



**CREATIVE IMMERSION
CANADIAN FEATURE FILM INDUSTRY
ENGLISH-LANGUAGE MARKET
JULY 6, 2006**

SUMMARY REPORT

1. INTRODUCTION AND CONTEXT

In 2006, Telefilm Canada initiated a series of industry meetings to address the issues and challenges facing the English Canadian feature film industry dealing with Decision-making, the Creative Process, and Marketing. This report deals with the Creative Immersion. In addition to the body of the report there are a series of Annexes that provide specific detail on the participants and pertinent information to contextualize the report. **Annex I** contains the OVERVIEW document that was provided to all participants and which explains the background, context and plan for the Creative Immersion.

Telefilm engaged and would like to thank the members of the Industry Editorial Board that assisted us to ensure that the plan for the day and its content were priorities, relevant and provocative: John Galway, Director of The Harold Greenberg Fund; director Sturla Gunnarson; producer Steve Hoban; Canadian Film Centre Executive Director, Slawko Klymkiw; and Writers' Guild of Canada Executive Director, Maureen Parker.

See **Annex III** for a full list of participants.

2. EXECUTIVE SUMMARY

Objectives

The objective for the day was to provide a forum for invited industry participants from across the country – writers, directors, writer/directors, producers, distributors, exhibitors, broadcasters and financiers – to:

- ***listen to and learn from each other to achieve a better understanding of each other's respective realities,***
- realize and accept that we all must take collective ***responsibility*** for our box office results to date and to be ***accountable*** for our respective areas of responsibility,
- work together, candidly and collaboratively, to establish ***principles for the industry to move forward to much more success.***

The focus of this immersion was to be entirely on the creative elements of filmmaking, on the writing, directing and producing of films.

Among other possible outcomes, the results of the day will be brought to the CFFF English-Language Market Working Group for consideration in their role as advisors to Telefilm Canada.

Structure of the Day

The day began with a welcome and introduction by Wayne Clarkson, Executive Director of Telefilm Canada.

The morning kicked off with a Critic's Panel and was followed by breakout sessions and report-backs on the subject of Theme One: The Current Working Environment. The questions participants were asked to consider during the morning breakout sessions were:

1. What comments, ideas and suggestions from this morning's panel do you think have merit and substance, and are worth discussing further in the course of the day?
2. What factors do you take into account when you conceive of or take on a film? e.g. What elements are foremost in your mind? Subject matter, genre, creative and commercial opportunities or other factors? How do you prioritize which films you become and stay involved with?

The afternoon began with a presentation by Howard Lichtman, Founder and President of The Lightning Group. The afternoons' breakout sessions and report backs were on the subject of Theme Two: Where Do Creative Vision and Audience Appeal Meet?. The questions participants were asked to consider were:

1. How can we ensure that scripts and films are executed to their full potential, to the point where creative vision and audience appeal converge? *(or, such that they are highly playable and marketable)*
2. What would be an ideal working environment for a script or film to achieve this potential?
3. What recommendations do you have that might bring us closer to an ideal working model?

A group session moderated by our facilitator, John McHugh, Senior Vice President and Partner for Avant Strategic Communications, followed. The discussion was intended to give opportunities for participants to express themselves on matters that had not yet been highlighted and to further explore those ideas and concerns that consistently arose.

The day ended with Wayne Clarkson's wrap-up and observations from the day.

Results

Looking at the objective setout for the day, the Creative Immersion was successful in providing a forum for participants to listen to and learn from each other to achieve a better understanding of each other's respective realities, as many participants mentioned in their exit surveys (see **Annex II**). The comments indicate that participants felt it was a good first step, and we agree. The process of having us all realize and accept that we must take collective responsibility for our box office results and to be accountable for our respective areas of responsibility, does not begin and end with the Creative Immersion. What seems clear is that Telefilm, and ideally other organizations and individuals active

in the industry, must continue the work started at the Creative Immersion to effectively improve the situation.

Participants took the opportunity to vent about the public funding delivery system. Although this was not the intended focus of the immersion and, as was pointed out in the exit surveys, was not always a welcome tangent, Telefilm has taken serious note of the feedback provided. Some of what we heard did not seem to reflect current policy or practice in that Telefilm has already made some changes based on similar feedback we have heard in the past. **Annex IV** provides information concerning a couple of these issues. On the other hand, we heard loud and clear, that for some Telefilm was a studio and for others a champion. Telefilm must relate and interact with screenwriters and directors in a positive and productive manner regarding their creative materials.

As described in the section at the end of this report, there were five “take-aways” articulated by Wayne Clarkson at the end of the day. These represent some principles for Telefilm and the industry to consider to move forward to achieve more success.

A sample of Exit Survey comments:

- Providing a forum for normally diverse and separate sectors to talk out these issues is extremely valuable and necessary (observer)
- Too much time was spent complaining about Telefilm and government policy at the expense of the specifics (distributor, writer/director)
- Larger structural concerns were touched on; a positive experience generally (writer)
- Would appreciate a similar session that just included the creative members and truly focus on how we can make better films because in the end better films would answer most of the problems re audience attendance; we need to be excited more about the product; too much focus on distributors whereas more focus should be on the art of film-making (director)

Next Steps

The Creative Immersion was a good first step in bringing the writers, directors and producers into the discussion about how to improve the performance of our films. Some concrete ideas were articulated and recommendations were made but the process of aligning the creative process to improved box office results will take time and effort. To this end, Telefilm is considering ways to bring more writers, directors and producers into the discussion including the possibility of taking the Creative Immersion on the road.

This summary report was presented for consideration to the Canada Feature Film Fund English Market Working Group on Sept. 15, 2006. As a result, a sub-committee of the Working Group has been struck with a mandate to make recommendations to enhance Telefilm’s Development Programs and to explore new Programs in order to improve the development of feature films. The sub-committee will consider:

- Focusing development dollars on specific genres;
- An incubator program like the Sundance Labs;
- The ratio of films developed at various stages to those produced – enhancing the filter;
- The marketplace’s involvement in development; and
- Development slates.

Telefilm will also move to do the following, as were suggested throughout the Creative Immersion and through feedback from the Exit Surveys:

- Reviewing Telefilm's approach to providing creative feedback;
- Better promoting and communicating improvements made to guidelines and practices that have resulted from client feedback; and
- Improving decision response times.

3. THE EVENTS OF THE DAY

Summary of Opening Remarks: Wayne Clarkson

The audience, as measured by the box office, remains the central objective of government policy and the Canadian Feature Film Fund - Canadian talent making Canadian films that Canadians want to see.

Increasingly, audiences for films are nonetheless being measured by DVD distribution and by the performance of our films on the pay and specialty channels, on general broadcasting and, more and more, on the internet. In the future, all of these outlets will increasingly contribute to the measurement of the audience objective.

For the moment, however, Feature Film policy focuses on the audience results at the box office. The harsh reality is that in 2005 English-language Canadian films had approximately 1.1 percent share of the Canadian box office, a share that is unsustainably low.

As Jean-Pierre Gauthier of the Department of Canadian Heritage stated at the Focus Group meeting this past January: "Continued federal government support is dependent on our collective ability to perform in the marketplace. The Canadian Feature Film Fund is ours to lose."

The Critics' Panel

Critics are an important conduit between the film and the movie going public. They are the front line of responses to Canadian films and have the ability to influence the choices audiences make.

With the broader context of independent films in mind, the critics spoke about how they saw independent Canadian films. In particular, the panelists addressed how Telefilm-supported English-language feature films have succeeded, and failed - from the creative standpoint of story, script, sense of place, characters, genre and themes. They discussed what interests them, and influences their ability to recommend these films to audiences.

The Critics' Panel consisted of: Brian D. Johnson (MacLean's), Liam Lacey (The Globe and Mail), and Katherine Monk (CanWest News Services including The National Post). Johanna Schneller (The Globe and Mail and Vanity Fair) was the moderator.

The critics' responses to English-language Canadian films were varied and generally positive. They said that an honest reaction is the most valuable thing they can bring to

the industry because parroting false praise doesn't help anybody. Overall, the critics believe that Canadian films stand up very well within the context of international independent films.

The critics stated that they look for the same qualities in a Canadian film that they do in any other good film: a story with a combination of emotional and intellectual complexity that moves them.

The overarching observation made by the critics is that filmmaking is a business and narrative feature filmmaking is audience-driven. The real trick is to get originality and invention by subverting the commercial formula without destroying it.

Highlights of the Critics' Comments:

- One critic opened the proceedings by boldly stating: "I don't think there's anything wrong with Canadian film. Because you have a certain failure rate does not mean that the system has to be thrown out."
- Canadian films now have high production values and look better than they ever have. The films play better than a great deal of independent product from the States and elsewhere. Canadian films are competitive in the context of all independent film, which generally have a high failure rate.
- It works to the disadvantage of Canadian films when they attempt to replicate the genres and styles of American films because we do not have the production, distribution or marketing budgets to compete with broadly commercial production.
- The critics agreed that a small budget film that's provocative and fresh is more likely to break out commercially than something that is imitative and driven by device and gimmick. Bringing a different sensibility to the mainstream is a far better approach to films than a commercial strategy.
- On the other hand, the critics felt "something was broken". Telefilm-funded films too often have a certain recognizable emotional and intellectual stamp often being too pristine, too cautious and too literary, perhaps even too timid - inclined to depend on talk rather than action to drive the story.
- Many films are characterized by a subjective interior voice with male angst at the centre and not from an exterior reality.
- They are perhaps too carefully written, too cautious and too self-conscious, revealing a 'fear of story' and including too little human drama.
- The critics urged filmmakers not to be weighted down by making a "Canadian film". Canadian films are sometimes too self-consciously ambitious. Audiences go to movies to be entertained. Just have fun. There is not a lot of fun in the list of Telefilm-funded films.

In responding to the Critic's Panel during the morning breakout session, participants had a number of comments:

"This (idea that films are all about a good narrative) is not new. We know all this. It's not for lack of trying."

"We need to be way more bold and original in the kind of projects that we are conceiving."

“Are we filming our dirty laundry or not? How much of our own personal stuff do we think is art-worthy?”

“Are they (writers) self-censoring? Does the process censor, or ensure that projects are safe or fit a certain mold?”

“Maybe writers have to start thinking a bit more like distributors, distributors thinking more like producers, producers thinking like distributors; that we all have to step into each other’s shoes a bit more and start thinking like each other so we can (a) come together and (b) maybe figure this thing out.”

“I want to find a writer that confounds my expectations.”

“There are times when the production process forces an under-developed script into production and other times when there are too many notes. What we wanted to reinforce was to trust our instincts. “

“The system should fund fewer films and provide more support for each film each year.”

“The Canadian critics lack an understanding of how detrimental an impact they can have on a small film. We feel that they overestimate their importance in heralding and trumpeting something which is already going to be an enormous success and paradoxically they underestimate how much damage they can do to a small film with one negative review.”

Presentation: Howard Lichtman

An authority on entertainment marketing, Lichtman provided a demographic overview of Canadian audiences and what they are looking for in films.

- Canadian audiences can be distinguished by their difference from their American counterparts. Filmmakers should use this difference to their advantage and celebrate it.
- The future is divided between large event pictures and small niche pictures that are passionately supported by specialty groups. “Movies that are either for passionately devoted smaller audiences, or those that can be made into events for larger audiences, are going to be of greater value to all the coming forms of distribution.”
- The middlebrow picture is fading into the background. These are the films that audiences believe will have the same impact on the small as on the large screen. At the same time, the magic formula is a film that will speak to family audiences and intrigue both kids and their parents.
- R rated films continue to find significantly smaller audiences in cinemas.
- Currently Canada has a rising older demographic and a rapidly changing ethnic demographic that it’s important to keep in mind when considering audiences for films.
- Despite Canada being included in domestic box office by the American studios, the cultural differences between Canadian and American audiences are

significant. British movies and movies based on books do much better with Canadian than American audiences while family films are much less successful.

Results of Report Backs

Four major themes emerged:

- Orientation to the marketplace
- Opportunities for collaboration
- The development process and decision-making
- The public funding system

Some participants indicated a desire for a market voice to be present earlier in the development process and that greater autonomy be afforded to the market to move forward in development without Telefilm Canada involvement in the creative process.

By contrast, some participants noted that they felt Telefilm Canada had an important role to play in development but needed to provide timely and honest feedback on the likelihood of a particular project going forward.

Other suggestions on how the overall working environment could be improved to ensure scripts and films meet their full potential included: using development resources more strategically, providing greater opportunities for collaboration among creators and aligning the funding cycle to the realities of the production.

Orientation to the marketplace

The majority of participants indicated that market appeal always enters the equation when they are considering a project. The question, however, is the extent to which the creative team should take the audience into account when developing a feature film project at the outset.

“The problem of balancing the need to have both cultural and commercial balance is really impeding the creative process. Fundamentally, it has to be a creative process that is driving this. Too much is still being driven by the funding and business process.”

“The market is something we are all thinking about and trying to be aware of but it’s not what determines our interest in things.”

“I have to like the idea. I have to like the people behind it. It doesn’t have to be so commercial but the package and the budget have to make sense to me.”

“We recognize there’s a bit of a divide within a lot of agencies that have that cultural vs. industrial mandate and we think it is possible, hard but possible, that those two mandates can come together. ... Fast Runner and Barbarian Invasions (are) good examples of Canadian films that kind of achieve on both of those parameters.”

The Canadian-ness of a project is always an issue and participants expressed frustration with how confined a project can be by the current definition and determination of Canadian content. Many participants felt it is better to focus on who is making the movie and how it's being made, not to restrict the content of the film for reasons of both creative freedom and audience appeal.

"If it's a story told by a Canadian writer and directed by a Canadian director, then that's Canadian."

Many felt it was important to involve distributors earlier on in the process so projects have an anchor in the marketplace so the writer, director and producer can move forward with confidence that they are going in the right direction.

"The distributors should be involved sooner in some way in order to free up the writer and director and producer to focus on making the film."

"The distributor needs to be involved at an earlier stage so that everybody can simply say: That was fun; that was a great idea, there's no market for it, let's do something else."

"There are films that need to be discussed in terms of the market and there are certain films that clearly need to be treated as creative endeavours. There will never be a formula that can work across the board, much as you will never find a film that will please all the critics."

"There is a need to create more opportunities to keep Canadian talent at home to prevent the drain that has happened in the feature film industry for years and years."

Opportunities for collaboration

There needs to be greater collaboration with the distributors, producers, writers, directors as the core of who is making the film and the funding agencies and the financing institutions should be able to respond to that to say yes or no. There should be fewer films and more support for each film although sometimes you have to develop a movie to decide not to make it.

It might also be useful to encourage strategic relationships between producers and distributors in developing feature film projects, as has been the experience in Quebec.

"There should be a lot more money for script development so that more scripts could get written but at the same time fewer projects supported at the production stage."

"If federally we could have something where established companies could have some financial support for a slate, then they could probably be a little bit more experimental and take scripts further along."

"A little bit more money could entice writers away from television and bring them back to film."

Create a Sundance-style development laboratory where a project is nurtured through development into production and then distribution, rather in the same way that the Canadian Film Centre works with features.

“We like the idea of something akin to the Sundance lab model where creative teams work with experience professionals in a master class way and collaboratively with filmmakers to follow a project all the way through.”

Encourage producers and distributors to develop strategic relationships. Bring the director in at a much earlier state of development so s/he can begin working with the writer at this stage.

“We wondered about some kind of forum or pitch session where distributors and producers and filmmakers could be brought together. Ideas could be pitched and hopefully marriages made before the project moved forward.”

“We need more scripts, we need more creative ideas early and the way to get that is to start fostering more of it.”

“If it’s not a writer/director film then the director should be attached no later than the first draft because no matter what towering masterpiece you may create on paper, it will have to be realized by a filmmaker.”

The development process and decision-making

On the question of how closely Telefilm or other funders should become involved in the creative process, some participants believed that Telefilm should be entirely hands off and refrain from giving prescriptive notes, while others suggested that Telefilm establish an executive-type structure so that one person remains attached to the project from development through to production.

“First films in this country are full of passion and then over time you notice the passion kind of goes away and the creative process gets bogged down. Everyone has an opinion now and it’s thwarting. Canadian films can get consensus-ed to death by the too many voices at the table.”

“There are too many prescriptive notes being given.”

“When there are too many people at the table that’s when the problems start.”

“Telefilm should not be a studio. It should be the distributors, the producer, the writers and directors who decide what somebody is going to want to see.”

“Telefilm should not be trying to direct the creative. ...can Telefilm have a more nurturing role?”

“It’s a collaborative medium and when I put money in I expect to have a dialogue.”

“Telefilm you are our studio. Act like a studio.”

The idea of development slates was also proposed wherein production companies with strong track records that didn't have performance envelopes would be allocated funds to develop a slate of projects. There is currently a program like this in British Columbia. It could lead to a greater diversity of script and stabilize production companies.

“If federally we could have something whereby established companies have financial support for a slate, then they could probably be a little bit more experimental, take scripts further along and have resources to bring along new writers.”

“Telefilm would be really advantaged by allowing its investment in large budget productions to be automatic. That would enable producers to travel around the world with a little money in their pocket. This could be last money in if 70 or 80% of the money was raised from broadcasters, equity investors, and distributors worldwide.”

Many participants felt frustrated by how much Telefilm's funding cycle impacts on individual projects and on the stability of small production companies.

“Passion is not a seasonal occupation. Decisions are often driven by business exigencies – people are going to lose an envelope, etc. So the movie goes into production.”

“Writers and directors can go many years between projects. If they don't have the financial resources, they are always left chasing after the project that will go, the project that attracts the financing.”

Some were looking for faster and sooner decisions, whether positive or negative in both development and production, but particularly in development so that projects do not suffer the “slow death of development.”

“Filmmakers wait too long for answers. They need timely answers so they can know if the project is not worth pursuing even if it's at the first draft stage. That's better than being nickled and dimed for three years only to find the project has nowhere to go.”

“By the time the financing finally gets put into place we're rushed into production and frequently, if not always, the producers are forced to be in the office doing all kinds of financing related work and are unable to work with the creative team to make the film.”

“People prefer to work on a picture that is actually going to be made than being thrown a development bone and waiting until the next year.”

The public funding system

The reality of the fiscal year for funding can work against a project. Telefilm's restrictions in being able to carry a production commitment from one year to the next impedes the ability of filmmakers to finance and shoot films when they are the most

ready to go. Quite often, producers get what is effectively a last-minute yes. This forces them to then focus only on the financial elements of the production and takes them away from working with the creative team at a time when they are most needed. Furthermore, producer fees are often so compromised that they must go into production, whether the project is ready or not.

“The financing template is so rigid, it mitigates against anything that’s out of the ordinary in the way of making a film. And yet, it is often the unusual, the unlikely that is the “lightening in the bottle”.”

“Ideally we would get a production commitment in enough time, even several months before principal photography so that the last crucial months are spent in creative development and not in closing the financing.”

The Moderated Discussion

John McHugh led the discussion by observing that although there were some disputes and disagreements, there was a great deal more cooperation and collaboration. He suggested starting with the following themes that the group seemed to want to explore further:

- The Sundance model for development and production;
- The necessity for a flexible fiscal year;
- The need to for producers, writers, directors and distributors to work more collaboratively and to take ownership of a project at an earlier stage.

Discussion Comments from Participants:

- Creative vision and audience appeal are not divergent and can converge at the concept and ideal level so that art and commerce are not exclusive one from the other.
- To work collaboratively with distributors and bring the investment community back into the film industry, projects need some economic viability as well as creative viability so that there is a backend for investors if a waterfall happens. The culture of getting our money, getting into production, getting our producer fees and living another day is a culture that must change.
- In box-office, there can be a huge difference between what people are looking for and what they will actually go to see. The good solid stories about people with problems are not working nearly as well as they used to. People wait for the video because there’s nothing in the movie they have to see on the big screen.
- We should take pride in the quality of the films being made, but the fact that they are not getting a lot of audiences to come to the movie theatre is just a fact of the industry. Distributors care about making money and they are going to make money from video movies and from broadcast and other sales. That doesn’t mean filmmakers, writers, directors, producers shouldn’t be making films. If the only litmus test is success at the theatrical box office, then that is part of the fundamental problem of making films in Canada

- We have to ask ourselves how we can compete on a global basis since the Canadian market is just not large enough to justify some of the financial risks you need to take to make a successful motion picture today.
- Our films are a form of cultural expression. They are how we know who we really are. They are how we know that everything important in the world doesn't happen somewhere else.

Wayne Clarkson's "Take Aways"

In closing, Wayne Clarkson expressed gratitude to participants for committing their time and energy to the Feature Film Creative Immersion. He acknowledged that he was delighted to hear from the diversity of voices, from those with many years of experience in the industry and those who are emerging talents. He was impressed with everyone's passion for film and with how much they genuinely care about what they are doing. He also notes that it is sometimes easy for us to forget the opportunities for filmmaking that do exist in Canada.

1. **Distribution and Market Voices:** There was a clear sense that both distribution and marketing voices need to be present earlier in the development process so that projects were developed with a real sense of where they might be situated in the market and where they would find their audience. This is in line with the increased maturity of the industry and respects the independence and knowledge of distributors and the marketplace. In tandem with this, was the suggestion that decision making occur independently of Telefilm but still with financial resources from Telefilm.
2. **Strategic Use of Development Resources:** There were repeated suggestions that producers and possibly distributors be financed to create their own development slates and thereby make the decisions about what projects to finance and moved forward. In such a model, Telefilm's role in the creative material is substantially diminished until a specific project comes forward for production financing. A development slate would help make production companies more stable and also to allow producers to focus more singularly on the creative material. It would allow producers, writers and directors to spend more time and money on script development and acknowledges that sometimes you have to develop a project to not make it.
3. **Align funding cycle to the realities of production.** Producers are increasingly frustrated that they must apply for production financing in a given year or wait until the following year to move a project forward. This results in two untenable outcomes. In the first instance, the demands of production, for the producer, begin to supersede the necessity to still supervise some refinements to the script and allow the director sufficient time to work out all the details. In the second instance and without the influx of producer fees and overhead into the production, a producer struggles simply to keep the production company and its other projects alive.
4. **Response time and number of films.** It was repeatedly mentioned that creators wanted quicker response time from Telefilm, effectively much faster yeses and nos. And while the slow death of a project by development was undesirable, so

was the negating of a project before the writer had the opportunity to fully explore and develop the story and characters.

Again, we heard that it might be wiser to finance fewer films and spend more money on them.

5. **Provide greater opportunities for collaboration among creators.** The Sundance model was raised as a potentially ideal way to train creators and nurture projects through all their stages of development, production, distribution and marketing.

ANNEX I

Overview Document provided to participants (background, context and plan for the Creative Immersion)

CANADIAN FEATURE FILM INDUSTRY ENGLISH LANGUAGE MARKET CREATIVE IMMERSION

JULY 6, 2006

TORONTO

OVERVIEW:

In 2006, Telefilm Canada initiated a series of industry meetings to address the issues and challenges facing the English Canadian feature film industry that have contributed to the modest growth in theatrical market share in the last five years. Each of these meetings focuses on a unique element that is critical to the success of Canadian feature films going forward:

- a) The Focus Group took place on January 26 in Toronto: The business and economic transactions by which feature films are triggered, financed and marketed in Canada. A summary of the successful event is available on Telefilm Canada's website at www.telefilm.gc.ca under Telefilm then Consultations. The recommendations emanating from the Focus Group are now before the Canada Feature Film Fund (CFFF) English Market Working Group.
- b) The Creative Immersion (the subject of this document): The creative process by which feature films are written and executed; and
- c) The Marketing Immersion to take place in the fall of 2006: The marketing of feature films to effectively compete in a market so heavily dominated by foreign films.

Telefilm has organized these industry meetings to establish a new dialogue within the industry to promote a sea change in our and the industry's approach to and accountability for the making and marketing of English Canadian films that Canadian audiences will want to see.

THE CURRENT SITUATION:

As of June 2005 the Government of Canada's goal of capturing a 5% theatrical market share has been met and maintained, with Canadian films closing the year at 5.3%. We know however, that this growth in overall Canadian box office is largely the result of the success of French-language films.

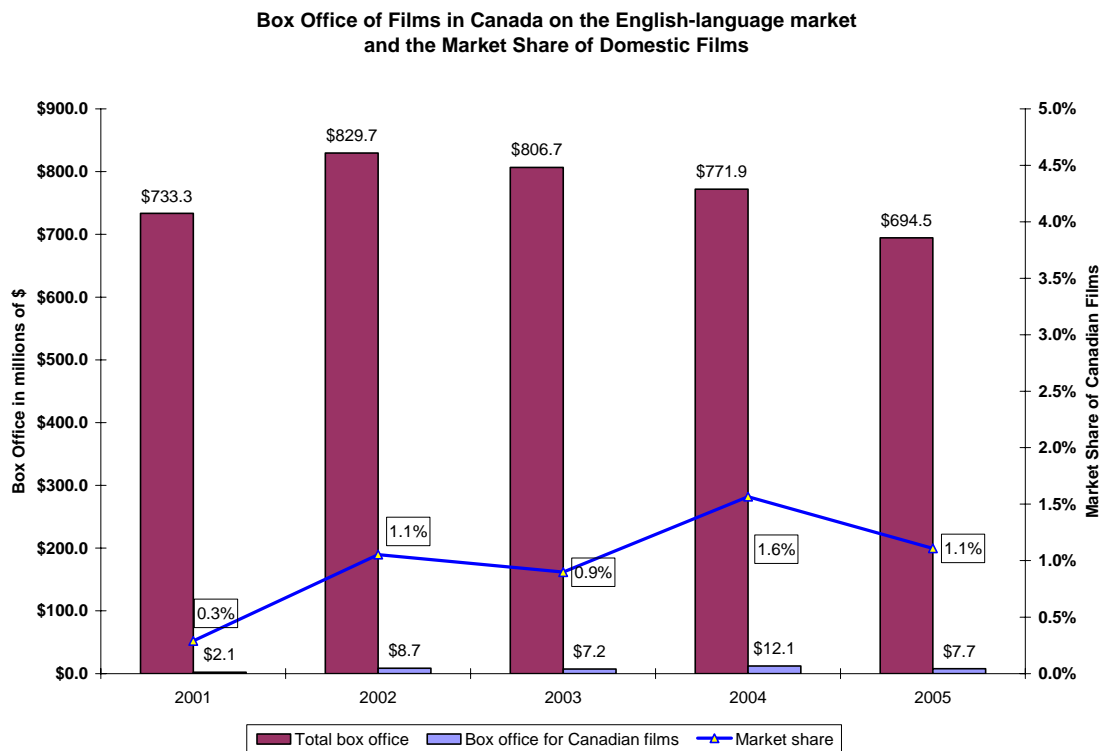
Statistics show that the value of ticket sales and of market share for English Canadian films has seen some marked improvement since 2001. However, for the last 4 years, market share has remained flat at 1.1% and the value of ticket sales has dropped. See chart below.

The challenges to increase Canadian audiences for English Canadian films are myriad and complex. We cannot continue to use our proximity to Hollywood, and other factors

that are outside of our control, as excuses for not reaching more Canadian film-goers with more of our films.

Finger-pointing within our own industry will get us no further than we are today. Simply put: without a unified and common purpose and commitment, English Canadian films will be hard pressed to garner continued success beyond what we see today.

Our industry is made up of intelligent, sophisticated and resourceful professionals. Together, there is no reason why we cannot find solutions to these challenges and achieve box office success with Canadians.



OBJECTIVES:

Telefilm is organizing this immersion to provide a forum for invited industry participants from across the country to *listen to and learn from each other to achieve a better understanding of each other's respective realities*. We believe that we all must take *collective responsibility* for our results to date and to be *accountable* for our respective areas of responsibility. Only by working together, candidly and collaboratively, can we establish *principles for the industry to move forward to much more success*. Among other possible outcomes, the results of the day will be brought to the CFFF English Market Working Group for consideration in their role as advisors to Telefilm.

The Day Itself

The Creative Immersion will be a national hands-on event for approximately 80 diverse industry professionals: 40 from the creative sector (writers, directors, producers) and the

balance from distribution, theatrical exhibition, and broadcast, as well as a number of industry observers. The day will open with a moderated panel of film critics, the writers who are a link between the films we have made and the audiences we are seeking. The day will also include an overview of our current box office situation and a look at how our films are situated within the broader spectrum of independent films and their audiences.

The heart of the day will be two break-out sessions. At the first session, participants will be asked to talk about their realities and decision-making when it comes to conceiving or taking on a film as well as to respond to the critic's panel. At the second session participants can put forward suggestions toward a more ideal working model for creating and executing feature films that are both playable and marketable.

A professional third-party facilitator will lead us through the day and help us focus on the actions we can take to help creators play their part in doubling our domestic market share.

Telefilm's objective is to involve the broadest range of industry participants especially amongst writers, directors and producers. To that end, we will videotape and package the day for use by our four regional offices to hold similar sessions across the country with creators and other stakeholders in their regions.

SOME KEY PRINCIPLES

It is important that all participants are approaching the day using the same basic principles that underlie the cultural public policy framework within which we all operate. These represent high-level, common starting points that discussions can evolve from.

- The primary audience objective of Feature Film Policy going-forward will remain the theatrical box office objective, although TV and DVD will play an increasingly important role;
- Various sources of public sector financing exist to support Canadian content productions. The at-risk public funding made available through the Canada Feature Film Fund is reserved first and foremost for those films that reflect the Canadian experience for Canadian audiences (i.e. that present distinctively Canadian stories, characters and settings);
- Success internationally is a secondary objective to achieving audience success domestically;
- While the strict definition of what is an independent film is controversial, what is clear is that Canadian films are part of the world of independent film.

ANNEX II

Participants' Responses to the Day

(Collation of Exit Surveys)

Evaluation Results (49 of 74 participants responded)

	Strongly Agree	Agree	Neither Agree/ Disagree	Disagree	Strongly Disagree	Don't Know
a. The purpose of today's creative immersion was met.	2%	72%	18%	4%	0%	4%
b. I was provided with sufficient information in advance of the creative immersion to come prepared.	12%	59%	23%	6%	0%	0%
c. The morning break-out session provided an opportunity to explore the current creative working environment.	8%	55%	25%	12%	0%	0%
d. The afternoon break-out session provided an opportunity to explore links between creative vision and audience appeal.	21%	57%	16%	4%	2%	0%
e. I was provided with sufficient opportunity to express my views on the discussion questions.	23%	67%	8%	2%	0%	0%
f. I was provided with a good understanding of the views of the other stakeholders	21%	69%	8%	2%	0%	0%

Do you have any further comments about today's Creative Immersion, or about Canada's English-language feature film industry?

Positive about the day

- Thanks to Wayne and TFC staff and the opportunity to be here (a number of responders from across sectors);
- Providing a forum for normally diverse and separate sectors to talk out these issues is extremely valuable and necessary (observer)
- Enjoyed and found very interesting the quantitative research up against so much subjectivity (referring to Howard Lichtman presentation) (broadcaster)
- Thanks for inviting writers - it is great to finally be heard (industry association representative)
- It's a beginning to a more informed structured framework (observer)
- So much more could be said and done if everyone (including press) works together (producer)
- If today's recommendations are implemented in a meaningful and visible way, I will feel this has been useful (producer)
- Larger structural concerns were touched on; a positive experience generally (writer)
- I met some very nice people; it's all worthwhile to elevate communication (writer/director)

Negative about the day

- Too much time was spent complaining about Telefilm and government policy at the expense of the specifics (distributor, writer/director)
- Nothing new heard here today (observer)
- Will anything real come out of this (a number of responders from across sectors)
- I didn't feel the distributors or TFC reps were fully engaged in discussion (writer/director)
- Open-ended questions are great for discussion, but be more specific when asking for recommendations (distributor, writer/director)
- Performers should have been invited to participate in today's session; they are creators and if we're going to try to develop a star system then performers have to have a place at the table (industry association representative)
- Next time observers should be able to sit at the tables (a number of observers)
- More time! Should have been a 2-day event (writer/director)
- Provide more opportunities at events like this to socialize with other participants (director)

Suggestions re industry

- Why are we still focusing on theatrical with so many technological advancements today; need to think of audiences as including TV, DVD and other technologies (distributor, producer)
- We have to stop comparing with different countries – we are unique (distributor)
- Would be interesting to see hard data re Canadian cinema compared to US independents and other national cinemas (broadcaster)
- Get rid of Telefilm content analysts; stop jamming their opinions down our throats (writer)
- Fund writers/directors before they've had 2 successful films – if they're good projects (first time or not); look for new ways to get films into cinemas – rent them if necessary or put a surcharge on foreign product in our cinemas; more money for the CFFF; look more to international marketplace (director)
- Would appreciate a similar session that just included the creative members and truly focus on how we can make better films because in the end better films would answer most of the problems re audience attendance; we need to be excited more about the product; too much focus on distributors whereas more focus should be on the art of film-making (director)
- Why aren't we talking about quotas? (writer/director)

Observations

- Art can be commercial and entertaining (writer/director)
- New vision has to come from visionaries and risk-takers – compromise and politically safe decisions will not create successful films (writer)

**ANNEX III
Participant List**

CREATORS (50% of participants)

Sector	Name	Sector	Name
Writers	Noel Baker	Writer / Directors	Andrew Currie
	Semi Chellas		Sheri Elwood
	Suzette Couture		Thom Fitzgerald
	Angus Fraser		Michael Mabbott
	David Fraser		Michael McGowan
	David Gow		Rubba Nadda
	Jefferson Lewis		Bill Phillips
	Steve Lucas		Lea Pool
	Malcolm MacRury		David Sutherland
	Megan Martin		Loretta Todd
	Michael Melski		Peter Wellington
	Rebecca Schechter		
	Directors		Paul Fox
Sturla Gunnarsson			
Nicholas Kendall			
Peter Lynch			
David Weaver			
Anne Wheeler			
Producers	Robin Cass, Triptych Media Inc.		
	Victoria Hirst, Victorious Films		
	Steve Hoban, Copperheart Entertainment		
	Danny Iron, Foundry Films		
	Gabriella Martinelli, Capri Films		
	Jennifer Jonas, New Real Films Inc.		
	William Vince, Infinity Features		
Chris Zimmer, IMX Communications			

THE MARKETPLACE

	Name	Title	Organization
Exhibitors	Robert Cousins	Director, Film Programming	Cineplex Galaxy
	Rob Wales	VP, Film Programming	Empire Theatres
Distributors	Hussain Amarshi	President	Mongrel Media
	John Fulton	Executive Director & VP Distribution	TVA Films
	Bryan Gliserman	President	Odeon Films
	Brad Pelman	Co-President	Maple Films
	Marie-Claude Poulin	VP, Distribution	Equinoxe Films
	David Reckziegel	Co-President	Seville Pictures
	Robin Smith	Vice President	Capri Films
	Tony Wosk	Director of Acquisitions & Development	Christal Pictures
Broadcasters	Bret Burlock	Manager, Theatrical FF and TV Drama	CHUM

	Andrew Eddy	VP and General Manager	Corus
	Tara Ellis	VP of Content	Showcase
	Fred Fuchs	Executive Director, Arts & Entertainment	CBC
	Kevin Wright	Senior VP, Programming	Astral
Other	Ken Malone	President, Merchandising	Blockbuster

OBSERVERS

	Name	Title	Organization
Industry Observers	Pamela Brand	National Executive Director	Directors Guild of Canada
	Ted East	President	CAFDE
	John Galway	President	Harold Greenberg Fund
	Adina Lebo	Executive Director	MPTAC
	Maureen Parker	Executive Director	Writers Guild of Canada
	Stephen Waddell	National Executive Director	ACTRA
	Justine Whyte	Executive Director, FF Project	Canadian Film Centre
	Karyn Wichers	Manager, Film & Video Policy and Programs	DCH
	Marc Seguin	VP, FF and New Technology	CFTPA
Telefilm Observers	Louise Deslauriers	FF Unit Director, Quebec	
	Douglas Chow	Deputy Director, Strategic Communications	
	Jacqueline MacDonald	Senior Policy Advisor	
	Jean-Claude Marineau	Senior Investment Analyst, Quebec	
	Christina Piovesan	Content Analyst, Ontario & Nunavut (temp)	
	Helene Vayssette	Analyst, Initiatives Design, Industry Development Operations	

TELEFILM

Telefilm Participants	Wayne Clarkson	Executive Director	
	Karen Franklin	Director, English Operations	
	Earl Hong Tai	Regional Director, Western Region	
	Ralph Holt	Regional Director, Ontario & Nunavut	
	Dan Lyon	FF Unit Director, Ontario & Nunavut	
	Anne Frank	Content Analyst, Ontario & Nunavut	
	Carrie Paupst-Shaughnessy	Content Analyst, Ontario & Nunavut	
	Jamie Gaetz	FF Investment Analyst, Atlantic Region	
Consultant to Telefilm	Elke Town, Storyworks		
Facilitator/Moderator	John McHugh	Sr. VP and Partner	Avant Strategic Communications
	Heather MacMillan	Senior Consultant	Avant Strategic Communications

Annex IV

Telefilm programs and standard of service referred to in the course of discussions (to address some perceived misconceptions)

Deadlines

The very last deadline for production funding was January 16, 2006. There are no more deadlines for production applications. Applications are considered when they are received and when they are ready.

Development Funding (phases, amounts, marketplace and director involvement)

A new Development funding program was implemented in 2003-2004. The intentions were:

- to provide greater dollar support and to finance a higher percentage of the budget (to allow producers more time and money during development so projects would not be rushed into production);
- to allow for many projects to be developed at the early screenwriting phases but to apply a higher standard/ filter at later stages by requiring the marketplace and the director to be attached before further financing is provided;
- a greenlight phase was added to allow for very late/ early pre-production expenses, including pay or play deals for performers.

Telefilm will finance up to **80%** of a development budget up to **\$300,000** before a project goes into production:

- Screenwriting - up to \$75,000 to develop a script,
- Packaging – up to \$75,000 to prepare a project for production including further writing (requires director and distributor to be attached), and
- Greenlight – up to \$150,000 to assist a producer to close financing following a decision to invest.