350,000	\$7,350,000
India	\$0	\$2,000,000	\$2,000,000
UK	\$0	\$100,000	\$100,000
Australia	\$33,000	\$0	\$33,000
Russia	\$26,000	\$0	\$26,000
South Korea	\$10,000	\$0	\$10,000
Brazil	\$0	\$0	\$0

*Co-production and co-venture deals*

18 companies (46% of those who answered the question) indicated that they either signed, or began negotiating co-production or co-venture deals while at Cannes. 16 companies provided information about

the number of co-production or co-venture deals and reported a total of 42 deals. 14 companies provided information about the value of co-production or co-venture deals and reported that the deals were worth \$64,451,110. This is well up from the \$55.7 million in co-venture/co-production deals reported in the previous year.

Respondents reported that they participated in an average of 21 business meetings each while at Cannes.

**Co-Production and Co-Venture Deals (Top 10)**

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	3	\$10,000,000	UK, USA
Company 2	2	\$10,000,000	UK
Company 3	2	\$10,000,000	Australia, Germany, UK
Company 4	4	\$9,500,000	UK
Company 5	2	\$6,000,000	UK
Company 6	1	\$5,000,000	Canada
Company 7	1	\$5,000,000	USA
Company 8	2	\$4,000,000	UK
Company 9	1	\$4,000,000	Australia, Fiji
Company 10	1	\$500,000	Canada
<b>Total</b>	<b>14</b>	<b>\$64,000,000.00</b>	

*Canadian Pavilion*

All of the participants reported using the Canadian pavilion at the market. Satisfaction with the pavilion was somewhat lower than the previous year with levels dropping from an average of 7.8 to 7.5. For several years in a row, the Canadian business centre enjoyed a prime location at the market, and this year was no exception. As with the previous year, the location of the stand was the highest rated element among the respondents. It received a mean rating of 8.7 out of 10.

Canadian Pavilion Element	Average Satisfaction rating /10
Location of the stand	8.7
Overall utility of the Canada Pavilion to your company	7.7
Design and appearance of the stand	7.6
Helpfulness of booth staff	7.5
Usefulness of pavilion in holding meetings	7.3
Availability of meeting spaces	6.8
Size of meeting spaces	6.7

*Cost of attending the market*

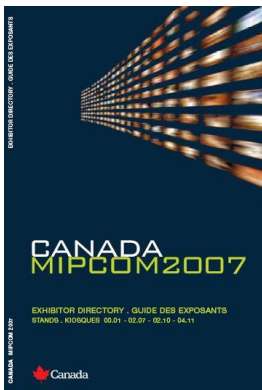
On average, responding companies reported that it cost of \$8,544 to attend the Cannes Film Market, slightly less than the previous year. As for the value of the money spent, the market received a satisfaction score of 7.7 out of 10.

*Overall satisfaction with the market*

In general, the participants were satisfied with the market. The market received a mean score of 7.9 out of 10 for overall satisfaction. This is a slight increase over 2006. Moreover, 87% of the respondents would 'definitely' recommend Cannes, up from 79% in 2006.

# MIPCOM 2007

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## Background

Taking place every October, MIPCOM has grown significantly since it was first launched, becoming the indispensable fall counterpart to MIPTV. It is an important event for sales and rights acquisitions, co-productions, financing, networking, corporate consolidation, cross-border investments and forecasting of trends and programming. It is also invaluable for giving companies the opportunity to position themselves in an increasingly global business environment. MIPCOM is preceded by MIPCOM Junior, a series of screenings of children's and youth programs.

The 23rd edition of MIPCOM held between October 8th and 12th, 2007 and reported the highest-ever number of participants with 13,371 delegates (a 7% increase from last year). In 2007, MIPCOM also had 4,242 participating companies from 98 countries attending the market, a small increase from the 4,216 companies that attended last year. The market was attended by 271 Canadian companies and 118 corporate exhibitors.

## Overview of Events

Each year MIPCOM honours a country with a special focus and this year, India sponsored the opening night party. The Mobile & Internet TV Awards were held for the third year running, organized in partnership with the Cannes Festival and the Short Film Corner. There were 280 entries, and nine awards were handed out. No Canadian products were amongst the winners.

The MIPCOM conferences were largely dominated by multiplatform content issues this year. A dominant theme at this year's event was the evolving form of traditional television media. Some of these new approaches have raised interesting opportunities for producers.

The Canada Pavilion was the largest national stand in terms of both space and participants at MIPCOM. It offered exhibition spaces and services for Canadian producers and distributors: special group registration rate, market preparation assistance, on-site services, promotion and marketing, co production advice, etc.

## Participant Survey

### Overview

The survey took place between October 30 and December 4, 2007. A total of 78 surveys were sent to Canadian companies that attended MIPCOM. In total, 64 completed the survey - an 82% response rate, up substantially from last year.

Almost all companies claimed to have an interest in Television and three-quarters of the respondents self-identified as producers. About half of the respondents hailed from Ontario and the rest were mostly split between Quebec and British Columbia.

### Sales activities

All closed deals and likely sales and pre sales for MIPCOM added up to an impressive \$35 million. In total, there were 29 companies who reported on sales and likely sales. There were 106 separate deals which resulted in over a million dollars in sales (up substantially from the previous year) and about \$18 million in likely sales. Closed pre sales showed significant growth this year going from \$95,000 in 2006 to over \$1.2 million in 2007. There was an additional \$16.4 million in likely pre sales reported for 2007.

Sales	Pre Sales
29 Companies	16 Companies
106 Titles	31 Titles
132 Deals	37 Deals
\$1,069,300 Sales Completed	\$1,238,000 Pre Sales likely to occur
\$16,382,620 Sales likely to occur	\$16,418,000 Pre Sales likely to occur
<b>Total Sales and Pre Sales = \$35,107,920</b>	

In completed deals, animation proved to be the most lucrative genre (for combined sales and likely sales). It saw \$229,000 in completed sales (almost double last year's figure) and about \$4.5 million in additional likely sales. The documentary and educational genre also performed reasonably well; in fact, if only closed deals are considered, this genre produced the most sales (\$753,000).

### Sales and Likely Sales by Genre

	Sales	Likely Sales	Total
Animation	\$229,000	\$4,500,000	4,729,000
Documentary/Educational	\$753,000	\$2,806,000	3,559,000
Comedy	\$30,000	\$2,685,000	2,715,000
Children's Programming	\$0	\$2,598,000	2,598,000
Lifestyle	\$55,000	\$2,230,000	2,285,000
Drama	\$0	\$1,151,000	1,151,000
Other	\$0	\$263,000	263,000
Reality	\$0	\$70,000	70,000
Sports	\$3,000	\$65,000	68,000
Performing Arts	\$0	\$10,000	10,000
Horror/Thriller	\$0	\$6,000	6,000

By country, sales with the USA resulted in the most closed deals. A total of almost \$400,000 changed hands in completed deals and a further \$4.2 million in likely sales. The UK produced the second most sales with a total of \$3.2 million in completed and likely sales.

**Sales By Country (Top Mentions)**

	Sales	Likely Sales	Total
United States	\$400,000	\$4,160,000	4,560,000
United Kingdom	\$50,000	\$3,671,900	3,721,900
Canada	\$165,000	\$2,753,000	2,918,000
Brazil	\$0	\$2,150,000	2,150,000
France	\$150,000	\$1,003,000	1,153,000
Germany	\$30,000	\$902,000	932,000

As for pre sales, by country, most closed deals were cut with the UK resulting in \$1.2 million in sales. As for likely sales, unspecified "Europe" was indicated as the highest producer with \$4.2 million reported.

**Pre Sales by Country (Top Mentions)**

	Pre-Sales	Likely Pre-Sales	Total
Europe	\$0	\$4,200,000	4,200,000
Brazil	\$0	\$4,000,000	4,000,000
Worldwide	\$0	\$3,900,000	3,900,000
Canada	\$0	\$2,000,000	2,000,000
United States	\$0	\$1,685,000	1,685,000
United Kingdom	\$1,238,000	\$168,000	1,406,000
Netherlands	\$0	\$200,000	200,000
Spain	\$0	\$5,000	5,000

*Co-production and co-venture deals*

14 companies (22% of those who answered the question) indicated that they either signed, or began negotiating co-production or co-venture deals while at MIPCOM. This is down from 2006, when 22 companies signed or began negotiating co-production or co-venture deals.

All 14 companies provided information about the number of co-production or co-venture deals - and reported a total of 26 deals. This is down from 39 co-production or co-venture deals reported in 2006.

Eight companies provided information about the value of co-production or co-venture deals and reported that the deals were worth \$33,400,000. This is down 10% from 2006, when 15 companies reported deals worth \$37,382,000. Respondents reported that they participated in an average of 36 business meetings each while at MIPCOM 2007, down from 42 in 2006.

**Co-Production and Co-Venture Deals**

	Number of Co-production or co-venture deals signed/likely to be signed	Estimated Value of deals to company	Countries involved
Company 1	2	\$11,000,000	Belgium
Company 2	3	\$10,000,000	Brazil, France, Iceland, UK
Company 3	3	\$5,000,000	Canada
Company 4	2	\$3,500,000	Latin America
Company 5	2	\$2,000,000	France
Company 6	1	\$1,600,000	Norway
Company 7	2	\$250,000	Israel

### *Canadian Pavilion*

Participating companies at MIPCOM had relatively high usage of the Canadian pavilion. About 94% reported using the pavilion.

The pavilion's staff received accolades again with an 8.8 out of 10 satisfaction rating being reported by the respondents. The meeting space received the lowest marks. These results are very similar to the previous year's satisfaction scores with the business centre. When asked for suggestions for improvements, some of the responses included:

- *"I think the look needs to be spruced up, couches, more relaxed surroundings. A re-design would be great."*
- *"Must modify the configuration of the table area. This year we were in front of emergency doors, outside the view of anyone."*
- *"Needs more privacy for general meeting tables. Cooler designs too."*
- *"One table and two chairs is very cramped and noisy. It would be helpful to have more space between tables."*

Canadian Pavilion Element	Average Satisfaction rating /10
Helpfulness of booth staff	8.8
Overall utility of the Canada Pavilion to your company	8.4
Usefulness of pavilion in holding meetings	7.9
Design and appearance of the stand	7.9
Availability of meeting spaces	7.8
Location of the stand	7.7
Size of meeting spaces	7.1

### *Cost of attending the market*

Companies incurred an average cost of \$14,387 in attending MIPCOM (slightly less than the previous year). Although MIPCOM was considerably more expensive to attend than some other markets, the participants in general saw it as a worthwhile expenditure. Overall, the value for the money for MIPCOM was rated as 7.3 out of 10.

### *Overall impressions of the market*

The overall respondent satisfaction with MIPCOM was 8.1 out of 10. This is a slight drop from the mean of 8.5 in 2006. The market was held in high esteem among the participating companies. About half (45%) felt that it was the best market of its kind when it came to meeting their needs. This market continues to prove its favour among the respondents as 77% of them were repeat participants and three quarters would 'definitely' recommend it to others.