

ONTARIO CREATES BUSINESS PLAN 2020-21



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ONTARIO CREATES SUCCESS

Ontario Creates is an agency of the Province of Ontario that is committed to delivering high-impact support that creates jobs and economic opportunities for Ontarians. Through targeted programs and services, and by leveraging public and private partnerships, Ontario Creates builds the capacity and competitiveness of the Province's film and television, interactive digital media, book publishing, magazine and music industries that create award-winning content enjoyed by audiences across Ontario and around the world.

Ontario Creates has enabled creative industry companies to increase productivity, build scale, mitigate risks, access international markets, and achieve critical and commercial successes that would not have been possible without support from the Province. These investments have helped to ensure that Ontario is a better place to live and work, that Ontario companies continue to be global leaders in the domestic and international marketplace, and that Ontario maintains its competitive position as a leading jurisdiction for providing innovative and effective support to a thriving world-class Entertainment and Creative Cluster.

- **Ontario's content shines around the world.** Made-in-Ontario books, films, video games, TV shows, music and magazine media compete on a global scale, garnering critical acclaim and earning recognition and awards from Cannes to the Emmys, Grammys and the Man Booker Prize.

ONTARIO CREATES JOBS

The six creative sectors under Ontario Creates' mandate support nearly **65,000 Canadian jobs**¹ in Ontario's knowledge economy. Here are some examples of how support from Ontario has helped create jobs and grow the economy:

- Aided by scouting and facilitation services through Ontario Creates' **Film Commission** and **LA Office**, and in conjunction with the agency's toolkit of programs and tax credits, film and television production **contributed \$1.9 billion to the provincial economy** in 2018. The sector accounted for **37,000 jobs**—representing growth of 4,200 jobs since 2017.
- Recipients of Ontario Creates **IDM Fund** and **Film Fund** created over **35,000 weeks of work** in 2018-19.
- In its first five years, the **Ontario Music Fund** created over **2,900 net-additional, full-time equivalent positions**.

ONTARIO CREATES PROSPERITY

Ontario content is enjoyed the world over, leading to strong sales and returns for Ontario companies and excellent opportunities in export. A competitive business environment drives significant foreign investment in the province.

- Export Fund support helped Ontario companies to generate \$316 million in international sales, equivalent to \$178 for every dollar invested by Ontario Creates in 2017-18.
- Ontario Creates funding supported over 20M worldwide unit sales in the first five years of the Ontario Music Fund.
- In 2018-19, each **tax credit** dollar leveraged **more than \$20 in additional product/production spending** for the 2,637 book, film, **television** and interactive digital media products certified by Ontario Creates.
- A strong **foreign services production sector** attracts investment that continues to create jobs and economic opportunities in Ontario. Ontario's competitive and stable media tax credits tell the world that

¹ Statistics Canada. Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective [Accessed 28 October 2019].

Ontario is **Open for Business**. Foreign service productions have attracted \$4 billion of inward investment in Ontario over the last five years, while a strong domestic sector has matched this, generating another \$4 billion over the same period.² Ontario's combination of talent, infrastructure, and government support has made the Province an attractive place for doing business. For example:

- More than \$55 million was spent in Ontario filming New Line Cinema/Warner Bros.' *Shazam!* The production created 3,457 jobs for cast and crew, with over \$31.3M spent on Ontario labour and more than \$23.9M spent on goods and services at over 750 Ontario businesses on costs such as catering, lumber and construction, location fees, permit fees and wardrobe.³
- Major infrastructure investments in Ontario are growing. Based on recent announcements, Ontario's studio space infrastructure is expected to expand by 2.2 million sq. ft. across 11 facilities by 2022. When expansion is complete, Ontario's soundstage footprint will have increased from 1.8 million sq. ft. to 4 million sq. ft. Stage space growth is not limited to Toronto. Developments are expected in Hamilton, Markham, Mississauga, Ottawa, and Pickering, yielding well-paying job opportunities for these communities.⁴

ONTARIO CREATES PARTNERSHIPS

Ontario Creates leverages relationships with other parties to secure the best outcomes for its stakeholders and make the most of the dollars it has to invest. This includes working in collaboration with other ministries, other levels of government, other jurisdictions and private and non-profit organizations on initiatives such as Frankfurt Bookfair Guest of Honour 2020, Canada Stands at international marketplaces, the Toronto International Film Festival, and market intelligence conducted in conjunction with others. In the year ahead, Ontario Creates will also work actively with other agencies to optimize the combined impact of the heritage, sport, tourism and culture industry elements of the Ministry's portfolio.

- Ontario Creates partners with Screen Australia, New Zealand Film Commission, British Film Institute, Irish Film Board, and Creative Scotland to deliver CoCreate, a production business development initiative in the feature film industry.
- The IDM Futures program is delivered by leveraging the expertise and reach of partner organizations Women in Film and Television-Toronto, Hand Eye Society, and Interactive Ontario.
- In 2019-20, Ontario Creates partnered with VICE Media Group to conduct a joint research study on the habits, behaviours and preferences of Generation Z consumers and on best practices from content creators successfully reaching these audiences.
- **Industry development** activities supported by Ontario Creates initiated over **35,000 new business leads** for Ontario companies in 2018-19. These important connections lead to further collaborations and partnerships, contributing to business growth for Ontario companies.

² Ontario Creates Annual Results.

³ Press release, "New Line Cinema/DC's Shazam! Supercharges Ontario's economy, spending over \$55M on production," Motion Picture Association - Canada, April 5, 2019.

⁴ Ontario Film Commission estimates.

ONTARIO CREATES BUILDS UP THE PROVINCE

These successes are a testament to Ontario's incredible content, locations and production capacity. Ontario delivers a perfect mix of talent, business-friendly environment, and competitive financial incentives. The programs and services described in this Business Plan build on these strengths. The creative industries stand at the intersection between culture, business, and technology. As a result, the six sectors supported by Ontario Creates are strategically positioned to generate benefits for Ontarians in a wide range of economic, cultural, and social areas.

Ontario Creates is committed to continuous business and operational process improvements, including eliminating inefficiencies in order to create cost savings. From enhancing electronic access across all areas of operations to introducing administrative efficiencies such as electronic payment and direct deposit options for clients, the agency is proactively working to increase its value for money proposition.

Ontario Creates will continue to build on these successes through its programs and activities in the years ahead.

I. EXECUTIVE SUMMARY

ENVIRONMENTAL SCAN

Ontario Creates maintains regular environmental scanning and monitoring of issues that are important to the creative media industries including publishing comprehensive industry profiles of the six sectors supported by the agency.

Ontario Creates programs and activities are also informed and enriched by regular stakeholder engagement that enhances the agency's ability to fulfill its mandate successfully. Formal stakeholder engagement takes place through the agency's five Industry Advisory Committees that meet throughout the year (film and television sectors are represented by a joint Screen Advisory Committee), including an annual cross-industry session. Through these activities, Ontario Creates has forged strong relationships with Ontario's creative industries and this has greatly benefitted the agency's ability to monitor and understand the quickly changing landscape for Ontario's content creators.

Key trends and challenges facing Ontario's creative media industries and Ontario Creates include the following:

EXTERNAL CLUSTER DEVELOPMENTS AND TRENDS

- Economic indicators predict slow growth for Ontario over the next two years amid global uncertainty.
- A competitive Canadian dollar continues to boost exports and to attract strong levels of foreign service production for screen media to Ontario.
- There is a growing market demand for all kinds of creative content in Canada and across the world.
- The outcomes of key regulatory reviews will impact the creative industries (reviews of the *Copyright*, *Broadcasting*, and *Telecommunications Acts*).
- Diversity and representativeness continue to be high-profile issues for the creative industries and organizations that support them, and there is high demand for diverse content among consumers, particularly those in the younger generation who will be future consumers of content produced in Ontario.
- Competing jurisdictions continue to innovate programs and services to serve domestic producers and attract foreign investment. Other Canadian funding agencies are expanding eligibility criteria to make programs more inclusive, adding fast track streams, expanding support to new areas and increasing partnerships.

INTERNAL SITUATION

- Reviews of the Ontario Music Fund, and of all Cultural Media Tax Credit processing are underway.
- Ontario Creates is participating in the MHSTCI/MOF Film/TV Advisory Panel activities.
- The agency is facing capacity pressures as demand for Ontario Creates programs and services continue to grow and exceed available resources, creating an opportunity loss for Ontario's economy.
- A series of prior budget cuts and cost containment strategies has hampered the organization by reducing the agency's flexibility to proactively respond to changes in the environment or to take advantage of new opportunities for investment and job creation.
- Ontario Creates is increasingly focused on fostering diverse creative industries in Ontario, recognizing that increasing diversity in both content and the talent pipeline will be a key driver in positioning Ontario's creative companies for continued economic success in the future.

STRATEGIC DIRECTIONS

Ontario Creates' strategic plan, launched in 2017, provides an updated vision for the province's creative industries and a mission that articulates how the agency will contribute to fulfilling this vision. Four years into a five-year plan, Ontario Creates has made significant progress against many initiatives outlined in the document.

In keeping with our strategic directions, Ontario Creates can best stimulate growth and employment in the creative industries by increasing our focus on supporting diversity, workforce development, partnership, discoverability, marketing and export. These areas will serve as strategic priorities for the agency in 2020-21 and beyond.

VALUES

- Flexible
- Smart Risk-Taking
- Collaborative
- Accountable
- Inclusive

STRATEGIC GOALS

1. Stimulate Economic Growth and Employment
2. Promote the Industries
3. Encourage Collaboration and Innovation

FOUNDATIONAL ENABLERS

1. Ensure Service and Operational Excellence
2. Empower People and Teams

PROGRAMS AND ACTIVITIES

Ontario Creates will continue to review, evaluate, and adapt its programs and services to ensure that they are relevant, leading edge, and high impact as the market realities and business environment for the creative industries continue to change. Ontario Creates will continue to leverage opportunities with public and private sector partners, in order to develop and lead innovative initiatives that will facilitate new opportunities for Ontario's creative media companies and better target government priorities. In addition, Ontario Creates will work closely with the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI), the Ministry of Finance (MoF) and other partners to modernize and improve the effectiveness of tax credits for Ontario companies.

In 2020-21, Ontario Creates will continue to offer its core programs that support content creation, marketing and business innovation, promotion, and industry development.

Key initiatives in addition to core programs in 2020-21 include:

- Diversity Enhancement
- Workforce Development Initiatives
- Sustainable Production Initiatives
- Plain Language Tax Credit Guidelines
- Ontario Authors Tour Support Fund (OATS)
- Frankfurt Book Fair 2020: Focus on Guest of Honour, Canada
- Magazine Industry International Business Development Initiative
- Domestic Feature Film Distribution and Marketing Initiative
- Completion of Customer Relationship Management (CRM) System Upgrades

RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

- The programs and services described in this Business Plan assumes Ontario Creates' provincial funding in 2020-21 will be \$35.7 million and that there will be no change to the agency's 78 full time equivalent (FTE) positions.
- In order to ensure that Ontario Creates is successful in meeting its goals, the agency must rely on continued collaboration and partnership with government partners including MHSTCI and MoF. In 2020-21, Ontario Creates wishes in particular to pursue new cross-Ministerial opportunities, including seeking

to more actively work with the Ministry of Education, the Ministry of Labour, Training and Skills Development, and the Ministry of Economic Development, Job Creation and Trade.

MITIGATING RISK

Ontario Creates regularly updates and submits detailed quarterly risk assessment reports to the Ministry, with respect to risk factors, impact, and associated mitigation strategies.

Significant risks facing the agency and the creative industries over the next three years include the following:

- Film/TV workforce shortages
- Ontario music industry - potential for loss of leadership position/limitations on growth
- Limited discretionary resources
- Tax credit application volume
- Staffing challenges and restrictions
- Limited access to export markets
- Insufficient resources to service growing demand

PERFORMANCE MEASURES

Performance measures for the agency have been developed to provide regular feedback on whether the funds, programs, and other activities are meeting their objectives. The agency's outcome and output-based performance measures were updated in 2017-18 to support the rollout of the strategic plan and several new measures were added at that time. In addition, several measures were introduced or changed in 2018-19 to track new programming or respond to methodological changes in existing measures.

Ontario Creates recognizes that the diversity of Ontario's creative sectors is key to their future economic success. In 2020-21, Ontario Creates will develop additional metrics to track this priority.

Ontario Creates met or exceeded most 2018-19 performance targets, noting the following:

- The estimated value of tax credits was greater than anticipated in 2018-19 due to improved processing times which meant more products were certified within the year, particularly for the OPSTC and ODMTC.
- Media impressions related to the Trillium Award fluctuate annually for various reasons (e.g. the presence of a well-known author among the nominees). This year's results were below target, particularly when compared against the elevated results achieved in 2017-18 due to additional activities and ad spend related to Trillium's 30th anniversary. Overall, Ontario Creates' total media impressions were well above target at 184.6 million.
- Ontario Creates achieved more than double the target on Weeks of work created and/or retained through Film Fund and IDM Fund and exceeded last year's numbers by more than 10,000 weeks of work.
- The agency's representative in the LA Film Office was vacant for several months which negatively impacted the number of production leads developed by the LA Office. A new representative is now in place following a competitive procurement and it is anticipated that the number of production leads will begin to return to typical levels.
- Due to travel restrictions, the number of markets at which Ontario Creates had a strategic presence was reduced to 5, compared to 17 in 2017-18. Similarly, the agency's collaboration initiatives were affected by directives to restrict discretionary spending.
- Ontario Creates met all Business Intelligence performance indicator targets other than Number of industry profiles updated. Profile content updates were delayed somewhat as the look of the publication was refreshed to match the agency's new branding.

BUDGET

This Business Plan represents a status quo budget with no requested increases for additional financial or human resources. Specifically:

- Ontario Creates' 2019-20 expenditures are projected to be \$42.5 million for accounting purposes, before adjusting for amortization and capital acquisitions. These expenditures include \$832,000 in planned time-limited initiatives and \$235,000 in time-limited FTE allocations, which are funded from cash reserves.
- Ontario Creates' annual revenue for 2020-21 is expected to be \$39.5 million including program-specific allocations of \$7.0 million for the Ontario Music Fund. Total ministry revenue of \$35.7 million includes \$0.2 million in deferred revenue related to restricted Ministry funding.
- Uncommitted cash reserves at the end of 2020-21 are projected to be \$3.0 million. Ontario Creates' fiduciary practice is to ensure that the reserve fund is sufficient to cover lease, legislated and severance obligations before considering allocations for programs and services.
- Ontario Creates will utilize \$235,000 of the reserve funds in 2020-21 to continue to fund recent time-limited staff additions to the Tax Credits department.

INFORMATION TECHNOLOGY

Ontario Creates provides and supports its own information technology services, including maintenance of the internal network and servers, email service, an internal database for operational purposes, and three outward-facing databases that provide access to industry research, filming locations, and Ontario Creates' program and tax credit applications. The agency has robust security protocols in place, with a strong track record of promptly addressing any recommendations from annual security audits.

In the last three years, a number of significant IT projects and systems upgrades have been completed, including a website refresh, enhancements to the agency's Customer Relationship Management (CRM) systems, Online Application Portal (OAP), Digital Locations Library (DLL), Online Research Library (ORL), and introduction of electronic payment options. Key activities in the agency's 2020-21 Information Technology Plan include the following:

- Completion of upgrades to Ontario Creates Customer Relationship Management (CRM) systems.
- Testing and implementation phases for introduction of e-contracting options.
- Planning/requirements gathering stage for transitioning client-facing applications (OAP, DLL, ORL) to the Cloud to assist in improving security, improved access to service, and flexibility.
- Continued exploration of business intelligence (BI) software and results automation tools.
- Transitioning SharePoint to the Cloud (Office 365) as part of broader IT system modernization efforts.
- Supporting the Tax Credit team's plans to bring the risk assessment scoring function in-house and to explore secure electronic certificate options.
- Supporting the Research and Strategic Planning Group's efforts to enhance data collection around key business and creative roles among companies and productions supported by Ontario Creates.

LEVERAGING PARTNERSHIPS

Ontario Creates works with third-party public and private partners to deliver specific services and activities that support the creative media industries. These relationships allow the agency to greatly extend its impact, often without the need to tap into additional resources. Examples of such partnerships include:

- City of Toronto to operate the Toronto/Ontario Film Office in LA
- Toronto International Film Festival, Inc. for the care and maintenance of the Province's film collection at the Film Reference Library.

- Federal and provincial and industry partners to promote Ontario's creative media industries at key international markets and events (e.g. Telefilm Canada, Canadian Independent Music Association), and a pilot program to offer expanded support for Film Fund Development with Telefilm Canada.
- Women in Film and Television-Toronto, Hand Eye Society and Interactive Ontario for delivery of the IDM Fund Futures program.
- Department of Canadian Heritage for delivery of the Culture Statistics Strategy which provides access to timely data on Ontario's creative industry sectors.

In 2020-21, Ontario Creates plans to pursue new cross-Ministerial opportunities, including seeking to work more actively with the Ministry of Education, the Ministry of Labour, Training and Skills Development, and the Ministry of Economic Development, Job Creation and Trade. In addition to pursuing sponsorships where appropriate, the agency will also continue to seek out opportunities to maximize the province's investment by deepening relationships and evaluating additional partnership opportunities.

IMPLEMENTATION PLAN

Ontario Creates has made significant progress against many initiatives outlined in the Strategic Plan. Key accomplishments include:

- Adapting program guidelines to include a bonus score for diversity across all selective funding programs;
- Delivering high-impact promotion opportunities;
- Formalizing a cross-sector Industry Advisory Committee meeting;
- Assigning a Tax Credits team lead dedicated to process improvements; and
- Providing electronic direct deposit payments to grant recipients, vendors, staff and Board, and giving tax credits applicants an e-payment option for admin fees.

Activities to be carried out in 2020-21 include:

- Supporting MHSTCI Review of Cultural Media Tax Credits;
- Articulating tax credit modernization proposal options;
- Launching redesigned Ontario Music Fund;
- Providing leadership with regard to film and television workforce development and sustainable production strategies;
- Ongoing program evaluation, with a focus on the IDM Fund in 2020-21; and
- Studying options for ways Ontario Creates could facilitate access to capital for Ontario companies.

COMMUNICATIONS PLAN

Ontario Creates' communications plan and activities are designed to showcase the province's world-class content, creators and talent to local, national and international audiences while demonstrating to consumers, stakeholders and decision makers how the government's strategic investments through Ontario Creates fuel the province's creative industries, drive economic growth and job creation, and deliver a strong return-on-investment (ROI).

The agency's overarching goal is to build awareness, engagement, and investment in Ontario music, books, magazines, film, television and interactive digital media industries.

Ontario Creates' objective is to demonstrate that Ontario offers a business-friendly environment where companies can thrive, good jobs can grow, and great content gets made. By communicating news and information about Ontario success stories - job creation, international export, flourishing partnerships and industry prosperity and growth, the agency will support the government's message that Ontario is Open For Business and will demonstrate that Ontario Creates' investments are delivering value for money.

As such, our strategic objectives are to:

- Communicate the success and prosperity which spring from Ontario Creates' six creative industries;

- Excite youth and the public at large about the job creation and economic opportunities generated by Ontario's screen-based, publishing and music industries;
- Demonstrate the economic impact of Ontario Creates' investments, programs, and activities, including high-value job creation from all sectors;
- Position Ontario Creates as an investor, partner and catalyst for innovation and growth;
- Elevate local, national and international perception of Ontario's creative industries, companies and content;
- Position Ontario as a preferred filmmaking jurisdiction with deep capacity, talent, and both urban and rural hubs;
- Show Ontario as an industry leader in sustainable production practices with a strong and viable strategy for the screen-based industries;
- Reinforce messaging about Return on Investment (ROI) from investments in the creative industries;
- Advance the conversation about the importance and economic benefits of diversity and inclusion in the creative industries;
- Generate awareness and pride among Ontarians about made-in-Ontario creative content that is representative of the cultural and ethnic diversity of the province;
- Reassure potential investors and producers that Ontario has the capacity to meet growing industry demands; highlight new infrastructure developments and a corresponding workforce development strategy.
- Showcase Ontario talent and content, emphasizing cross-sector successes and the province's diverse talent pool;
- Support the Ministry's efforts to communicate the collective impact of heritage, sport, tourism and culture industries.

CONCLUSION

This Plan contains a slate of programs and services that represent a total operating budget of \$41.7 million in fiscal 2020-21. This represents a budget with no increase in either financial or human resources. Continued investment in Ontario Creates has allowed the agency to create jobs for Ontarians across the province working in the creative industries as well as indirectly in several other related industries. Specifically, this investment has enabled Ontario Creates to:

- support the development and distribution of content;
- to expand export activity;
- to ensure that Ontario companies and products feature prominently in international markets; and
- to establish new programs to encourage partnerships, collaboration, and innovation across sectors, and across borders.

Supporting high potential emerging and established companies as they develop new business models, has in turn allowed companies to mitigate risks, increase capacity and achieve success that would not have been possible without Ontario Creates support. These investments will anchor and grow Ontario's creative industries, comprised mostly of small to medium-sized enterprises, creating good jobs and opportunities for Ontarians. Further, continued support to Ontario Creates will ensure that the Province maintains a competitive advantage and that it remains open for business and is well-positioned to be a global leader, providing innovative and effective support to a growing world-class Entertainment and Creative Cluster, which will anchor future economic and job growth in Ontario.

II. MANDATE

The Ontario Media Development Corporation (operating as Ontario Creates) is an operational service agency of the Ontario Government. Ontario Media Development Corporation was established on December 19, 2000 by Regulation 672/00 under subsection 32(5) of the Development Corporations Act. (Regulation 672/00 amended and replaced Regulation 270 which established the Ontario Film Development Corporation in 1986).

CORPORATE OBJECTS

As described in the Regulation, the objects of the Corporation are to stimulate employment and investment in Ontario:

- a) by contributing to the continued expansion of a business environment in Ontario that is advantageous to the growth of the cultural media industry and to the growth of new employment, investment and production opportunities in Ontario;
- b) by facilitating and supporting innovation, invention and excellence in Ontario's cultural media industry by stimulating creative production, format innovation and new models of collaboration among sectors of the cultural media industry;
- c) by fostering and facilitating co-operation among entities within the cultural media industry and between the public and private sectors to stimulate synergies in product development and the creation of products with original Canadian content;
- d) by assisting in the promotion and marketing of Ontario's cultural media industry as a world-class leader;
- e) by administering provincial tax credit programs and such other programs and initiatives as may be required by legislation or a Minister of the Government of Ontario; and
- f) by acting as a catalyst for information, research and technological development in the cultural media industry provincially, nationally and internationally.

MANDATE REVIEW

The Ministry of Tourism, Culture and Sport (now Ministry of Heritage, Sport, Tourism and Culture Industries) reviewed the agency's mandate in 2015-16. The results of the review were reported to Treasury Board and approved by Cabinet in the summer of 2016. Although Ontario Creates is not privy to the report, the agency has been advised by the ministry that the review found that the agency continues to deliver on its mandate to stimulate employment and investment in Ontario.

An Agency Task Force began reviewing all provincial agencies in 2018 and completed its work by September 2019. The agency's mandate letter, received in December 2019, indicates that the ministry has received the Task Force's recommendations and will be communicating directions to Ontario Creates.

VISION AND MISSION

Ontario Creates launched a new strategic plan in 2017. The plan provides a vision for the province's creative industries and an updated mission that articulates how the agency will contribute to fulfilling this vision.

Vision: An Ontario where our creative industries are globally leading and competitive; celebrate Ontario's cultural vitality; and drive economic growth and development in the province.

Mission: To be a catalyst for economic development in Ontario's creative industries through investment, promotion, and facilitation of innovation and collaboration, both domestically and internationally.

GOVERNANCE AND MINISTRY RELATIONSHIPS

Ontario Creates is accountable to MHSTCI for the fulfillment of its mandate. The agency's mandate directly aligns with the ministry's vision to create a strong and stable culture sector and prosperous creative economy by helping Ontario's content producers to develop globally competitive media content that creates jobs in Ontario's knowledge economy. As the key delivery mechanism for providing programs and activities to the province's creative media industries, Ontario Creates supports the ministry's goal of encouraging expansion of Ontario's creative industries, stimulating job creation, economic growth, and innovation.

Ontario also maintains working relationships with the Ministry of Finance (MoF) and the Ministry of Economic Development, Job Creation and Trade in the delivery of programs and maintenance of stakeholder relationships. The agency is actively engaged in strengthening partnerships with other ministries as appropriate in order to best leverage opportunities for stakeholders and access resources that assist in fulfilling its mandate.

BOARD OF DIRECTORS

The Corporation is governed by a Board of Directors, consisting of not more than 17 members appointed by the Lieutenant Governor-in-Council (LGIC). The Board Chair and Vice-Chair are designated by the LGIC from among the appointed members. The Board of Directors meets regularly, typically six times a year. The Board also has four Standing Committees (Governance, Audit, Strategic Planning, and Communications). Ontario Creates currently has 11 Board members. Note: A Vice-Chair has not yet been designated:

Diana Arajs	Nyla Innuksuk
John Barrack	Lisa Lyons Johnston
Aaron Campbell (Chair)	Iain Klugman
Adam Caplan	Edith Myers
Michael Ceci	Kiu Rezvanifar
Ron Hay	

PRESIDENT AND CHIEF EXECUTIVE OFFICER AND STAFF

The President and Chief Executive Officer (CEO) reports jointly to the Board of Directors and the Deputy Minister of Heritage, Sport, Tourism and Culture Industries. The CEO is responsible for the management of the agency's programs and staff. Staff are hired under Ontario's *Public Service of Ontario Act, 2006*. The current full-time staff complement is 78.

ANNUAL REPORT, AUDIT, AND INVESTMENTS

Ontario Creates is required to deliver to the Minister an annual report on its affairs, including audited financial statements signed by the Chair of the Board of Directors and one other Director, and such other materials as the Minister may request. The audit is conducted annually by the Office of the Auditor General of Ontario.

Paragraph 8(3)(e) of the agency's enacting regulation restricts the investments available to Ontario Creates. Within these parameters, the agency's investment strategy is developed in consultation with the Audit Committee of the Board and is approved by the Board of Directors. Ontario Creates currently invests its funds in bankers' acceptances and bearer deposit notes of Schedule I or II banks at prevailing rates for periods as determined under the general direction of the Audit Committee.

ACCESSIBILITY AND DIVERSITY

Ontario Creates actively supports all Ontario Accessibility legislation and directives including the Accessibility for Ontarians with Disabilities Act (AODA). The agency's policies and multi-year accessibility plan are posted on the corporate website. As part of its Employee Engagement Committee activities, and in line with Strategic Plan commitments, the agency has developed a Diversity action plan. Ontario Creates is committed to integrating diversity into all programs, policies, and services and to continuing to extend its services and programs to ethno-cultural and other diverse groups. Proactive outreach to ensure that the agency's services are communicated and accessible to individuals and companies across Ontario will continue.

RESPECTFUL WORKPLACES

In 2018, in consultation with other funding agencies and industry trade organizations across Canada, Ontario Creates updated program guidelines to require that all program applicant organizations sign an affidavit to confirm that their organization has in place both guiding principles and a process for maintaining a respectful workplace. Ontario Creates expects that all funding recipients maintain the principles of a respectful workplace including taking every reasonable step to:

- Cultivate and sustain a respectful, positive, inclusive and supportive work culture;
- Provide a safe mechanism for staff to report incidents or allegations of inappropriate behavior; and
- Take action to prevent, identify and eliminate workplace harassment and discrimination in a timely manner.

As an organization, Ontario Creates holds itself and its employees to this same standard.

ACCOUNTABILITY

Ontario Creates' relationship and obligations to the ministry are laid out in a Memorandum of Understanding (MOU). The MOU is an internal document that is reviewed every five years and when there is a change of Minister or agency Chair. The MOU, as well as the agency's business plans and annual reports are posted on the corporate website as part of Ontario's Open Government initiative. In addition to these documents, Ontario Creates also posts the travel, meal and hospitality expenses of its Board of Directors (appointees), President and CEO, and staff at the Senior Management Group level 3 and above. Expenses are posted on the corporate website on a quarterly basis following appropriate approvals and reimbursement. Under the Open Data Directive an inventory of the agency's datasets has been posted on the website. The agency continues to proactively release datasets in a machine readable format as per Ontario's Open Data directive. Ontario Creates complies with the *Occupational Health and Safety Act*, including maintaining a Joint Health & Safety Committee of staff and management.

AGENCY MANDATE LETTER

The agency's response to its 2020-21 mandate letter from the ministry is detailed in Section XV of this Business Plan. Ontario Creates will support the government's priorities by continuing to promote economic development, investment and jobs in Ontario's vibrant cultural media industry, and will work with the ministry, as directed in the 2019 Ontario Budget, to support initiatives to modernize the Ontario Music Fund and enhance the tax credit certification process. The agency will continue to maintain the highest levels of accountability and transparency.

III. ENVIRONMENTAL SCAN

THE CREATIVE INDUSTRIES IN ONTARIO

Ontario's culture sector generates \$25.0 billion annually, accounting for approximately 3.3% of Ontario's GDP. This is the highest level of culture GDP, both overall, and on a per capita basis, among all Canadian jurisdictions. The culture cluster includes the Entertainment and Creative Cluster (ECC), alongside other disciplines such as heritage & libraries, natural heritage, visual and applied arts, and more. In Ontario alone, the culture sector is responsible for generating more than 286,000 jobs, which represents 3.9% of total jobs in Ontario.⁵

The Entertainment and Creative Cluster (ECC) comprises individuals or companies whose primary occupation is the creation, production and monetization of creative content.⁶ Data from the most recent Ministry of Finance analysis showed this cluster has been a key driver of economic growth for Ontario, outpacing overall provincial growth during the period of 2005-2011.⁷ In the near-term future, PwC anticipates that Canada's entertainment and media industries will see steady growth at a compound annual growth rate (CAGR) of 3.7%, from 2019 through 2023, from US \$50 billion to US \$58 billion, a rate that is on par with the CAGR for all of North America.⁸

Ontario is home to Canada's largest creative industry sectors, including book publishing, film and television, interactive digital media, magazine media, and music. These industries help to make Ontario a better place to live, work, and invest. The most recent data from Statistics Canada shows that the six sectors supported by Ontario Creates contributed almost 65,000 Canadian jobs and more than \$6 billion to Ontario's GDP in 2017.⁹ For context, that's larger than the air transportation industry, or the forestry and logging sectors.

The six sectors supported by Ontario Creates are national leaders in job creation and GDP contribution:

BOOK

- According to Statistics Canada, the Ontario book publishing industry reported \$1.1 billion in operating revenues in 2016, with an operating profit margin of 11%. At 67%, Ontario's book publishers had the largest share of national revenues.¹⁰ The Ontario book publishing sector contributed \$523 million to Ontario's GDP and employed more than 6,000 people in 2017.¹¹
- In 2017, Canadian international book exports were estimated at \$395.3 million, \$333.6 million of which went to the United States.¹² Ontario generated more than half of the national figure, at \$218.5 million worth of exports in 2017. According to the last recorded data in 2015, Ontario exported a further \$247.7 million worth of books to other provinces. B.C., Alberta and Quebec are the primary importers of Ontario books.¹³
- Canadian-owned publishers are responsible for 80% of the new books written by Canadian authors each year, according to the Association of Canadian Publishers. A study released by BookNet Canada demonstrates the

⁵ Statistics Canada, "Provincial and Territorial Culture Indicators, 2017," April 25, 2019.

⁶ Ontario Ministry of Tourism and Culture, *Ontario's Entertainment & Creative Cluster: A Framework for Growth*, p.3

⁷ Ontario Ministry of Finance (MoF), *Entertainment and Creative Cluster Statistics*, 2013

⁸ PwC, *Global Entertainment & Media Outlook, 2019-2023*, June 2019.

⁹ Statistics Canada, *Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000)*, released April 25, 2019. (accessed: July 31, 2019).

¹⁰ Statistics Canada, *Table 361-0088 - Book publishers, summary statistics, every 2 years, CANSIM (database)*. (accessed: October 16, 2018).

¹¹ Statistics Canada, *Table 12-10-0117-01 International trade of culture and sport products, by domain and sub-domain, and trading partner (x 1,000,000)* (accessed: September 27, 2019).

¹² Statistics Canada, *Table 12-10-0117-01 International trade of culture and sport products, by domain and sub-domain, and trading partner (x 1,000,000)* (accessed: September 27, 2019).

¹³ Statistics Canada, *Table 12-10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000)* (accessed: September 27, 2019).

vast majority of Canadian book buyers are interested in reading books by Canadian authors (84%)—this is up from 75% in 2012.¹⁴

- Audiobook listening has risen substantially in recent years. In 2018 35% of book buyers indicated that they listened to audiobooks, an increase from 11% of book buyers just two years earlier.¹⁵

FILM AND TELEVISION

- Ontario is one of the largest film and television production centres in North America, with the economic contribution of film and television productions supported by the Province of Ontario valued at approximately \$1.9 billion in 2018.¹⁶
- According to Canadian Media Producers Association (CMPA)'s latest economic report on the screen-based media industry in Canada, in 2017-18, the production industry generated 179,000 full time equivalent jobs (FTEs), including direct (i.e. cast and crew) and spin-off impacts. This was up 3.9% from 2016-17. The full screen sector value chain (including production, distribution, film festivals, and broadcasting) generated \$24.2 billion in GDP for the Canadian economy, including \$11.1 billion directly within the value chain and an additional \$13.1 billion in other industries within the Canadian economy.¹⁷ In 2018, the film and television industry supported by the Province of Ontario generated approximately 37,000 full-time direct and spin-off jobs.¹⁸
- In 2018, film and television production in Ontario increased 18.6% (over 2017), contributing \$1.9 billion to Ontario's economy; the number of jobs increased by 4,300 over the previous year. 2018 production figures show a healthy balance between domestic and foreign production, with \$1,043.2 million in foreign production and \$847.2 million in domestic production.¹⁹
- Subscription rates to traditional cable packages decreased between 2013 and 2017, from 81.5% to 72% of Canadians, while over the same period, home internet access rates grew from 83.9% to 89.0%.²⁰ Canadians view an average of 2 hours 23 minutes of linear TV daily, as of Q2 2019, tied with the Netherlands in 10th place among the largest linear TV markets worldwide based on daily consumption. The average varies significantly by age group, from a low of 1.6 hours among Francophone Canadians aged 16-24, to a high of 3.14 hours on average among Anglophone 55-64 year-olds.²¹
- Canada comes in 13th among the top markets for over-the-top television services based on average daily consumption at 1.18 hours as of Q2 2019. The average ranges from a low of 0.36 hours among Francophone 55-64-year-olds, to a high of 1.86 hours among Anglophone 16-24-year-olds.²²
- In 2017, Ontario made up 32.9% of Canada's \$8.3 billion in film, television and video production revenue; 31.2% of the \$1.4 billion in post-production revenue; and 90.0% of the \$2.3 billion in distribution revenue.²³

INTERACTIVE DIGITAL MEDIA (IDM)

- IDM in Canada is a growth industry that is quickly changing, driven by shifts in consumer behaviour and technology. The broader IDM sector includes companies that produce interactive content as well as firms that

¹⁴ BookNet Canada, *Canadians Reading Canadians 2017*, July 2017.

¹⁵ BookNet Canada, "Meet the Canadian book buyer," Booknetcanada.ca, June 12, 2019.

¹⁶ Ontario Creates, 2018 Production Statistics, 2019. Data represents expenditures of all productions using Ontario Creates-administered incentives and services. Data does not include television commercials, corporate videos, music videos, or broadcaster in-house production.

¹⁷ CMPA, *Profile 2018*, pp. 11, 16.

¹⁸ Ontario Creates, 2018 Production Statistics.

¹⁹ *ibid.*

²⁰ CRTC, *Communications Monitoring Report 2019*, p. 11.

²¹ CMF, "The State of Linear Television in Canada," CMF Trends, April 5, 2019.

²² CMF, "A Look at Over-the-Top Television Services in Canada," CMF Trends, May 1, 2019.

²³ Statistics Canada, *The Daily – Film and video distribution*, 2017, April 26, 2019.; Statistics Canada, *Film, television and video post-production*, 2017, April 26, 2019; Statistics Canada, *The Daily – Film, television and video production*, 2017, April 26, 2019.

provide various types of products and services to enable the production of interactive content. Core IDM content includes but is not limited to video games, cross-platform entertainment, virtual and augmented reality content, web series, e-learning, and training products. In 2017, Ontario's interactive media industry contributed over \$3 billion to Ontario's GDP and employed over 22,000 people.²⁴

- The Ontario IDM industry generated \$1.66 billion in revenue in 2017 with a profit margin of 15.7%. The majority (over 90%) of this revenue comes from export. The largest markets are the United States and Continental Europe, with 37% and 34% respectively.²⁵
- A 2017 report by the Entertainment Software Association of Canada (ESAC) estimates that Canada's video game industry employs 21,700 FTEs directly, as well as generating an additional 19,000 FTEs in the wider economy. The national video game industry spent \$2.6 billion in 2017, an increase of 8% from 2015. As of 2017, the average annual salary of a Canadian video game worker was \$77,300, up 8% from 2015. As measured by number of employees, Ontario's video game industry is the third largest in the country after Quebec and British Columbia, with 171 firms directly employing 3,800 people.²⁶ Ontario video game industry expenditures nearly doubled, from \$265 million in 2015 to \$522 million in 2017.²⁷
- An emerging segment of the IDM economy is esports, and millennials are just as likely to express a "significant preference" for esports compared to traditional sports.²⁸ According to Solutions Research Group, 16% of Canadians online 12 years and older engage in esports activities, making Canadians enthusiastic players.²⁹ In Ontario, esports leagues are responding to rapid growth by facilitating organized, social, and competitive esports tournaments and events.

MAGAZINE

- Ontario's magazine industry generated \$801.1 million in operating revenue in 2017, which accounted for 61.3% of national operating revenues. Revenues declined 14.6% from 2015, lower than the national average of 17.8%. Operating expenses were valued at \$705.4 million, bringing the operating profit margin to 12.0%, which is over the national average but below 2015's profit margin of 15.7%.³⁰ Ontario-based periodical publishers pay \$264 million a year in salaries and benefits.³¹ Ontario's periodical publishing sector contributed nearly \$473 million to Ontario's GDP and employed over 5,500 people in 2017.³²
- In 2017, Canadian international periodical exports were valued at \$80.8 million, with the United States the primary market (\$56.9 million). The European Union was also a significant market, with exports valued at \$6.6 million in 2017. Ontario was responsible for \$35.8 million in international exports. In 2015, \$101.1 million in periodicals were exported interprovincially, more than half to Quebec.³³

²⁴ Statistics Canada, Provincial and Territorial Cultural Indicators, 2010 to 2016, February 27, 2018.

²⁵ Interactive Ontario, *Measuring Success: The Impact of the Interactive Digital Media Sector in Ontario – 2nd Edition*, May 2019, p. 3.

²⁶ Entertainment Software Association of Canada (ESAC), *Canada's Video game Industry in 2017*, September 2017, p. 11.

²⁷ Ibid, p. 27.

²⁸ L.E.K. Sports Survey data cited in Meeker, p. 140.

²⁹ Solutions Research Group Consultants Inc., "Millennials Driving eSports Popularity," June 13, 2017.

³⁰ Statistics Canada. Table 361-0032 – Periodical publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: September 27, 2019). Statistics Canada includes activity from advertising periodicals, newsletter publishing and other types of periodicals.

³¹ Statistics Canada. Table 21-10-0053-01 - Periodical publishers, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: July 31, 2019).

³² Statistics Canada, Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000), released April 25, 2019 (accessed: July 31, 2019).

³³ Statistics Canada, Table 12-10-0117-01 International trade of culture and sport products, by domain and sub-domain, and trading partner (x 1,000,000) sub-domain, and trading partner (x 1,000,000) (accessed: September 27, 2019); Statistics Canada, Table 12- 10-0116-01 International and inter-provincial trade of culture and sport products, by domain and sub-domain, provinces and territories (x 1,000,000) (accessed: September 27, 2019).

- 60% of millennials are magazine readers, with 16% exclusively consuming a digital version, 37% relying exclusively on print, and almost half of all readers using both mediums.³⁴
- Breaking down total sales by activity, the greatest percentage of Canadian sales can be attributed to advertising, followed by circulation. However, advertising sales have decreased over time, from 61.8% of total sales in 2013 to 52.9% in 2017. In comparison, circulation sales have increased, from 27.9% in 2013 to 34.0% in 2017.³⁵

MUSIC

- The Ontario music industry is the largest market within Canada. Ontario generated \$432 million in record production and integrated record production and distribution revenues in 2017, representing 75% of total national industry revenues. Sound recording studios are responsible for \$64.9 million in operating revenues, with an operating profit margin of 14.4%. Music publishing revenue data is not available at the provincial level.³⁶
- Ontario's sound recording and music publishing sector generated almost 4,000 jobs in 2017, nearly half the 9,800 jobs created nationally.³⁷ These figures do not include the live music sector.³⁸
- A Music Canada study found that live music companies in Ontario generated \$628 million from live music related activities in 2013, with almost 40% of those revenues generated via ticket sales. Ontario's over 550 live music festivals sold almost 16 million tickets in 2013. The employment impact of Ontario's live music industry was measured at 7,300 direct FTEs and \$152.4 million in direct labour income in 2013. When considering direct, indirect and induced impacts, the estimates grew to a total of 10,500 FTEs resulting in \$305.5 million in labour income.³⁹
- In 2018, 91% of Canadians listened to recorded music. A significant majority of teens (93%) and millennials (91%) are streaming music online, along with 71% of all Canadian music listeners. Radio listening (both satellite and over-the-air) remains significant, playing a key role in music discovery, and over half of Canadians (58%) are attending live events (at large and small venues, and at festivals).⁴⁰
- In 2018 in Canada, there were over 59 billion audio song streams, a 47% increase from 2017. The volume of on-demand music streaming including videos also increased, by 45%. Digital consumption increased by 22%, and vinyl by 25%. Total album equivalent audio consumption (which consists of albums, track equivalent albums, and on-demand audio streaming equivalent albums) has increased by 21%.⁴¹

GDP IN ONTARIO, ONTARIO CREATES SUBSECTORS, 2013-2017 (thousands of dollars)⁴²

³⁴ Vividata, "Vividata releases its first full year of Canadian Consumers," April 14, 2016.

³⁵ Statistics Canada, Table 21-10-0053-01 – Periodical publishers, summary statistics. (Accessed August 2, 2019).

³⁶ Statistics Canada, Table 21-10-0055-01- Sound recording and music publishing, summary statistics, every 2 years (dollars unless otherwise noted), CANSIM (database). (accessed: April 1, 2019)

³⁷ Statistics Canada, Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000), released April 25, 2019. (accessed: July 31, 2019).

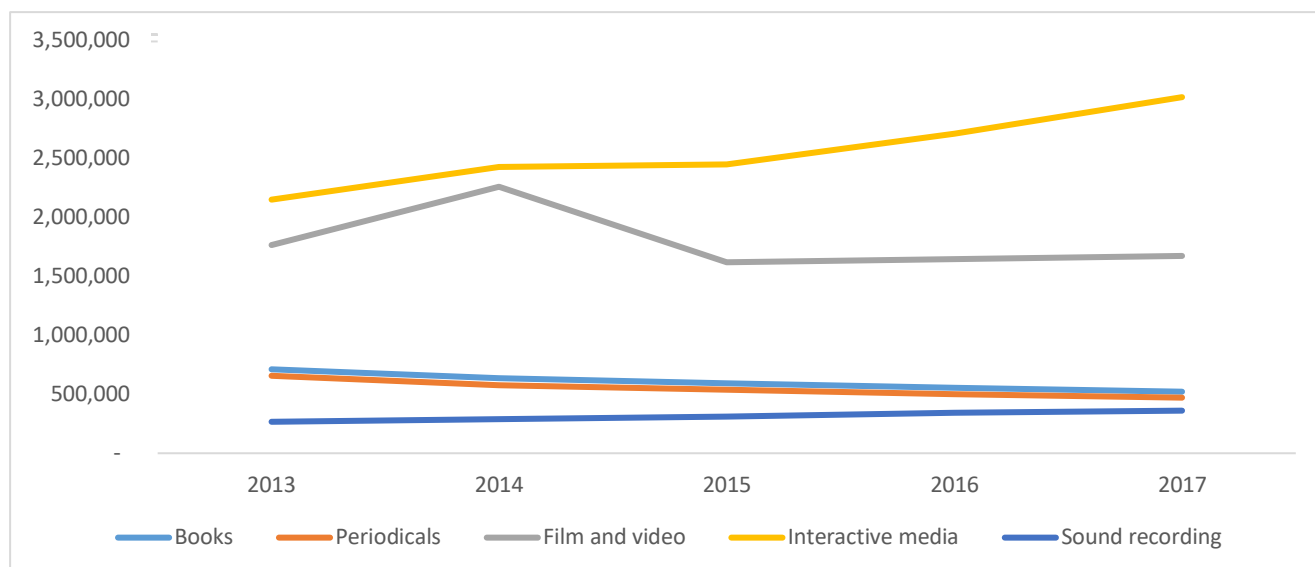
³⁸ Statistics Canada, Provincial and Territorial Cultural Indicators, 2010 to 2016, February 27, 2018.

³⁹ Music Canada, *Live Music Measures Up: An Economic Impact Analysis of Live Music in Ontario*, December 2015, p. 27.

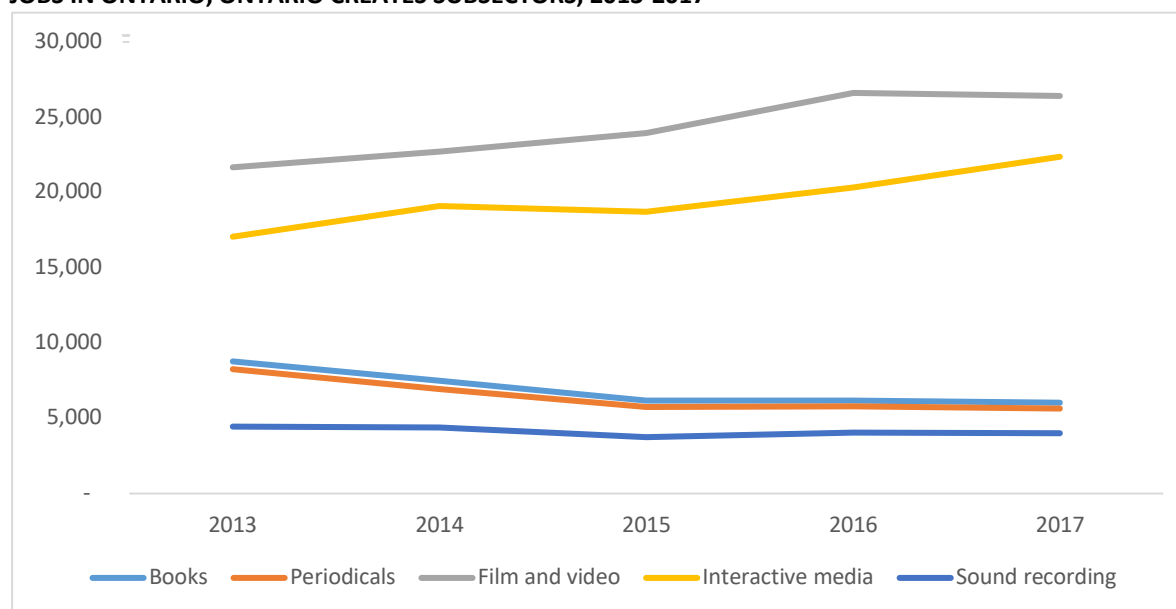
⁴⁰ Nielsen Canada, *Music Canada 360 2018 - Report Highlights*, 2019.

⁴¹ Nielsen Canada, "Total Album Equivalent Audio Consumption in Canada Increase 21% in 2018", January 8, 2019.

⁴² Statistics Canada, Table 36-10-0452-01, Culture and sport indicators by domain and sub-domain, by province and territory, product perspective (x 1,000) (accessed: October 8, 2019).



JOBS IN ONTARIO, ONTARIO CREATES SUBSECTORS, 2013-2017⁴³



GENERAL ECONOMIC ENVIRONMENT

Economic indicators are predicting slow growth for Ontario over the next two years amid global uncertainty:

- Real gross domestic production (GDP) is slow but still increasing (up 0.1% in Q1 2019). Growth was led by consumer spending and business investment in machinery and equipment, while other indicators such as international net trade and residential construction investment trended downward. Growth matched the national average while lagging behind Quebec and the U.S.⁴⁴
- Exports increased a modest 0.4%, as both international (+0.5%) and interprovincial (+0.1%) exports advanced somewhat. Imports increased 1.2%, following a 0.3% increase in the fourth quarter.⁴⁵ Businesses continue to be optimistic about demand, particularly domestic demand, and most are expecting sales volume to increase including modest pick-up in export sales growth over the next 12 months.⁴⁶
- The Canadian dollar is expected to hover in the \$0.74 – \$0.77 US range through the next year, which is favourable for foreign investment.⁴⁷
- Private sector forecasters revised projections for Ontario's real GDP growth for 2019 downward in July 2019 to 1.5%, compared to 1.8% in March 2019. Outlook for 2020 remains unchanged at 1.7%.⁴⁸ TD is forecasting real GDP growth of 1.7% and nominal GDP growth of 3.7% in 2021.⁴⁹
- Between August 2018 and August 2019, employment in Ontario increased by 249,700 jobs. From Q2 2018 to Q2 of 2019, full-time employment was up 2.1% and part-time up 5.9%.⁵⁰

⁴³ Ibid.

⁴⁴ Ontario Ministry of Finance, *Ontario Economic Accounts: First Quarter 2019*, pp. 1, 6.

⁴⁵ Ibid, p. 2.

⁴⁶ Bank of Canada, Business Outlook Survey—Summer 2019. <https://www.bankofcanada.ca/2019/06/business-outlook-survey-summer-2019/> (Accessed October 9 2019).

⁴⁷ National Bank of Canada. Forex Economics and Strategy October 2019. <https://www.nbc.ca/content/dam/bnc/en/rates-and-analysis/economic-analysis/forex.pdf> (Accessed October 9 2019).

⁴⁸ Ontario Ministry of Finance, *2019-20 First Quarter Finances*, August 2019, p. 7.

⁴⁹ "Provincial Economic Forecast: External Backdrop Drives More Cautious 2020 View," September 19, 2019. Economics.Td.Com. <https://economics.td.com/provincial-economic-forecast>.

⁵⁰ News Release, "Government's "Open for Jobs" Plan Working," September 6, 2019.

- Ontario's jobless rate fell to 5.2% in May 2019, the lowest since March 1990.⁵¹
- There are some risks that could undermine growth - there is heightened uncertainty around global trade, with negative impacts on exports, confidence and business investment. Trade uncertainty and geopolitical tensions have led to higher volatility in financial markets. Elevated household debt levels risk impacting housing market and consumer spending activity.⁵²
- A new trade agreement between Canada, the US and Mexico (known as CUSMA) was negotiated in November 2018, but awaits ratification. In its current form, the agreement largely preserves tariff free market access and maintains the cultural exemptions embedded in the original NAFTA agreement.⁵³

CREATIVE INDUSTRIES: GROWTH FORECAST

- PwC anticipates that spending on entertainment and media in Canada will grow an average of 3.7% compounded annually from 2019-2023 with Canadians spending approximately US\$54 billion annually on entertainment and media products. Growth in Canada is on par with anticipated North American CAGR of 3.7%, with the North American market forecast to be worth US\$883 billion annually by 2023.⁵⁴
- The fastest growth in spending globally is for virtual reality (2% CAGR) though it has slowed significantly from last year, and over-the-top (OTT) video (13% CAGR). Esports as a segment of games is growing at an 18% CAGR but remains a comparatively tiny market.⁵⁵
- PwC forecasts that in Canada, the fastest growing segments will be OTT video (10.7% CAGR) and video games and esports (5.5% CAGR). Data is unavailable for virtual reality in Canada.⁵⁶
- Segments with the most annual global spend are traditional TV and home video (US\$244 billion), video games and esports (US\$162 billion), and books (US\$130 billion).⁵⁷
- In Canada, the segments with the largest spend are traditional TV and home video (at US\$7.5 billion by 2023 – However growth in this segment has been declining slightly since 2012 as viewership moves to online platforms and PwC forecasts -1.1% CAGR through to 2023); video games and esports (\$US2.8 billion); OTT video (US\$2.7 billion); and books (US\$2.0 billion).⁵⁸
- Canadians' spend on internet access far outpaces spend on all other entertainment and media related productions. PwC forecasts that Canadians will be spending US\$21.8 billion a year on internet access by 2023, while global spend will reach US\$871 billion.⁵⁹

CREATIVE INDUSTRIES: CHALLENGES AND OPPORTUNITIES

- Growth Drivers: Ontario Creates stakeholders identified business development opportunities and access to capital as the most important drivers for the growth of their businesses. Transition to non-linear value chains

⁵¹ Ontario Ministry of Finance, *2019-20 First Quarter Finances*, August 2019, p. 2.

⁵² Ontario Ministry of Finance, *Ontario Economic Accounts: First Quarter 2019*, p. 1.

⁵³ Global Affairs Canada, "Summary Background: United States-Mexico-Canada Agreement (USMCA)". Accessed October 9, 2019. <http://international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/usmca-aeumc/summary-sommaire.aspx?lang=eng>.

⁵⁴ PwC, *Global Entertainment and Media Outlook 2019-2023*, June 2019.

⁵⁵ Ibid.

⁵⁶ Ibid.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Ibid.

was the least important. Many companies reinforced the importance of having access to funding, but also focused on a need for tax credits, international collaboration and networking.⁶⁰

- Success Drivers: New revenue streams, digital platforms, and social media marketing opportunities are seen as the most important drivers for success. Feedback also touched on the importance of developing and nurturing talent, promoting Canadian content, and having improved access to information.⁶¹
- As both technology and business models evolve at an increasingly rapid pace, there is an acute need for skilled workers to drive innovation and leverage new and emerging digital technologies effectively.⁶²
- Discoverability of Canadian content continues to be of concern to stakeholders. As advertising revenues have increasingly shifted to new players including digital platforms and service providers, there is increased interest in foreign platforms contributing to the Canadian content system and a desire for more transparency regarding data gathered by the platforms.⁶³
- Recent private sector investments into Ontario's studio infrastructure will help alleviate the shortage of studio space currently facing Ontario. These spaces include Markham Movieland, a 400,000 square foot studio by First Studio City⁶⁴ and a 260,000 square-foot production studio in Mississauga for CBS Television Studios.⁶⁵ In addition, Pinewood Toronto Studios has announced plans to add an additional 96,000 square feet of space by the end of 2019.⁶⁶ These developments will increase Ontario's capacity for local and international production, strengthening Ontario's competitive position as a leading global market for film and television production.
- New studio developments across the GTA are resulting in workforce shortages, which are particularly being felt by domestic companies. The high number of television series shooting in Ontario is having an impact of "holding talent" who are unavailable for feature film projects due to long-term commitments to episodic television productions. Ontario Creates is part of a Workforce Development Group with representatives of unions and industry associations looking into ways of improving the situation.
- The federal review of the *Copyright Act* is complete and awaiting a Government response. The Broadcasting and Telecommunications Act legislative review should be completed by January 2020. It's a time of uncertainty as stakeholders wait to see how cultural policies may shift in response to these reviews.

DIVERSITY AND INCLUSIVITY

- Diversity and representativeness continue to be high-profile issues for the creative industries and organizations that support them. A growing body of economic literature demonstrates a significant connection between the profitability of a firm and the diversity of their leadership.
- There is a strong appetite among younger consumers for diverse and original content. A forthcoming study by VICE in partnership with Ontario Creates found that Gen Z (those currently aged 14-22) valued exposure to different viewpoints, and that as many as 1 in 2 from that generation believe the content industry has not yet caught up with the audience in terms of diverse representation.⁶⁷

⁶⁰ Ontario Media Development Corporation Client Satisfaction Survey, 2018.

⁶¹ Ibid.

⁶² "The Great Canadian Skills Mismatch", Miner Management Consultants, 2014.

⁶³ Broadcasting and Telecommunications Legislative Review Panel, *What We Heard Report*, June 2019.

⁶⁴ "Markham To Be Home To \$100M Film Studio - Constructconnect.Com - Daily Commercial News". 2018. Daily Commercial News. <https://canada.constructconnect.com/dcn/news/projects/2018/09/markham-home-100m-film-studio>.

⁶⁵ Wong, Tony. 2018. "Why CBS Set Its Sights On Toronto Area For New TV Production Hub". Toronto Star, 2018.

<https://www.thestar.com/business/2018/09/26/cbs-plans-production-hub-in-canada-to-satisfy-demands-of-peak-tv.html>.

⁶⁶ Vlessing, Etan. 2018. "Pinewood Toronto to Double Production Space as Hollywood Takes City to Full Capacity". The Hollywood Reporter. <https://www.hollywoodreporter.com/news/pinewood-toronto-double-production-space-as-hollywood-takes-city-full-capacity-1066693>.

⁶⁷ VICE and Ontario Creates, *GenZ: The Culture of Content Consumption*, November 2019.

- A study by McKinsey and Company revealed that the companies with the highest gender diversity on their executive teams are 21% more likely to have above-average profitability than companies with the lowest diversity.⁶⁸
- A recent report by Women In Music summarizes the ways diversity helps companies improve profitability: diversity improves the quality of decision making by reducing bias and groupthink; it increases innovation by bringing difference experiences, perspectives, and approaches to solving complex problems; and, more diverse organizations attract top talent.⁶⁹
- A study by Women in View reveals that of funded projects, women's representation in writing, directing and cinematography roles increased from 11% to 28% in the television sector from 2014 to 2017. In the film sector, the number of women in key creative film production contracts grew from 20.6% in 2015 to 24.9% in 2017.⁷⁰
- A recent report by Interactive Ontario shows that the interactive digital media workforce lacks gender balance, with male employees accounting for over 70% of the workforce.⁷¹
- A report by the Institute for Competitiveness and Prosperity recommends promoting gender equality and women's complete participation within companies, encouraging firms to participate in a gender equity certification program and raising awareness about Indigenous issues by achieving CCAB certification through Canadian Council on Aboriginal Business. This report also recommends having a strong accountability measure to ensure gender diversity and inclusion and creating advisory councils to support the organization in being diverse and inclusive.⁷²
- Supporting content that is made by, and that reflects, the people of this province makes good economic sense. To that end, Ontario Creates will continue to encourage applications featuring diverse teams and content.

CROSS-JURISDICTIONAL SCAN

Ontario works to maintain a competitive suite of tax credits and funding programs in order to encourage revenue and job growth in the creative industries. The creative industries are highly mobile and other jurisdictions in Canada and around the world are innovating the supports they offer in order to draw production and create jobs in today's knowledge economy.

DEVELOPMENTS IN OTHER PROVINCES AND COMPETING JURISDICTIONS

Many jurisdictions recognize the value of making investments to spur economic activity in the creative industries, and support innovative programs to attract businesses and encourage job creation in the sectors, including by enacting a number of modernization changes recently:

- In October 2019, Creative Saskatchewan launched a Digital Game & Gamified E-Learning Equity Fund which provides access to an investment of up to half of project development and production costs, up to \$100,000.⁷³ Saskatchewan's Film and TV grant programs include a Slate Development Stream available to experienced producers, which supports the development of between two and five film or television projects, and helps to leverage financing from other funders as well as private sector investment.⁷⁴

⁶⁸ Vivian Hunt, Sara Prince, Sundiatu Dixon-Fyle, Lareina Yee (McKinsey&Co.), "Delivering Through Diversity", January 2018.

⁶⁹ PwC for Women in Music Canada, *Empowering Diversity: A Study Connecting Women in Leadership to Company Performance in the Canadian Music Industry*. October 2018, p. 5.

⁷⁰ Women in View, *Women in View On Screen 2019*, 2019.

⁷¹ Interactive Ontario, *Measuring Success: The Impact of Interactive Digital Media in Ontario*, 2nd edition, May 2019, p.19.

⁷² The Institute for Competitiveness & Prosperity, *Gender Equality, Diversity and Inclusion in Innovation: Roundtable Summary Report*, March 2019, pp. 11-14.

⁷³ Creative Saskatchewan, "Digital Game Equity Fund Now Open," News Release, October 8, 2019.

⁷⁴ Creative Saskatchewan, FY 2018/19 Guidelines, Effective April 1 2018. Retrieved from www.creativesask.ca.

- In 2018, **Quebec** announced a policy change to the domestic film and TV credit to allow for online-only productions, and the same year several changes were announced to the province's Film Fund programs, including measures aimed at increasing gender parity. Specialized tax credit offerings include a dubbing tax credit, a tax credit for the digital transformation of print media companies, and an existing loan guarantee program to support the development of cultural businesses recently received an increase in its loan ceiling.⁷⁵ A \$3 million subsidy for print media to offset contributions to the provincial recycling program was introduced in Budget 2019.⁷⁶
- British Columbia expanded its Film Incentive BC Tax Credit in 2018, making scriptwriting expenditures incurred prior to the final script stage of production eligible for a 35% credit.⁷⁷ The same year, the province renewed its BC Music Fund, extending its funding and rebranding the program Amplify BC.⁷⁸
- As of April 2017, Yukon made digital media productions eligible for incentives previously reserved for film including apps, games, e-books, interactive web sites and webisodes.⁷⁹
- PEI created two new incentives for the film and TV sectors in 2018: the Film Media Fund, to support domestic producers and co-productions with a rebate of up to 25% on eligible PEI costs, and Film4Ward, a training and mentorship program.⁸⁰
- Manitoba made its film and tax credit program, which had been set to expire, permanent in January 2019.⁸¹
- The Northwest Territories Film Commission has identified an opportunity to develop access to bridge financing for producers who have qualified for rebates, as a means of improving producers' cash flow.⁸²
- Several jurisdictions in **the United States** continue to offer competitive tax credit incentives, including California, New Jersey, Georgia, New York and Louisiana. Tax credit rates vary but typically range between 20-35%. Many of these programs operate with caps, unlike Ontario's tax credits, which gives Ontario a competitive advantage over many jurisdictions. Recent innovation in US tax credits includes:
 - Beginning in 2020, California's tax credit program will require that film and TV projects report on diversity statistics. Funds will be put toward a training program for individuals from underrepresented communities in below the line roles on film sets.⁸³
 - California is also going forward with a music composing incentive to encourage producers to score in California. The program is expected to have spillover benefits for other related sectors such as sound engineers and other workers in the music ecosystem.⁸⁴
- **The UK** introduced a Children's TV Tax Credit in 2015 in recognition of the challenges of creating high quality children's television in a changing ecosystem.⁸⁵

Other jurisdictions have recently changed their incentives for the sector, with consequences for the attractiveness and competitiveness of the jurisdiction to the creative industries:

- In Budget 2019, Alberta announced the elimination of its Interactive Digital Media Tax Credit, which previously provided a 25% benefit on eligible labour costs, along with an innovative component allowing companies with diverse employees to benefit from a 5% bonus. There has been significant concern about the decision, with

⁷⁵ Press Release, "La SODEC salue la nouvelle politique culturelle du Québec," SODEC, June 12, 2018; Press Release, "Nouveautés dans les programmes d'aide en cinéma de la SODEC," SODEC, April 17, 2018; *The Quebec Economic Plan: Additional Information*, March 2018, pp. A86-A93; *The Quebec Economic Plan: Culture: An Ongoing Commitment to Supporting Québec Culture*, March 2018, p. D67.

⁷⁶ Steve Faguy, "Quebec 2019-20 Budget Highlights," *Montreal Gazette*, March 21, 2019.

⁷⁷ Creative BC, "Tax Credits," "Film Incentive BC," www.creativebc.com; accessed October 16, 2018.

⁷⁸ Orton, Tyler. 2018. "B.C. Re-Tunes Music Industry Support With One-Year, \$7.5M Fund". *Business In Vancouver*. <https://biv.com/article/2018/03/bc-re-tunes-music-industry-support-one-year-75m-fund>.

⁷⁹ Press Release, "Digital media projects eligible for Government of Yukon film funding initiatives," Government of Yukon, April 24, 2017.

⁸⁰ Press Release, "Province takes 'action' to grow film industry," Government of Prince Edward Island, June 27, 2018.

⁸¹ Cameron MacLean, "Doubling film tax credit 'sign of confidence in growth, industry association says," *CBC.ca*, March 8, 2019.

⁸² Government of the Northwest Territories, *Take One: Northwest Territories Film Strategy and Action Plan*, p. 21.

⁸³ Sophia Bollag, "California lawmakers push diversity through film tax credit," *The Associated Press*, June 18, 2018.

⁸⁴ Jon Burlingame, "California Tax Credits to Benefit Scoring, Recording Musicians," *Variety*, July 5, 2018.

⁸⁵ British Film Institute, *Screen Business: How screen sector tax reliefs power economic growth across the UK--Summary Report*, October 2018.

companies reporting they will need to reconsider expansion plans, contemplate other locations, and halt recruitment initiatives.⁸⁶

- Alberta also proposed to replace its Screen-Based Production Grant with a new tax credit system from Spring 2020. The tax credit would reimburse 22% of eligible film and television production expenditures, with a cap of \$10 million per project. The capped program would inject significantly less into the system than the prior model. The announcement has sparked significant concern among industry representatives, who are preparing a formal response to the Budget, given their assessment that the decision places existing production commitments and thousands of jobs in jeopardy.⁸⁷
- In its 2015 Budget, **Nova Scotia** restructured its funding for the film and television industry by ending its tax credit program and starting a Fund. Looking back on the changes three years later, industry observers reported significant job losses and damage to the sector. The Government has since increased the size of the Fund to exceed the levels previously invested via the tax credit mechanism and has acknowledged the need to “repair relationships”.⁸⁸

LEADING PRACTICES FROM OTHER JURISDICTIONS AND OTHER CANADIAN FUNDING AGENCIES

Ontario Creates also operates in an environment with similar organizations within Canada and parallel organizations internationally. It is useful to understand trends among these agencies to identify best practices that could be emulated in order to maintain a leadership position. Several organizations have recently made updates to their programs to expand eligibility and triggers, support diverse creators and emerging industry professionals and undertake sustainability initiatives:

- In 2018-19, Telefilm Canada introduced a theatrical exhibition program to incentivize Canadian cinemas for programming Canadian film, broadened eligibility criteria for the Talent to Watch program, added a fast track stream to finance first features by directors who have been recognized with short film prizes, and are currently studying new long-term funding streams. Telefilm Canada continues to prioritize gender parity and Indigenous support initiatives.⁸⁹
- The Canada Media Fund expanded funding triggers for its Convergent program, such that all services that meet CMF’s definition of Canadian broadcaster can now trigger funding, not only CRTC-licensed broadcasters or VOD services as before. The agency also introduced the Early-Stage development program, with a writer access point and a producer access point.⁹⁰ The CMF continues to support industry business intelligence collection through data partnerships, podcasts and publishing frequent topical articles on CMFTrends.ca. The organization’s Accelerator Partnership program provides producers of digital media projects with access to mentorship, markets and capital.
- FACTOR added a new funding component for music publishers to support songwriting initiatives such as showcase attendance, co-writing projects and songwriting camps and workshops. The component provides a grant of up to \$20K to support songwriting initiatives for up to 3 songwriters per fiscal year.⁹¹
- Creative BC:
 - As of September 2019, the agency has a new PSTC Pre-certification and registration process to provide early information around upcoming production activity to support improved forecasting and service planning.⁹²

⁸⁶ KPMG, p. 6; www.alberta.ca/digital-media-tax-credit.aspx “‘I felt betrayed’: Gaming companies unsure of future in Alberta after tax credit axed”, CBC News, October 25, 2019; “B.C. gaming studio says Alberta budget throws wrench in Calgary expansion plans,” CBC News, October 28, 2019.

⁸⁷ Kelly Townsend, “Updated: Alberta industry scrambles to assess impact of 2019 budget,” Playback Online, October 25, 2019.

⁸⁸ Jean Laroche, “N.S. film tax credit gone but not forgotten,” CBC.ca, August 14, 2018; Jean Laroche, “N.S. film fund now richer than tax credit Liberals killed,” CBC.ca, November 7, 2018.

⁸⁹ Telefilm Canada, “Talent to Watch program,” Telefilm Canada, December 5, 2018.

⁹⁰ CMF, Summary of Changes 2019-20, March 2019.

⁹¹ “Songwriter Support for Music Publishers,” factor.ca, August 1, 2019.

⁹² Creativebc.com, “About the Pre-Certification Process,” Accessed November 15, 2019.

- British Columbia is a Canadian leader in supporting green production, with Creative BC having developed a Reel Green Strategic Plan for 2016/17-2021/22.
- Several Canadian agencies in other provinces are partnering with traditional broadcasters and streaming organizations to launch targeted production funds and mentorship programs:
 - CBC and the Newfoundland and Labrador Film Development Corporation have launched a micro-budget production fund (the Digital Production Program) aimed at supporting digital content from Newfoundland and Labrador creatives. Each organization is contributing \$50,000.
 - Netflix announced a partnership with three Indigenous organizations: the Indigenous Screen Office, imagineNATIVE and Wapikoni Mobile involving producers' and directors' labs and screenwriter activities, support for apprenticeships and mentorships for directors, producers, screenwriters and showrunners. Mentoring and coaching will be offered to young people in Indigenous communities across Canada.⁹³
 - Netflix has also partnered with Screen Nova Scotia on its screenwriting internship program.⁹⁴
 - Creative BC has partnerships with CBC, Bell Media, Rogers and Netflix to support content creation and screenwriting, including support for diverse creators.⁹⁵
- **Creative Scotland** announced a pilot program to provide mentorship support and match funding to projects that will raise capital through crowd-funding initiatives.⁹⁶ Creative Scotland has a Regular Funding network of 121 organizations which receive stable 3-year funding.
- Screen Australia in partnership with Google Australia's Skip Ahead initiative offers funding for scripted narrative and documentary projects developed by individual content creators with demonstrated subscriber base or significant viewership (YouTube Channels), teams of YouTube channels or partnerships involving individual content creators and established production companies.⁹⁷

ONTARIO CREATES

- Ontario Creates received an \$8 million cut to the Ontario Music Fund in 2019-20. There were also two prior successive cuts 2016 and 2017, which reduced the agency's overall budget by \$8.5 million. In order to minimize the direct industry impact of cuts, the agency contained operational costs to the maximum extent possible. As a result, agency operations are lean and efficient; however, this has left the agency with less flexibility to take advantage of emerging opportunities for job creation and economic growth or to respond to critical issues in the environment.
- The Ontario Music Fund is currently being redesigned, following an extensive consultation process consisting of roundtables and a survey which concluded in September 2019.
- Reviews of all Cultural Media Tax Credits processing as well as Film/TV Advisory Panel activities, both of which were announced in Budget 2019, will be continuing in 2020-21.
- Two three-year funding programs were scheduled to conclude in 2019-20, the Canadian Books in Ontario Schools Program (CBIOS) and the Diversity Enhancement. In 2020-21, remaining CBIOS funds will be redirected to existing support programs for the publishing industry, with a focus on creating educational materials and marketing to schools. The Diversity Enhancement will be continued for another year as a Strategic Initiative, tapping into cash reserves if required.

⁹³ Victoria Ahearn, "Netflix announces partnerships with 3 Indigenous cultural organizations in Canada," The Canadian Press, June 11, 2019.

⁹⁴ Kelly Townsend, "Screen Nova Scotia partners with Netflix on screenwriting program," *Playback*, October 2, 2019.

⁹⁵ "The Creative BC + CBC Digital Production Fund is now officially open!" www.creativebc.com, July 5, 2019; Creative BC, "Bell Media's the Harold Greenberg Fund and Creative BC Announce Selections for BC Shorts Program," August 2, 2018; Creative BC, "BC Production Sector, Netflix unveil new initiative for local screenwriters," August 3, 2018.

⁹⁶ Press Release, "Crowdfunding Creativity: Pilot scheme launches creative projects," Creative Scotland, September 19, 2018.

⁹⁷ Press Release, "Screen Australia and Google Australia announce Skip Ahead Five," October 8, 2018.

- As the size of Ontario's creative economy continues to grow, program demand continues to exceed resources, though there is some easing of tax credit application numbers:
 - The number of tax credit applications received in 2018-19 indicate that application numbers have begun to stabilize after changes to legislation and regulations caused an application spike (grandfathering, transitional grants, OI DMTC deadline, etc.). At 1,403, application numbers increased somewhat from last year (by 10%) but remain well below 2016-17 levels. The total number of products submitted for review declined by 4% (2,268 vs. 2,361).
 - In 2018-19, Ontario Creates was only able to support 62% of applications to the agency's selective funding programs (665 out of 1,072), compared to 66% of applications supported in 2017-18 (672 out of 1,015). The Agency provided only 38% of the total funding requested (approximately \$35M out of \$96M).
- Ontario Creates' uncommitted cash reserve has reduced in size. Uncommitted cash reserves have been used to help offset budget reductions and to fund a series of time-limited strategic initiatives (industry-related and operational).
- Ontario Creates is increasingly focused on fostering diverse creative industries in Ontario, recognizing that increasing diversity in both content and the talent pipeline will be a key driver in positioning Ontario's creative companies for continued economic success in the future.
- The government-wide hiring freeze and discretionary spending restrictions continue, which poses limits upon the ability of the agency to be flexible and innovative in responding to emerging industry challenges and opportunities.

IV. STRATEGIC DIRECTIONS

INTRODUCTION

Ontario Creates' strategic plan *Lead. Connect. Grow.*, is aimed at building globally leading and competitive creative industries that benefit and engage all Ontarians through high-value jobs, compelling cultural content and significant economic activity. The process for developing the plan included extensive consultation and validation with industry stakeholders and experts, government partners, and Ontario Creates' Board of Directors.

As Ontario Creates enters the fourth year of a five-year plan, the agency reviewed and confirmed the Strategic Plan remains a highly relevant framework for the work ahead.

In keeping with this strategic framework, the Ontario Creates Board has articulated a number of priorities to drive future growth and success among Ontario's creative industries: diversity, workforce development, partnership, discoverability, marketing and export. These will serve alongside the broader framework as strategic priorities for the agency in 2020-21 and beyond.

Achievements from the first three years of the Strategic Plan are summarized in the XIII. Implementation Plan section of the Business Plan, alongside a list of key priorities and tactics for 2020-21.

ONTARIO CREATES STRATEGIC FRAMEWORK



MISSION & VISION

Ontario Creates wants Ontario to be a globally leading jurisdiction, recognized for innovative local companies producing exceptional content as well as a competitive destination for investment and development.

VISION

An Ontario where our creative industries are globally leading and competitive; celebrate Ontario's cultural vitality; and drive economic growth and development in the province.

Ontario Creates' role is to work collaboratively with private and public sector partners to drive economic development, including GDP and employment in Ontario's book publishing and magazine media, film and television, music, and interactive digital media industries.

MISSION

To be a catalyst for economic development in Ontario's creative industries through investment, promotion, and facilitation of innovation and collaboration, both domestically and internationally.

VALUES

Five core values embody the attitudes and behaviours Ontario Creates promotes and encourages across the organization and that are fundamental to relationships with stakeholders and the agency's internal culture. The Ontario Creates' team demonstrates its commitment to these core values through its decisions, daily activities and interactions with partners, stakeholders, and each other.

- **Flexible:** Be open to new ideas and approaches and proactively adjust based on our environment.
- **Smart Risk-Taking:** Take risks that support our vision based on good information and learn from investments that do not meet expectations.
- **Collaborative:** Work with each other and our partners to achieve the best possible outcomes.
- **Accountable:** Deliver on our commitments, be open and transparent about our progress and hold ourselves responsible for our actions.
- **Inclusive:** Value, celebrate and support diversity.

STRATEGIC GOALS AND ENABLERS

Currently Ontario Creates is delivering a suite of programs and services including funding programs, tax credits and industry development. These programs have been impactful and will continue to remain a focus for the organization in the future. Despite this progress, there are still gaps in the industry that the agency can work to address through its strategic goals. Additionally, as Ontario Creates works to meet these strategic goals while maintaining the valuable programs and services currently delivered it will need to reinforce its strong foundation by focusing on its internal enablers.

Strategic Goal #1: Stimulate Economic Growth and Employment

Ontario Creates' focus is on stimulating economic development through the creative industries. To support the continued growth of the sector Ontario Creates needs to have an effective set of investment tools that support high potential companies to grow and compete in the global creative industry.

For Ontario Creates, this means:

- Invest in high potential companies to help them grow and compete domestically and internationally
- Deliver targeted programs and services that add value and have impact
- Embrace new opportunities and tools to support content development in all sectors

The ways in which Ontario Creates will achieve this include:

1. Champion the modernization of Ontario's tax credits

2. Regularly update program parameters to ensure they are modern and responsive and to optimize the impact of Ontario Creates' role across the value chain.
3. Explore new sources of investment capital and/or financing models to support industry growth (e.g., loan guarantee, bridge financing, angel/venture capital)

Strategic Goal #2: Promote the Industries

In an increasingly globalized and competitive industry, awareness of the high-potential and achievements of Ontario-based creative companies will grow new markets, domestically and internationally. Additionally, building Ontario's brand as a leading international jurisdiction for production and development will help bring financial investments and knowledge-based jobs to the sector.

For Ontario Creates, this means:

- Build awareness, encourage development and attract investment into Ontario's creative industries
- Generate excitement about the achievements of Ontario's creative industries
- Support the promotion of Ontario's creative industries domestically and internationally

The ways in which Ontario Creates will achieve this include:

1. Promote Ontario as a place for inward investment and development in the creative industries
2. Amplify domestic and international exposure and export opportunities for Ontario companies and content
3. Refresh the agency's branding and communications to support promotion activities

Strategic Goal #3: Encourage Collaboration & Innovation

The creative industries are in a constant state of change. For companies to compete in this environment they need to be at the forefront by developing innovative products, services, and business models. Collaboration and information sharing can help support and enable this type of innovation and Ontario Creates, as a catalyst for industry development, can help encourage and connect organizations from across and outside of the sector.

For Ontario Creates, this means:

- Build and foster collaborative relationships among the creative industries to encourage innovation
- Facilitate relationships between creative industries and the broader public and private sectors, domestically and internationally
- Actively seek out opportunities to generate and share knowledge and ideas

The ways in which Ontario Creates will achieve this include:

1. Stimulate innovative cross-sector collaboration within the creative industries and with broader public sector partners
2. Optimize the impact of the agency's programs through incorporating business intelligence and leveraging partnerships
3. Facilitate domestic and international business partnership opportunities for Ontario-based companies

Enabler #1: Ensure Service and Operational Excellence

Ontario Creates is continuously working to be a better organization. The agency will build on the foundational work that has already been completed to ensure the agency's operations are more efficient and focused to support excellent customer experience and effective use of resources. As Ontario Creates concentrates on these areas, robust data and effective monitoring and reporting will be essential to maintain the agency's commitment to accountability and continuous improvement.

For Ontario Creates, this means:

- Ensure a respectful customer experience for everyone that interacts with Ontario Creates
- Be informed by evidence to continuously improve the quality of programs and services

- Be fiscally responsible, accountable and transparent in our operations to ensure that public funds are invested effectively

The ways in which Ontario will achieve this include:

1. Continue to streamline internal processes and procedures
2. Review program priorities and capacity to deliver across the agency to ensure a continued focus on high-value activities
3. Streamline reporting to focus on transparent performance measurement and outcomes

Enabler #2: Empower People and Teams

Ontario Creates recognizes that our people are our strength – the team at Ontario Creates is made up of experts in their fields who are passionate about the creative industries and the potential these industries have to contribute to Ontario. In this rapidly evolving industry, the agency must support its people and culture to be flexible, nimble and respond to change. We will build this capacity to ensure that the agency's organizational culture and corporate systems support staff to achieve excellence and are aligned to our mission and contribute to our vision.

For Ontario Creates, this means:

- Actively ensure Ontario Creates' culture reflects the diversity of Ontario and contributes to our vision, mission and values
- Be an employer of choice to recruit and retain the best people in an inclusive work environment
- Support agency staff to be expert leaders through continuous professional development

The ways in which Ontario Creates will achieve this include:

1. Maintain focus on evolving Ontario Creates' culture to align with our values
2. Attract and retain the best people and support them to achieve excellence

V. OVERVIEW OF AGENCY'S CURRENT AND FUTURE PROGRAMS AND ACTIVITIES

INTRODUCTION

Ontario Creates strives to deliver its programs and initiatives effectively and efficiently and engages in partnerships with the public and private sectors to leverage resources and services for the benefit of the sectors served by the agency. Ontario Creates is committed to ongoing analysis and continuous improvement in its undertakings. Agency staff has demonstrated its capacity to deliver meaningful, results-based initiatives to clients in all of the sectors it serves. Ontario Creates programs and services support a range of different objectives that can generally be categorized as: content creation, business development, international market development, broad industry development, and marketing/promotion.

Ontario Creates offers its programs and activities through four departments:

1. **Industry Development Group:** Provides support for creative media companies to create and market content, undertake strategic business development activities, access new markets and grow their businesses. The three units of the Industry Development Group (IDG) are Industry Initiatives (investment funding, international support and strategic initiatives); the Ontario Music Office (investment funding across the music ecosystem and strategic initiatives), and the Film Commission (marketing, promotion and inward investment services), and collectively they encourage and support collaboration across and within sectors contributing to the economic growth of Ontario's creative industry businesses.
2. **Tax Credits and Financing Programs:** Co-administers six refundable tax credits⁹⁸ with the Canada Revenue Agency (CRA). The Group provides input to MHSTCI and collects and monitors statistics related to tax credit activity that inform policy advice to government on the status of creative media industries and the effectiveness of the tax credits.
3. **Business Affairs and Research:** Provides the strategic planning and operating supports to enable the Corporation to achieve its objectives, including strategic and business planning, business intelligence and statistics, financial services, information technology, performance results reporting, and corporate operations. The group supports the ministry and industry through the collection and dissemination of industry statistics and follows federal policy developments (e.g., Canadian Radio-television and Telecommunications Commission, Canada Media Fund). Human resources (HR) support to the agency is provided by MGS through its centralized HR Ontario service.
4. **CEO and Communications:** Encompasses the office of the President and CEO, Ontario Creates Board of Directors, and the Communications staff, who are responsible for supporting the agency in all its Communications activities as outlined in the Communications Plan in Section XIV.

PROGRAMS AND ACTIVITIES

Ontario Creates offers programs and activities in support of the corporate agency mandate outlined in the previous section. The agency's programs and services provide Ontario companies with the tools and support to remain competitive nationally and internationally. Ontario Creates programs and services are enabling Ontario's creative industries to make important contributions to Ontario's economy and its cultural vitality.

WHAT WE FUND: KEY PRINCIPLES

⁹⁸ The 2015 Ontario Budget announced that the Ontario Sound Recording Tax Credit would be phased out. A qualifying corporation may claim an OSRTC for eligible sound recordings that commenced before April 23, 2015. However, a tax credit can only be claimed on eligible expenditures incurred before May 1, 2016.

Ontario Creates programs include two main categories of funding: selective investment programs and tax credits. Selective investment programs are juried by a panel of external jurors with senior industry knowledge and experience. Ontario Creates ensures that program juries are diverse in their make-up, free from conflict of interest, and are regularly refreshed.

Ontario Creates invests in new activities, not core operations. The agency shares the risk with successful applicants; funding is always limited to a percentage of the total project budget, with the company leveraging other public and private financing, and contributing its own resources in order to undertake the activity.

The decision criteria used to determine which applications are funded focuses on several factors, namely:

- financial stability of company and its track record;
- contribution the project will make to company growth and stability;
- potential for revenue generation and success;
- benefit to Ontario economy (based on labour spend; employment; leverage value);
- innovation, quality and creativity of proposal and;
- diversity of project and creative team.

In 2018-19, encouraging diversity in the companies and content supported by Ontario Creates was identified as a priority. To that end, a bonus system was introduced to all investment programs to encourage proposals that included elements of diversity and ultimately, to ensure content and companies that are more representative of Ontario's population – an approach that also makes good business sense.

In the pages that follow, the reader will see that in addition to the above-mentioned selection criteria, in the year ahead, our programs, services and strategic initiatives will place particular emphasis on emergent and ongoing industry priorities related to: 1) workforce development, 2) diversity, 3) marketing, discoverability and export, and 4) sustainable production practices. These have been identified as high priorities for 2020-21 and the next three years and measures across each program and service stream have been identified to address these pressing industry needs.

The programs and activities that follow are organized by department; it should be noted that each addresses more than one of the agency's strategic objectives and supports multiple activities.

INDUSTRY DEVELOPMENT GROUP

FILM FUND

The Film Fund provides support to Ontario feature film projects that are ready for production or in the final stages of development.

PROGRAM OBJECTIVES:

- To increase investment and jobs in Ontario by Ontario-based feature film production companies.
- To assist in capitalizing Ontario-based feature film production companies.
- To increase the number of high quality, original feature films produced in Ontario by Ontario-based production companies.

THE FUND HAS TWO COMPONENTS:

- **Development** – Provides funding in the form of an interest-free loan for development activities.
- **Production** – Provides funding in the form of a repayable advance on a last-in basis to complete the production financing of a feature film.

FILM FUND DIVERSITY ENHANCEMENT:

- Launched in 2017-18 as part of the Film Fund, the Diversity Enhancement provided an additional \$4.5 million over three fiscal years (ending in 2019-20)⁹⁹ to films that meet the provincial definition of diversity, encompassing: ancestry, culture, ethnicity, gender identity and expression, language, physical and intellectual ability, race, religion, sex, sexual orientation and socio-economic status. Non-traditional coproduction partners and jurisdictions are also considered. Ontario Creates recognizes the significant value and impact of dedicated funding for projects with a diversity component, so in the event that the funding is not renewed by the Ministry, the agency will prioritize this activity through the allocation of uncommitted reserves to the extent possible.

PROGRAM RESULTS:

As in prior years, it is expected that each dollar invested via the Film Fund will leverage an additional \$20 dollars in production spending and create over 10,000 weeks of work. Additional strategic support for marketing and distribution will further help domestic feature films connect with audiences at home and abroad. Diversity enhancement support will continue to provide new opportunities to films with diverse content and creators.

Results for this program are measured by the:

- Number of jobs created and/or retained.
- Leverage value of Ontario Creates' contribution to each project.

2020-21 PRIORITIES:

- Ontario Creates will continue to deliver the Film Fund, and, in the event that the successful Diversity Enhancement Fund is not renewed by the Ministry, will top-up the core program with funds dedicated to diverse projects for another year by accessing the Agency's cash reserves.
- In order to increase awareness of the films throughout the release cycle and extend audience reach, Ontario Creates will continue the Distribution and Marketing initiative on a time-limited basis. This program provides targeted support for innovative distribution and marketing strategies.
- Ontario Creates is undertaking a Development Pilot project with Telefilm Canada in 2019-20. Upon assessment of the pilot, a decision will be made regarding continuation in 2020-21.

⁹⁹ In 2018-19 and 2019-20, \$250,000 of the Diversity Fund has been allocated to the Industry Development Program for initiatives across the book, film, television, and magazine sectors.

FILM FUND SUCCESSES: Many Film Fund-supported projects have achieved critical and commercial acclaim both at home and abroad:

- A record ten Ontario Creates-funded films were featured at TIFF in 2019: *American Woman* (First Generation Films, Elevation Pictures), *Castle in the Ground* (Woods Entertainment), *Clifton Hill* (Rhombus Media Inc.), *Guest of Honour* (Ego Film Arts, The Film Farm), *Sweetness in the Belly* (Sienna Films, Parallel Films), *Tammy's Always Dying* (JA Productions Inc.), *The Rest of Us* (Babe Nation Films), *The Song of Names* (Serendipity Films, Lyla Films), and *This is Not a Movie* (TINAM Inc., Sutor Kolonko, NFB). For the first time in TIFF history, an Ontario documentary was selected for the opening night gala screening: *Once Were Brothers: Robbie Robertson and the Band* (White Pine Pictures, Bell Media Studios, Universal Music Canada/Shed Creative, APTN).
- Canadian feature film production has significant economic impact across the Province. The Film Fund-supported film, *Indian Horse* saw production-related spending in Ontario of approximately \$4.9 million, which generated a total economic output of \$9.1 million in Ontario alone, contributing \$6.0 million in GDP and creating 77 full-time jobs. Over 325 business located primarily in and around Sudbury and Peterborough benefitted from the production which generated an estimated \$475,444 in provincial tax revenues.¹⁰⁰
- Canadian box office success and Canadian Screen Award winner *The Grizzlies* received from both Film Fund Production and Development support. Director Miranda de Pencier won the award for outstanding directorial achievement from the Directors Guild of Canada.
- Film-Fund supported winners at the 2019 Canadian Screen Awards included *Stockholm*, *Anthropocene* and *The Grizzlies*. *Anthropocene* also won the \$100,000 Rogers Best Canadian Film Award from the Toronto Film Critics Association.
- *The Kindness of Strangers*, a co-production with Strada Films and Denmark's Creative Alliance, was selected as the opening film for the 2019 Berlin Film Festival. The film was shot in Toronto, Hamilton, Copenhagen and New York.
- **Diversity & Inclusion:** In 2018-19, 26 films received the Diversity Enhancement across the Film Fund Production and Development streams, including 5 Indigenous projects and 14 projects with female producers. Four of the 10 Film-Fund supported films shown at TIFF 2019 were supported with funds from the Diversity Enhancement.



INDIAN HORSE:
THIS FILM FUND-SUPPORTED
CANADIAN FEATURE
SPENT **\$4.9 MILLION**
CREATED 77 JOBS, AND
BENEFITTED **328 BUSINESSES**
IN ONTARIO

¹⁰⁰ Canadian Media Producers Association. 2019. "Case Study – Economic Impacts of *Indian Horse*". Telefilm.Ca. <https://telefilm.ca/wp-content/uploads/cmpa-economic-impacts-of-indian-horse-final-report.pdf>

INTERACTIVE DIGITAL MEDIA FUND

The Interactive Digital Media Fund (IDM Fund) was designed to provide a range of programs and resources to provide financial, strategic, and research support to Ontario's cultural entrepreneurs and established trade and event organizations from the interactive industry.

PROGRAM OBJECTIVES:

- To support the creation and exploitation of interactive original content by Ontario companies.
- To provide opportunities for interactive digital media content producers to access existing and new markets, build capacity, and grow their companies.
- To provide support for established trade and event organizations for activities that stimulate the growth of Ontario's interactive industry.

THE FUND HAS SEVERAL COMPONENTS:

- Concept Definition – Provides support for early stage activities that assist companies in moving towards the production of market-ready content projects.
- Production – Provides support for the creation of a market-ready content project that will be released to end users.
- Marketing Support – Provides support for marketing activities that will amplify the visibility and financial viability of Ontario Creates-funded interactive digital media projects when they are released/available for sale in the marketplace.
- Global Market Development – Provides Ontario companies with funding to participate in international activities that support company growth and produce measurable business and market development results.
- Industry Development – Provides support for business development activities and trade organization initiatives.

PROGRAM RESULTS:

It is anticipated that support delivered through the IDM Fund (Production) in 2020-21 will generate more than 10,000 weeks of work and leverage nearly twice the amount invested by Ontario Creates, as it has in previous years. Support provided through the IDM Fund will also provide businesses with critical financing needed to produce and market new videogames and other digital media content to audiences in Ontario and abroad. The program will assist in the growth of emerging companies and creators, helping them transition into small-to-medium-sized businesses ready to produce and exploit their IDM projects.

Results for this program are measured by the:

- Number of jobs created and/or retained.
- Leverage value of Ontario Creates' contribution to each project.
- Number of contacts/business leads made by participants.

2020-21 PRIORITIES:

- Ontario Creates will continue to deliver the IDM Fund.
- The agency will commission a program review of the IDM Fund.
- Ontario Creates will provide seed funding to an initiative to create a new marquee marketplace event expected to bring international interactive digital media buyers together in Toronto.
- In order to support emerging IDM companies, Ontario Creates will continue IDM Fund Futures, an initiative designed to teach business, marketing, and pitching skills to up-and-coming digital-media creators and those transitioning to digital from traditional screen content. Leveraging the expertise of partner organizations WIFT-T, Hand Eye Society, and Interactive Ontario to deliver the program, companies completing the program are fast-tracked to IDM Fund eligibility.

IDM FUND SUCCESSES: IDM Fund recipients have been recognized for their creativity and innovation in a variety of platforms:

- Puzzle game *Quench*, from Axon Interactive, was a Best in Play winner at the 2019 Game Developers Conference.
- Eight titles by Tiny Titan Studios have been named one of Apple's Best New Games upon release.
- Gloam Collective won the \$50,000 Ubisoft Indie Series Grand Prize for their game *Bravery Network Online*.
- Drinkbox Studios released *Guacamelee 2*, with Production and Marketing support. The game was featured on Nintendo Switch and within 4 weeks of launch the game had earned over \$320K.
- Ontario Creates-supported Sinking Ship Entertainment's Dino Dana won Best Cross-Platform Project for Children and Youth at the 2019 Canadian Screen Awards. IDM Futures-supported *Contravision* (Contraverse) was nominated for Best Immersive Experience (Fiction Category).
- Cottage Life/Blue Ant Media's "Cottage Quickies" series created quick-hit food, drink and décor tips for the cottager, resulting in over \$500k in revenues from pre-roll advertising, and ongoing branded-video creation.



THERE HAVE BEEN
13 MILLION DOWNLOADS
 OF **TINY TITAN** GAME TITLES.
 SUPPORT FROM THE IDM FUND
 HELPED THIS LONDON, ONTARIO-
 BASED COMPANY GROW FROM
1 TO 17 EMPLOYEES IN JUST FIVE
 YEARS

- Three games supported by the IDM Fund were among the eight 2018 Game Developers Conference (GDC) Best in Play winners: *Light Fingers* by Numismatic Games, Lightning Rod Games' *A Fold Apart*, and Future Immersive's VR title *Furious Seas*.
- Diversity & Inclusion: Ontario Creates supported production and marketing of *The Vale* (Falling Squirrel Inc.), an award-winning innovative immersive audio-based and haptic experience designed with visually-impaired gamers in mind. Game development and testing took place in partnership with the CNIB.

BOOK FUND

The Book Fund provides funding for Ontario-based, Canadian-owned publishers to increase their financial viability and overall business growth by supporting marketing initiatives that profile the works of Canadian authors to both foreign and domestic markets. Applicants can also apply for activities that build on or leverage existing digital capacity that best suit their individual corporate goals.

PROGRAM OBJECTIVES:

- To provide opportunities for book publishers to build capacity, increase sales revenue, and grow their companies.

PROGRAM RESULTS:

Support provided through the Book Fund is anticipated to assist publishing companies to expand their market share through new digital marketing initiatives, by creating online stores to reach global markets, and by forging relationships with booksellers through key incentives and promotions. These projects help Ontario publishers compete with large, multinational firms and help audiences discover Ontario books and authors. Book Fund recipients report earning an average of \$3 for every dollar invested by Ontario Creates.

Results for this program are measured by the:

- Return on investment (ROI) which represents the value of sales generated by a project for every dollar invested by Ontario Creates.

2020-21 PRIORITIES:

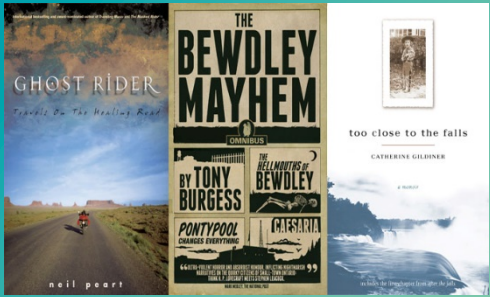
- Ontario Creates will continue to deliver the Book Fund.
- The agency will continue Ontario Authors Tour Support (OATS) on a time-limited basis. The initiative provides targeted support for independently published Canadian authors for market and festival touring in order to promote their books and ultimately increase sales.
- For the last three years, Ontario Creates has delivered a stand-alone Canadian Books in Ontario Schools (CBIOS) program, which is scheduled to end in 2019-20. As some unspent funds remain, Ontario Creates plans to continue to support projects that connect Ontario books to the educational market through the Book Fund with the remaining CBIOS funds through the Book Fund and the Industry Development Program.

BOOK FUND SUCCESSES: In 2018-19, Book Fund recipients reported earning an average annual return of nearly \$5 in sales for every dollar invested by Ontario Creates. Books published by Ontario-based, Canadian-owned publishers have received significant critical and commercial acclaim:

- A title published by Windsor-based independent publisher Biblioasis was on the 2019 international Booker Prize shortlist, Lucy Ellmann's *Ducks, Newburyport*. The company credits Ontario Creates with their growth. Support from the agency provided Biblioasis with the flexibility to try many different approaches to exporting their titles to the US. This strategy has meant that export sales now make up 40% of the company's sales. Buyers have responded to the variety in the publisher's titles which include books about being Canadian, sports, and books about regional history.
- André Alexis' *Days by Moonlight*, published by Ontario independent press Coach House Books, was the winner of the \$50,000 Rogers Writers' Trust Fiction Prize. The Shortlist for the 2019 edition of the prestigious Scotiabank Giller Prize includes two books published by Ontario Creates-supported publisher House of Anansi Press: Megan Gail Coles' *Small Game Hunting at the Local Coward Gun Club* and Alix Ohlin's *Dual Citizens*.
- Ontario authors and presses won accolades at the 2019 Governor General's Awards, including *Holy Wild* by Gwen Benaway (Book*hug Press) (Poetry). *Small in the City* by Sydney Smith (Groundwood Books) (Young People's Literature - illustration), and two Playwrights Canada Press books: *Birds of a Kind* by

Wajdi Mouawad, translated by Linda Gaboriau (Translation) and *Other Side of the Game* by Amanda Parris (Drama).

- The \$50,000 2019 Canadian Children's Literature Award went to Heather Smith's *Ebb&Flow*, published by Ontario publisher Kids Can Press. The quality of Ontario's juvenile publishing sector is recognized on the world stage. Toronto illustrator Sydney Smith made the New York Times list of Best Illustrated Children's Books of 2017 for the picture book *Town Is by the Sea*, written by Joanne Schwartz and published by Groundwood Books. Kids Can Press was named North American Publisher of the Year at the 2017 Bologna Children's Book Fair, with Groundwood Books winning in 2016 and Owlkids Books receiving a nomination in 2018.
- Annick Press has published picture books, fiction and non-fiction for more than three decades, including work by authors Robert Munsch, Kathy Stinson and Ruth Ohi. A key goal was to provide literature for children that reflects Canadian sensibilities and relevance to their lives. Over time, the prominence Canadian writers have gained through Annick and other publishers has helped grow the industry. Annick Press founders used a distribution and publicity plan that benefited from funding and capitalization support. Ontario Creates support has allowed the press to develop and finance author videos, classroom whiteboards and other multimedia communications that reach audiences. Recent Award winners include *Fire Song* by Adam Garnet Jones and *The House of One Thousand Eyes* by Michelle Barker.
- Through a Book Fund project to improve connections with readers using new online services and paid social media, ECW Press increased sales of print books online by 37%, representing nearly \$700K in sales.
- **Diversity & Inclusion:** With support from the Book Fund, Groundwood Books created a new Indigenous Title Catalogue, including curriculum notes for teachers. As a result, 5,600 copies were distributed, sales of Indigenous-authored titles increased 23% and the page featuring the information on their website received over 10,000 page views.



ECW PRESS

BOOK FUND SUPPORT ALLOWED
THIS COMPANY TO INCREASE
SALES OF PRINT BOOKS ONLINE
BY **37%** WHICH TRANSLATED TO
NEARLY **\$70K IN SALES**

MAGAZINE FUND

The Magazine Fund provides support to Ontario magazine publishers proposing business development projects with clear objectives and measurable results, including circulation, newsstand and ad sales projects, magazine makeovers, the exploration and implementation of new content strategies, new magazine start-ups and digital enhancement activities for their businesses.

PROGRAM OBJECTIVES:

- To provide opportunities for magazine publishers to build capacity and grow their companies through increased competitiveness and sales.
- To support the creation of content by Ontario companies.

PROGRAM RESULTS:

Support provided through the Magazine Fund will continue to help Ontario magazine media companies expand business opportunities and mitigate the risks of exploring new content strategies and revenue diversification while maintaining traditional lines of business. It is anticipated that sales reported by fund recipients will continue to provide a return on the Ontario Creates investment.

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project.
- Return on investment (ROI) which represents the value of sales generated by a project for every dollar invested by Ontario Creates.

2020-21 PRIORITIES:

- Ontario Creates will continue to deliver the Magazine Fund.
- On a time-limited basis, the program will continue to offer the option for applicants to use the Magazine Fund to undertake international business activities.

MAGAZINE FUND SUCCESSES: Ontario has the largest magazine industry in the country. Ontario magazine media are frequently recognized for their excellence in content, design and production:

- *Precedent Magazine*, a career and lifestyle magazine for lawyers, has grown to an over 15,000 quarterly mailing resulting from Magazine Fund support to conduct a reader survey, develop marketing materials, and build a new website targeted to law students. The publication has earned recognition at the National Magazine Awards, the Canadian Business Media Awards and the Magazine of the Year, Trade three years in a row at the Canadian Society of Magazine Editors Awards.
- In order to increase site traffic and maximize revenues from digital ads, *King Snow Magazine* was able to market its content through a variety of social platforms, resulting in an over \$200K increase in sales from the previous year, and helping the magazine to establish new advertising partners for future years.
- Ontario Creates has supported Outpost Travel Media to focus on collecting and publishing quality content focusing on original and authentic stories with a Canadian voice in the adventure travel field. While the print magazine remains successful and publishes six times a year, support from Ontario Creates has allowed the company to take advantage of new technology and creative opportunities for content growing their business by monetizing content across multiple platforms.

- With Magazine Fund support, *Inuit Art* was able to conduct their first-ever targeted online advertising campaign and build a CRM, resulting in an 11% increase in subscriptions and a 68% increase in reader donations to the magazine.
- Several Ontario magazines earned recognition at the 42nd annual National Magazine Awards, which were held in Toronto in May 2019. The night's top winners supported by Ontario Creates include *Toronto Life* (Publisher Grand Prix, Profiles, Investigative Reporting), *Cottage Life* (Best Magazine: Service & Lifestyle, Photojournalism & Photo Essay), and *The Walrus* (Illustration, Long Form Feature Writing).
- The winners of the Canadian Online Publishing Awards have been announced, with Ottawa-based *University Affairs* online magazine winning for Best Publication – Business, and *Kayak: Canada's History Magazine for Kids* (an off-shoot of *Canada's History* magazine) winning for Best Publication – Consumer.
- **Diversity & Inclusion:** Magazine Fund supports magazine media aimed at a wide range of audiences, including *Culture Magazin*, which reflects the diverse and dynamic cultures of Canada and Vietnam, *ByBlacks.com*, serving the Black Canadian community, and *Abilities Magazine*, Canada's Lifestyle Magazine for people with disabilities, a publication of the Canadian Abilities Foundation.



EXPORT FUND & INTERNATIONAL BUSINESS DEVELOPMENT

The Export Fund provides support for Ontario book publishers and film and television content producers to sustain a slate of activities over the course of a year, including market event attendance and targeted sales trips. Export activities for the music and interactive digital media sectors are also supported through the Ontario Music Fund and the Interactive Digital Media Fund.

Ontario Creates also undertakes strategic international business development activities in the form of industry missions, support for pavilions/stands at international markets, and targeted business-to-business networking opportunities.

PROGRAM OBJECTIVES:

- To support Ontario companies to access the global marketplace, increase international sales levels, and attract investment in new projects.
- To provide Ontario companies with support for the commercial exploitation of cultural products.

PROGRAM RESULTS:

Support provided through the Export Fund will assist Ontario cultural industry entrepreneurs with forging critical relationships to help grow their revenues through international sales. As in 2018-19, it is anticipated that funding recipients will report earning international sales of more than \$300 million (\$175 for every dollar invested by Ontario Creates).¹⁰¹

Results for this program are measured by the:

- Return on investment (ROI) which represents the value of sales generated by a project for every dollar invested by Ontario Creates.
- Number of foreign markets attended by program participants.
- Number of markets at which Ontario Creates has organized a strategic presence.

2020-21 PRIORITIES:

- Ontario Creates will continue to deliver the Export Fund and International Business Development programs.
- Ontario Creates will deliver high-impact opportunities for publishers in the final year of Frankfurt 2020 Guest of Honour activities.
- Ontario Creates will continue to explore opportunities to support the agency's stakeholders to take advantage of federal export funding. In 2019-20, Ontario Creates staff participated in the Federal, Provincial and Territorial Cultural Promotion and Diversity in a Digital Age Working Group which was tasked with developing an inventory of strategies and initiatives (e.g. programs, services) that support Canadian cultural promotion and export.
- Staff will continue to work with the federal trade commissioner services and staff to augment and amplify export opportunities for Ontario creative businesses.

EXPORT SUCCESSES: The Export Fund has provided significant benefit to Ontario companies:

- In 2018-19 the Export Fund supported 132 companies in the book, film, and television industries to make 603 business trips, including attendance at 179 international markets.
- In 2018-19, the International Business Development program organized a strategic presence at 5 markets including the Cannes Film Festival, CoPro 2018 - the Israel Documentary Screen Market and the London Book Fair. At the Cannes International Film Festival (May 14-25, 2019), Ontario Creates co-hosted an Ontario reception with TIFF for more than 600 festival delegates. The CoCreate Cannes initiative facilitated one-on-one meetings for producers from Ontario, Australia, Ireland, New Zealand, and the U.K.

¹⁰¹ The most recent year for which results are available.

- Ontario Creates sent a writer/producer team from Hungry Eyes Media to the eQuinox Europe International Screenwriters' Workshop in Germany and producer Aeschylus Poulos from Hawkeye Entertainment to the Production Finance Market in London, U.K.
- At the 2019 Kidscreen Summit in Miami (Feb. 11-14), Ontario Creates supported attending Ontario producers and provided meeting space.
- Support from the Export Fund in 2018-19 has enabled Guru Studio to secure substantial agreements with international broadcasters, resulting in over \$8M in confirmed and signed deals. From their attendance at MIPCOM and Kidscreen Summit, they were able to sign a Canadian broadcast license agreement for their animated property *Pikwik*, worth \$3M CAD, a Master Toy license agreement worth \$3.7M USD and secure several linear broadcast commitments for the first two seasons of their TV property *True and the Rainbow Kingdom*.
- In 2018-19, as a result of export support to attend markets like Berlin and Cannes, Six Island Productions Inc.'s feature film *Mersea*, developed in partnership with another Export Fund-supported company, Devonshire Productions, was selected in Cannes to be in the Frontières Proof of Concept pitch and subsequently won the top award with a €15,000 cash prize. Six Island Productions also went to the Galway Film Festival to build on their international connections, and met with producers from the US, UK, Belgium, Germany, Northern Ireland, and Scotland to discuss upcoming international co-productions with Canada.
- As a result of key strategic meetings in Korea, LA and the UK, along with a strong presence in the European Film Market, Banger Media Inc. was able to secure over \$7M in deals for the world rights of their music-based documentary properties like *Pop Evolution* and *Triumph: Lay it on the Line* with powerhouse digital distributors Netflix, Google, and Live Nation.
- In 2018-19, ECW Press had great success in both the US and UK markets. *Ice Diaries* by Jean McNeil was named one of the Best Books of 2018 by *The Guardian*, and *The Appraisal* by Anna Porter was nominated for the Staunch Prize. The company's ongoing presence at American conferences has resulted in 22 starred reviews from major American journals. As a result, ECW Press had \$1.3M in confirmed sales with the support of the Export Fund.
- Biblioasis embarked on strategic business trips, strengthening relationships with key media as well as making new connections. In 2018-19, the company saw two of their titles reviewed in the *New York Times* after an in-person meeting with the editor. The critical acclaim as a result of face-to-face interactions with media resulted in 120 new business relationships for Biblioasis.
- **Diversity & Inclusion:** Export Fund supported attendance at a range of events including Inside Out, Female Eye Film Festival, ReelAsian Film Festival, Women in Film & Television, Caribbean Tales, APFC - Alliance des producteurs francophones du Canada, and Reelworld Film Festival diversity activities.



BANGER
F I L M S

BANGER MEDIA INC:
EXPORT FUND ASSISTED
THIS FILM PRODUCTION
COMPANY IN FORGING
VALUABLE
INTERNATIONAL
CONNECTIONS WORTH
\$7 MILLION IN DEALS

INDUSTRY DEVELOPMENT PROGRAM

Ontario Creates provides targeted financial and strategic support to Ontario's established trade and event organizations to offer initiatives, events and activities with long-term impacts on growth and sustainability in the

book, magazine, film, television, and interactive digital media sectors. Industry Development activities for the IDM and music sectors are provided through the IDM Fund and the OMF: Music Industry Development program, respectively.

PROGRAM OBJECTIVES:

- To provide opportunities for business development that expands skills, business capacity, market share, sales, and innovation for Ontario entrepreneurs in the creative industries.

THE PROGRAM HAS TWO STREAMS:

- Business Development – support to organizations for business to business (B2B) industry activities and business to consumer (B2C) audience development activities that offer opportunities for new business leads, sales and relationships.
- **Capacity Building** – support for strategic activities that address challenges and opportunities or environmental changes that contribute to either the capacity of the applicant organization or its stakeholder group.

INDUSTRY DEVELOPMENT PROGRAM DIVERSITY ENHANCEMENT:

- From 2018-19, Ontario Creates allocated a portion of the Diversity Enhancement offered for the Film Fund to the Industry Development Program for projects that meet the provincial definition of diversity, encompassing: ancestry, culture, ethnicity, gender identity and expression, language, physical and intellectual ability, race, religion, sex, sexual orientation and socio-economic status. Ontario Creates recognizes the significant value and impact of dedicated funding for projects with a diversity component, so in the event that the funding is not renewed by the Ministry, the Agency will prioritize this activity through the allocation of uncommitted reserves to the extent possible.

PROGRAM RESULTS:

Next year, approximately 60 initiatives supported and/or led by Ontario Creates will contribute to creating over 14,000 business leads for Ontario creative industry entrepreneurs. These leads will help create new partnerships that will generate new projects and revenue growth for companies. The program will also provide participants with opportunities for skills development, knowledge transfer and other guidance that will be valuable for growing competitive businesses.

Results for this program are measured by the:

- Number of initiatives supported.
- Number of contacts/business leads made by participants.

2020-21 PRIORITIES:

- In line with government priorities and identified corporate objectives, in 2020-21, the Industry Development Program will target three priority areas. This three-fold lens will be applied on a project-by-project basis to ensure enhanced support for the following types of activities:
 - Skills development, mentorship and increased workforce capacity
 - Diversity and inclusion
 - Marketing and discoverability, including high impact B2B opportunities
- Ontario Creates will continue to deliver the Industry Development Program, and, in the event that the successful Diversity Enhancement Fund is not renewed by the Ministry, will top-up the core program with funds dedicated to diverse projects for another year by accessing the Agency's cash reserves.
- For the last three years, Ontario Creates has delivered a stand-alone Canadian Books in Ontario Schools (CBIOS) program, which is scheduled to end in 2019-20. However as unspent funds remain, Ontario Creates plans to continue to support projects from trade associations that market Ontario books to the educational market with the remaining CBIOS funds. Ontario Creates will deliver Year 2 of multi-year federal funding under the Canada-Ontario Agreement on French Language Services for Expanding International Export Opportunities for Francophone Screen Producers.

INDUSTRY DEVELOPMENT SUCCESSES:

- In 2018-19, Ontario Creates supported 51 initiatives, creating over 32,000 new business leads for creative media industry entrepreneurs. These leads will create future partnership and collaboration opportunities which will contribute to product development and company growth.
- Business-building initiatives supported by the Industry Development Program in 2018-19 included: Caribbean Tales, TIFF's Industry Centre, Open Book, and Hot Docs. The IDP also supported collective marketing initiatives such as the School Library Marketing Initiative undertaken by Association of Canadian Publishers, Magazines Canada's Distribution and Market Access project, and Ontario Book Publishers Organization's Regional Marketing Initiative.
- In 2017-18, Ontario Creates implemented administrative changes to streamline the Industry Development Program, as suggested by a third-party evaluation of the Fund.
- **Diversity & Inclusion:** Supported the Alliance des producteurs francophones du Canada to enhance the presence of Francophone Ontario films/productions in international markets.
- Supported an initiative to expand participation of northern Ontario Indigenous film producers in the imagineNATIVE Film & Media Arts Festival industry programming and B2B meetings.
- Increased support to Reel Asian, Female Eye, and other industry programming with a focus on diversity.
- Supported Ontario Book Publishers Organization's Diverse Intern Initiative, which has led to four permanent hires to date.
- In 2019-20, Ontario Creates is supporting the feature film *Night Raiders*, a recipient of the Film Fund Diversity Enhancement and an international coproduction, to create mentorship opportunities on their set for Indigenous filmmakers across all facets of the production.
- The Ontario Creates-supported Festival of Literary Diversity (FOLD) and its founder Jael Richardson received the 2019 Freedom to Read Award from the Writers' Union of Canada.



ONTARIO MUSIC FUND

The Ontario Music Fund (OMF) was launched in 2013-14, aimed at strengthening and stimulating growth in music companies across the music ecosystem. In 2019-20, the Ontario Music Fund received an \$8 million in-year cut and a Review of the Fund is currently underway. The Review will result in the launch of a redesigned OMF by Spring 2020.

Stakeholder consultations took place in August and September 2019. A total of 55 individual music industry stakeholders participated in in-person industry consultations at three roundtables, a session held in Ottawa with stakeholders including Francophone stakeholders, and trade association meetings. A survey was also issued to 975 music industry contacts and received 163 responses.

At this time, program parameters have yet to be finalized, however in an increasingly complex and ever evolving industry, the new program will be designed with a view to targeting support to where it will have the most impact, and streamlining requirements and processes to be flexible and responsive to changes in the global music marketplace, and the local Ontario music ecosystem.

PROGRAM OBJECTIVES:

Historically, program objectives for the Ontario Music Fund have included:

- To provide Ontario-based music companies with funding to support new or expanded business activities, including strategic business and market development.
- To strengthen and develop the support structures and systems that contribute to economic and cultural growth of the music industry.
- To stimulate entrepreneurship and provide support to develop Ontario's diverse and emerging music industry, including artist entrepreneurs which have the potential to grow professionally if provided with business mentoring, skills development and working capital to expand their recording, touring or A&R (artist and repertoire) capacity.
- To increase the number and quality of live music experiences enjoyed by residents in and visitors to Ontario at events, festivals and concerts featuring Canadian artists.

PROGRAM RESULTS:

While specific measures for 2020-21 are being designed as part of the ongoing Consultation and Review, results typically focus on:

- Number of jobs created and/or retained.
- Company growth (net revenue/income).
- Private investment and equity secured.
- Leverage value of Ontario Creates' contribution to each project.
- Number of contacts/business leads made by participants.

2020-21 PRIORITIES:

- Ontario Creates will deliver the redesigned Ontario Music Fund.
- The Ontario Music Office has been approved for federal funding under the Canada-Ontario Agreement on French language Services to undertake a French language services project that will promote emerging Francophone talent and Music Businesses.
- For the last several years, research funds for music have been available via the Music Industry Development stream of the Ontario Music Fund. As a means of easing pressure on the OMF budget, and in order to ensure continued support is available for music business intelligence gathering, beginning in 2020-21, music will be added as an eligible sector under the Business Intelligence Program.

ONTARIO MUSIC FUND SUCCESSES:

Ontario's music industry is number one in Canada and a phenomenon around the world. Entering its eighth year, the Ontario Music Fund continues to support this vibrant sector.

- From 2013-14 to 2017-18, the Ontario Music Fund contributed to worldwide sales of over 20M units of music recordings, generated 40,000 business leads and deals from export missions and B2B meetings, directly supported 2,200 artists, and counted more than 10 million in attendance for live music events supported by OMF.
- At the 2019 Juno Awards took place in London, Ontario with London's hometown band Loud Luxsery opening the broadcast show. Ontario's Jessie Reyez won R&B/Soul Recording of the Year of the Year and Jeremy Dutcher took home Indigenous Music Album of the Year. Ontario-based artists accounted for 60% of the 188 nominees. Prior to Juno Week, Ontario Creates hosted a Toronto networking event to celebrate Ontario's Juno-nominated artists at the Lounge at Live Nation.
- OMF-supported artist, Haviah Mighty, received the prestigious Polaris Music Prize in 2019. Three other Ontario artists were shortlisted for the award: PUP, Jessie Reyez, and Shad.
- Daniel Caesar took home his first Grammy at the 61st Annual Grammy Awards, for Best R&B Performance, for his collaboration with H.E.R., "Best Part," which appeared on his album, *Freudian*.
- OMF recipient Kingsway Records partnered with the Regent Park School of Music on a new volume of the Kingsway Music Library where high profile artists and songwriters collaborate with the youth enrolled at RPSM. Taylor Swift sampled one of the tracks for her August 2019 release, *Lover* – an example of how a community-based project can demonstrate strong economic impact.
- **Diversity and Inclusion:** One-third of OMF Music Futures Stream recipients are female-led acts, and nearly half of applicants are culturally-diverse.
- In 2019-20, the Music Office expanded its Canadian Music Week (CMW) mentorship program, providing conference passes and access to high-potential emerging companies and artists from underrepresented communities and genres.



5 YEARS OF THE OMF
20M+ UNITS SOLD
10M+ LIVE MUSIC ATTENDEES
2,200 ARTISTS SUPPORTED
40,000 BUSINESS LEADS
 GENERATED

FILM COMMISSION

Ontario's Film Commission offers a suite of services to domestic and foreign film and television companies to attract production, post-production, animation and visual effects investment to Ontario. The Film Commission is a key point of contact for most of the film and television projects in Ontario. These services include the leading-edge Digital Locations Library website, complimentary scouting assistance to all productions considering Ontario as a location, familiarization tours, and facilitation and troubleshooting support to productions shooting in the province through the Production Liaison Service. The Film Unit serves as the primary promotional body selling Ontario's advantages to the global film industry, through strategic B2B initiatives and international advertising campaigns. The Unit also collects statistics on this production activity.

In 2018, Ontario had a record-breaking year, with \$1.9B film and TV in production activity and 324 domestic and foreign projects shot in the province. With the help of Film Commission Services, and thanks to growing availability of studio space, Ontario is well-positioned for continued growth. As demand grows, ensuring our labour force can keep up with demand will be strategically important. As a proactive measure, in 2019-20, Ontario Creates formed a Workforce Development Committee, alongside regional and municipal representatives, unions and guilds.

The Film Commission has convened a Green Screen Committee to discuss strategies for sustainable production that will save both environmental and monetary costs for productions and provide a value add to choosing the Ontario as a filming jurisdiction. Sustainability is a growing area of awareness and concern across all industries as well as among consumers and households. Productions are seeking ways to reduce the environmental impact of their activities and welcome resources to make doing so easier to implement.

In 2020-21, Ontario Creates plans to further its leadership role by continuing to facilitate meetings with industry partners around opportunities such as workforce development and sustainable production. The agency will also explore ways to expand our role as a centralized provider of production resources by offering enhanced listings and services. Taking a leadership role on both the workforce development and sustainable production fronts will further enhance Ontario's value proposition as a jurisdiction for filming.

PROGRAM RESULTS:

In 2018, film and television productions supported by the province contributed \$1.9 billion to the economy and accounted for approximately 37,000 full-time direct and spin-off jobs.¹⁰² Global demand for film and television content suggests that 2020-21 and beyond will be strong years for production. The agency tracked a record-breaking 50 concurrent productions filming in Ontario in July 2019 and we are confident that the year ahead will remain healthy. We expect that these strong results will be seen both within and outside the Greater Toronto Area (GTA)-- in 2018, an estimated \$300M was spent outside the GTA.

This year, Ontario Creates procured a new LA Office representative and is pleased with the success of the transition following nine years with the previous consultant.

Results for the Film Commission are measured by the:

- Number and value of domestic and foreign film and television productions that shoot in Ontario.
- Number of actively scouting domestic and service productions accessing Ontario Creates location services.
- Number of leads developed by the LA Office.
- Proportion and value of LA Office-assisted projects that shoot in Ontario

2020-21 PRIORITIES:

- The Film Commission will continue to deliver high value service to stakeholders and to reinforce relationships with both new and existing international clients to maximize inward investment opportunities.
- **Ontario as an Industry Leader:** The Film Commission will continue to lead two results-oriented industry committees:

¹⁰² Ontario Creates, 2017 Film and Television Production Statistics.

- **Workforce Development:** In partnership with film and television industry members, regional and municipal representatives, unions and guilds, Ontario Creates will address labour force challenges through the development of a multi-faceted strategy that includes documenting the categories of work that exist and the particular career pathways for each type of film and television occupation; layered onto this mapping is information on regional job fairs, academic institutions that provide training, and second career opportunities available. Efforts will also include enhancing opportunities for, and awareness of, Ontario's on-screen talent in partnership with ACTRA. Work will be done in cooperation with external parties, the support of the Business Affairs and Research Unit of Ontario Creates, and will include outreach to potential government partners including the ministries of Labour, Training and Skills Development, Education and Colleges and Universities.
 - As a Strategic Initiative, workforce development tactical activities will be undertaken in 2020-21, which may include co-hosting job and recruitment fairs.
- **Sustainable Production:** The Film Commission will continue to facilitate the development of an Ontario Green Screen Program, working with industry members and regional partners. The group held its first meeting in June 2019 and is exploring the needs and opportunities that include a program delivery agent who can offer industry-leading carbon literacy training in Ontario that will create a value add for producers and studios considering Ontario.
 - As a Strategic Initiative, and with the support of the Business Affairs and Research team, a research project will be undertaken as determined/defined by the Sustainable Production Working Group, commissioned to a third party.

FILM COMMISSION SUCCESSES:

- In 2018-19, 152 domestic and service projects were provided with scouting and production consultation assistance by the Film Commission, successfully convincing such major projects as *Dare Me*, *IT: Chapter 2*, *Scary Stories To Tell In the Dark*, *Shazam! Umbrella Academy*, and *The Boys* to film in Ontario.
- Ontario Creates, in partnership with the City of Toronto, maintains a full-time marketing presence in Los Angeles, providing on-the-ground marketing to attract production to Ontario and support to Ontario's screen-based content creators. Ontario Creates is the managing partner of the Office.¹⁰³ The LA Office continues to make a significant contribution to Ontario's foreign production activity. In 2018-19, 120 leads were generated through the LA Office, 57 of which converted to scouting and 17 of which ended up shooting in Ontario, at a total value of \$343 million. The consultant position in the Film Office in LA was vacant for several months which translated to a lower number and value of production leads developed by the LA Office compared to average performance. Procurement for a new consultant is now complete and while we expect some lag involved and lower results in the ramp up period, the agency is pleased with the seamless transition and very good uptake thus far in 2019-20.
- Ontario Creates' award-winning Digital Locations Database image collection continues to grow. As of the end of 2018-19 the database held approximately 9,000 portfolios, representing over 257,000 individual images. The database services 6000+ users, including property owners, local freelance production personnel, domestic and international producers and Ontario Creates staff, who use the database to create digital image packages that are used to both market the province and convince productions to shoot in Ontario. Renewal of the database as well as improved data accuracy are areas of focus for the year ahead.
- The fully refreshed Ontario Production Guide launched in November 2018 with enhanced functionality. The service was revamped to include intuitive search capabilities, sustainable goods and service fields for vendors and the ability for users to submit and update locations directly through the platform.

¹⁰³ Ontario Creates, Annual Results, 2017-18.

- The Film Commission regularly organizes specialized marketing familiarization tours that target international feature film and television production executives, with the goal of promoting Ontario's production and post-production assets for the eventual investment in the province. The 2019 Fam tour brought 10 production executives from companies including Netflix, Disney, Paramount and Warner Brothers to Ontario to take part in B2B programming over three days. The guests met with 170 business reps from Ontario's film industry, reinforcing and strengthening 1,700 key production relationships. The tour has generated investment leads from all executives in attendance.
- The Film Commission works closely with municipal, provincial and federal partners to create a fluid production experience across regional lines within Ontario. To support these efforts the Unit presents a bi-annual Regional Film Forum to discuss production trends and best practices regarding the creation and enforcement of film policies and permitting procedures. Over 40 regional film liaisons were in attendance at the 10th edition held in January 2019.
- The Ontario Film Commissioner represented Ontario Creates at the first Canadian Film Commissioners Summit in Ottawa, composed of commissioners from all major provincial and municipal production centres across Canada. Discussions focused on best practices for film commissions and developing a national strategy to promote Canada as a leading production jurisdiction.
- Ontario actively generates leads thorough its presence at TIFF stand. In 2019, over 80 leads and business connections were made through this means.
- Ontario Creates continued to strengthen regional connections by holding location management and best practices workshops for London, Durham Region and Kingston.

Made-in-Ontario film and television productions receive significant critical and commercial acclaim and have made a significant economic impact in Ontario:

- The Hulu drama *The Handmaid's Tale*, based on the novel by Toronto writer Margaret Atwood, shoots in various cities in the Province and has garnered widespread acclaim. In three seasons it has received 14 Primetime Emmy Awards, including Outstanding Drama Series, as well as two Golden Globe Awards including Best Television Series - Drama.
- The Film Commission in Cambridge, Ontario was nominated for a 2019 Locations Managers Guild International Award, in the category of Outstanding Film Commission/Office, for its superior support to *The Handmaid's Tale*. Cambridge is the first film office in Canada to have been nominated for the award. Ontario Creates provided location management best practices to Cambridge's office via the Regional Film Forum.

- *Schitt's Creek* was the first Canadian television series to be nominated for best comedy at the Critics Choice Television Awards. In five seasons it garnered four Emmy nominations, numerous Canadian Screen Awards, including Best Comedy Series, and was picked up for international distribution by Netflix.
- Amazon Prime Original *The Boys*, which filmed in Hamilton, Oshawa and Toronto, was released in July 2019 to popular acclaim. It is the streaming service's highest rated series on IMDb and is one of the most-watched Amazon Originals, according to the company.¹⁰⁴
- *Umbrella Academy*, which films in Toronto and Hamilton, garnered two Emmy nominations, including one for Toronto-based VFX studio Spinvfx. Within one month of being available for streaming on Netflix, the show received 45M worldwide views. The show has been renewed for a second season.¹⁰⁵
- In its first two seasons filmed in 2017 and 2018, CBS' *Star Trek: Discovery* spent \$257 million in Ontario, with 4,199 jobs created. The production supported more than 100 businesses in each of the two seasons. Spending was split approximately evenly between crew and labour costs (53%) and local goods and services (47%).¹⁰⁶
- Horror sequel *IT Chapter Two* was filmed in several Southern Ontario communities, particularly in Port Hope. The production contributed more than \$56.4M to the province. In 86 days of shooting, 1,800 Ontario cast and crew were hired, with more than \$30M spent on payroll and labour alone. In addition, more than \$25.9M was spent on local goods and services including construction and lumber, catering, hotels and accommodations, location fees and permit fees.¹⁰⁷
- More than \$55 million was spent in Ontario filming *Shazam!* The production created 3,457 jobs for cast and crew, with over \$31.3M spent on Ontario labour and more than \$23.9M spent on goods and services at over 750 Ontario businesses on costs such as catering, lumber and construction, location fees, permit fees and wardrobe.¹⁰⁸



UMBRELLA ACADEMY:
THE EMMY-NOMINATED
COMIC BOOK ADAPTATION
WAS SHOT IN TORONTO
AND HAMILTON. IT WAS
STREAMED **45M TIMES**
WITHIN ONE MONTH OF
BEING MADE AVAILABLE ON
NETFLIX

¹⁰⁴ Paul Tassi, "'The Boys' Is Amazon's Highest Rated Original Series Ever On IMDb," *The Hollywood Reporter*, July 19, 2019.

¹⁰⁵ Rick Porter, "'Umbrella Academy' Draws 45 Million Global Viewers, Netflix Claims," *The Hollywood Reporter*, April 16, 2019.

¹⁰⁶ Press Release, "Star Trek: Discovery on an economic mission for Ontario, spending over \$257 million in just two seasons," Motion Picture Association - Canada, October 31, 2019.

¹⁰⁷ Press release, "Warner Bros. Entertainment's IT CHAPTER TWO scares up a hair-raising \$56.4 million for Ontario's economy," Motion Picture Association - Canada, September 5, 2019.

¹⁰⁸ Press release, "New Line Cinema/DC's Shazam! Supercharges Ontario's economy, spending over \$55M on production," Motion Picture Association - Canada, April 5, 2019.

COLLABORATIVE INITIATIVES

Ontario Creates works with industry stakeholders to deliver cross-sector collaborative activities. These events encourage partnerships within and across the creative media industries that will lead to innovation, productivity, and growth in the sectors. They also help to break down the barriers between sectors and allow them to focus on common business opportunities. Examples of these initiatives include:

- From Page to Screen is a B2B initiative that brings Ontario book publishers together with film, television, and interactive digital media producers for a series of one-on-one meetings. To date, the program has set up over 4,000 business meetings and brokered 71 book options. In 2018-19, over 65 companies participated in 350 meetings, leading to six option deals.¹⁰⁹ At a prior year's version of the event, *The Breadwinner* by Deborah Ellis, published by Groundwood Books, was optioned by Aircraft Pictures. The film, financed in part via the Ontario Creates Film Fund, was a 2018 Oscar Nominee for Best Animated Film. *The Breadwinner* is a Canada/Ireland/Luxembourg co-production with Angelina Jolie as Executive Producer.
- To date, over 100 films have been successfully financed through Ontario Creates' International Financing Forum including: *Castle in the Ground*, *Maudie*, *Tokyo Story*, *Book of Negroes*, *Citizen Gangster*, *Midnight's Children*, *The Husband*, *The Whistleblower*, *Coriolanus*, *Born to Be Blue*, *Wadjda* and the Oscar-nominated *Incendies*.¹¹⁰
- The Discussion Series (formerly known as the Digital Dialogue Breakfast Series) is a year-round forum for conversation among leaders in media, culture and technology. Four sessions were organized in 2019-20: three in Toronto, including a panel on Indigenous Cultural Protocols, as well as one in Ottawa on cultural labour force issues. All panel discussions are made available by Ontario Creates as podcasts.
- Ontario Creates will be holding its second Content Exchange Day in January 2020. This event provides an opportunity for all sectors to meet, learn (through roundtables and speakers), and participate in one-on-one meetings to explore new business and format opportunities. The program design is modeled on the first phase of the Collaboration and Innovation Fund program which concluded in 2016-17. This event launched in 2017-18 and takes place every other year, with the next event planned for 2021-22.
- In 2020-21, Ontario Creates will undertake a new cross-sector strategic marketing initiative to highlight diverse projects supported by Ontario Creates, in order to grow audiences for regional, Francophone, Indigenous, and other projects that meet the provincial definition of diversity. This strategic initiative will also elevate and illustrate the economic impact of diverse content in Ontario.
- In addition, in 2020-21 Ontario Creates will work with the other agencies of the Ministry of Heritage, Sport, Tourism and Culture industries to identify way to leverage one another's programs and communication strategies to strengthen the overall positioning of the province's cultural assets and impact on the quality of life and economic well-being of Ontarians.

Ontario Creates will continue to focus efforts on collaborative initiatives in 2020-21 including From Page to Screen, the International Financing Forum, and the Discussion Series.

TRILLIUM BOOK AWARD

The Industry Development Group delivers the Trillium Book Award/Prix Trillium to recognize Ontario's literary excellence and foster the promotion of Ontario-authored books. A jury of peers is coordinated and managed by Ontario Creates to select the short-listed titles and winners of four separate prizes. The deadline for submissions for the 33rd Annual Trillium Award/Prix Trillium will be in the fourth quarter of 2019-20 and the Award winners

¹⁰⁹ Ontario Creates, Annual Results 2018-19.

¹¹⁰ Ibid.

will be announced in the first quarter of 2020-21. The 32nd Trillium Award generated over 126 million media impressions.

- The 32nd Annual Trillium Award received 439 submissions. The winners were announced at an industry ceremony on June 13, 2019 and the following awards were presented:
 - Trillium Book Award (English): Dionne Brand, *The Blue Clerk* (McClelland & Stewart)
 - Trillium Book Award (French): Lisa L'Heureux, *Et si un soir* (Éditions Prise de parole)
 - Trillium Book Award for Poetry (English): Robin Richardson, *Sit How You Want* (Signal Editions/Véhicule Press)
 - Trillium Book Award for Children's Literature (French): Diya Lim, *La marchande, la sorcière, la lune et moi* (Les Éditions L'Interligne)

Trillium Book Award winners in English-language and French-language receive \$20,000 each. Publishers of the winning books each receive \$2,500 towards book promotions. The winners of the Trillium Book Award for Poetry (English-language) and the Trillium Book Award for Poetry (French-language) receive \$10,000 each; their publishers receive \$2,000 each. The awards for Children's Literature (French-language) and Poetry (French-language) are awarded in alternate years.

- In 2020-21, Ontario Creates will deliver Year 2 of multi-year federal funding under the Canada-Ontario Agreement on French Language Services for Trillium Book Award - French title promotion.

FUNDING TO TORONTO INTERNATIONAL FILM FESTIVAL, INC.

In 2019-20, Ontario Creates provided \$300,000 in Operating Support to Toronto International Film Festival, Inc. (TIFF). In addition to these operational funds, Ontario Creates provided \$815,000 in support for the care and maintenance of the Province's film collection at the Film Reference Library. In 2019-20, the agency also provided \$150,000 to the TIFF Industry Office, which supports international sales opportunities for producers during the Festival and where Ontario Creates has a shared marketing stand with Telefilm Canada. The stand is used to promote Ontario as a leading production jurisdiction to international decision-makers and to provide a hub where Ontario stakeholders can schedule meetings with international delegates. The agency provided \$30,000 via the Industry Development Program to TIFF's 2019 Film Circuit.

Ontario Creates also delivers various industry development initiatives during TIFF in order to leverage the presence of industry executives and producers from around the world converging in Ontario. The 14th annual International Financing Forum (IFF) brought Ontario, Canadian and international film producers together with international financiers. Twenty-one Canadian producing teams and fifteen international teams from countries including Denmark, Finland, Germany, Iceland, Ireland, Israel, the Netherlands, New Zealand, South Africa, the United Kingdom, and the United States participated, taking part in over 500 one-on-one meetings that resulted in significant business leads for producers. The group included 12 female directors who were invited to participate in the competitive, curated program. Since 2006, more than 100 projects launched at IFF have secured financing and gone on to be produced.

The provincial investment in TIFF has significant value. A 2019 study conducted by OlsbergSPI on behalf of TIFF and supported by Ontario Creates found that TIFF has a positive impact on both the Canadian and Ontario film sectors, with the festival recognized as a key meeting point, co-production forum and launching location for Canadian content. The festival has played an important role in developing Ontario as a whole and Toronto specifically as a key film production location. Attendance by industry at TIFF has been growing at a rate of approximately 2% per year for the last five years, with more than 5,500 professionals in attendance from 87 different countries in 2019.¹¹¹

¹¹¹ TIFF, *Professional & Industrial Impacts of TIFF*, October 2019.

- In 2020-21, Ontario Creates will work with TIFF to ensure the agency's funding continues to extract greatest value and achieves optimal industry impact.

TAX CREDITS AND FINANCING PROGRAMS

Ontario's creative media tax credits are a major incentive for doing business in Ontario. Tax credits provide Ontario's content creators with predictable and stable support which helps companies finance innovative new products, explore new business models, develop new revenue streams, and expand sales and distribution in the international marketplace.

A first-of-its-kind study examining the impact of tax credits on the UK screen sectors found that tax relief supported screen sectors delivered a total of £7.91 billion in Gross Value Added for the UK economy. Together production spend and its job creation led to the generation of significant tax returns for the government. It is estimated that the screen sectors delivered £2.04 billion in tax revenues in 2016. These revenues are also growing. Total tax revenues grew by 67% in the four year period between 2013 and 2016.¹¹²

New global over-the-top players like Netflix and Hulu are contributing to a significant expansion in content production. Ontario is well-positioned to continue to capitalize on the worldwide expansion of the screen-based industries. Global competition for production dollars remains strong and jurisdictions around the world are implementing new and innovative tax incentives in order to grow these industries at home. Ontario must maintain its competitive advantage in order to take advantage of the opportunity that this brings.

Ontario Creates currently co-administers six refundable tax credits with the Canada Revenue Agency (CRA) based on eligible expenditures for the film, television, interactive digital media, book publishing and music industries. In 2015, the Ontario Sound Recording Tax Credit (OSRTC) was discontinued; however, Ontario Creates will continue to administer the credit until all eligible applications are processed. Tax credit legislation falls under the responsibility of the Ministry of Finance. Ontario Creates works collaboratively with MoF and MHSTCI on issues related to tax credits.

- **Ontario Film and Television Tax Credit (OFTTC):** a refundable tax credit to eligible Ontario-based Canadian corporations of 35 per cent of qualified Ontario labour expenditures for eligible film and television productions. An enhanced rate of 45% is available for productions that are eligible for the regional bonus, while a rate of 40% on the first \$240,000 of qualifying labour expenditure is available for eligible for first-time producers.
- **Ontario Production Services Tax Credit (OPSTC):** a refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 21.5 per cent of qualified labour and non-labour Ontario expenditures for eligible film and television productions.
- **Ontario Computer Animation and Special Effects Tax Credit (OCASE):** a refundable tax credit to Ontario-based Canadian and foreign-controlled corporations of 18 per cent of qualified Ontario labour expenditures for digital animation and digital visual effects created in Ontario for film and television productions.
- **Ontario Interactive Digital Media Tax Credit (OIDMTC):** a refundable tax credit to eligible Ontario-based Canadian and foreign-controlled corporations of 40 percent of eligible Ontario expenditures for interactive digital media products created in Ontario (35 percent for fee-for-service).
- **Ontario Book Publishing Tax Credit (OBPTC):** a refundable tax credit to eligible Ontario-based Canadian corporations of 30 per cent of eligible expenditures for eligible literary works by Canadian authors.

¹¹² BFI. 2018. "Screen Business". London. <https://www.bfi.org.uk/sites/bfi.org.uk/files/downloads/screen-business-full-report-2018-10-08.pdf>, p. 16.

- **Ontario Sound Recording Tax Credit (OSRTC):** a refundable tax credit to eligible Ontario-based Canadian corporations of 20 per cent of qualifying production and marketing expenditures for eligible sound recordings performed by an emerging Canadian artist or group. The 2015 Ontario Budget announced that the OSRTC will be phased out. A qualifying corporation may claim an OSRTC for eligible sound recordings that commenced before April 23, 2015. However, a tax credit can only be claimed on eligible expenditures incurred before May 1, 2016 and the qualifying corporation cannot receive an amount from the Ontario Music Fund in respect of the expenditures claimed under OSRTC.

PROGRAM OBJECTIVES:

- To increase investment and jobs in Ontario and to incent content creation by Ontario-based film, television, interactive digital media, and book publishing companies.
- To assist in the capitalization of companies in order to help companies in Ontario grow their businesses, invest in the creation of new content, and to maintain and exploit their intellectual property assets.

PROGRAM RESULTS:

In 2018-19, support provided through tax credits leveraged product and production spending of more than \$18 billion dollars (or more than \$20 for every dollar invested by Ontario) while encouraging the creation of domestic content and attracting significant international investment through foreign service production.

As a result of process improvements introduced in 2018-19, the Ontario Creates Tax Credits and Financing Department saw significant year-over-year progress in reducing Ontario Creates Industries Tax Credit queues:

- Aggregate analysis time for all tax credits was 25% faster than in 2017-18
- Processing time for film and television credits was improved by 40%-55%
- 3,183 products were reviewed, a 4% increase over 2017/18

Results for this program are measured by the:

- Leverage value of Ontario Creates' contribution to each project (the additional amount in financing generated for each dollar invested by Ontario Creates).
- Estimated value of tax credits.
- Number of products reviewed/certified.
- Average turnaround time across all tax credits.
- Average time tax credit files spend in analysis.

PRODUCTIVITY & CUSTOMER SERVICE IMPROVEMENTS:

Ontario Creates has made a number of aggressive changes in recent years to improve productivity that include: moving from paper-based systems to a fully online system for application and processing; comprehensive Business Process Review and continuous improvements/refinements; implementation of a risk-based assessment methodology (with Ministry of Finance); cross-training and redeployment of staff resources; increasing staffing levels and opportunities for paid staff overtime; revised application forms (to improve the quality and relevance of information received); application deadlines and time limits to receive requested material from slow and non-responsive applicants; and additional pilots of risk-based processing modifications to evaluate impact.

Focusing on improvements is of paramount importance, as we recognize that continuing high turnaround times for tax credit processing increases financing costs for producers, delays access to capital that would otherwise be reinvested in the creation of new intellectual property, threatens company sustainability, and erodes the value of the province's investment to cover interim financing costs. Reducing turnaround time will better leverage Ontario Creates' investment and significantly improve access to capital for Ontario content companies.

Ontario Creates is grateful for the three temporary FTE positions provided in 2019-20. These resources were used to focus on process improvement through the addition of a dedicated Team Lead, as well as two additional

temporary business officers. With the additional resources and changes to administrative procedures, Ontario Creates projects that we will be able to address the backlog of files within the next two years (by 2021-22).

IN 2019-20:

- As part of ongoing business improvement, Ontario Creates developed a new intake process to address incomplete files before they enter the queue to ensure that when files are picked up for review they are complete and ready to process.
- Ontario Creates improved customer service and efficiency by offering tax credit administrative fee payments via Electronic Funds Transfer (EFT).
- Ontario Creates will continue efforts to improve the user experience for tax credit applicants. The Agency will launch increased online application portal functionality and new client tools as well as revisions to communications materials for improved clarity and functionality. We will be issuing HTML guidelines to standardize format/sections across all credits. Two new tools will be available on the corporate website: an OPSTC/OFTTC calculator to estimate tax credit value, and a regional bonus address lookup tool to identify whether a filming location is within or outside of the GTA boundaries and qualifies for a bonus.

2020-21 PRIORITIES:

Ontario Creates is proud of the significant gains we have made on processing times in recent years, thanks to business process improvements and additional staff provided. In the coming year, we will continue our efforts to reduce processing times and find ways to make client interactions more streamlined.

- Ontario Creates will procure a writer to develop plain language versions of all tax credit guidelines as part of a continuing focus on customer service improvements.
- Ontario Creates will highlight opportunities and options to modernize tax credits and will actively participate in the government's ongoing consultation and review processes. The Agency will explore and model options that are modern, responsive, and simpler for users, aligned with the current market realities and the government's Open For Business objectives.
- The Tax Credits team will increase outreach to stakeholders by offering more information sessions and/or panels.
- The agency will explore bringing the risk assessment scoring function (currently undertaken by MOF) in-house as well as the IT implications of doing so.
- Tax credit certificates are currently sent by registered mail. The agency will explore processes available to issue electronic certificates with appropriate security features embedded.
- Ontario Creates will investigate appropriate service standards with regard to turn-around times and make them public by 2020-21.
- Ontario Creates will continue to be an active member of the National Tax Credits Committee (NTCC) where Ontario Creates represents and advances Ontario's interests. In 2017-18 a working group of the NTCC was formed and Ontario Creates began working with the Canadian Audio-Visual Certification Office (CAVCO) and other provinces to investigate information sharing and harmonization possibilities. This work is expected to continue into 2020-21.
- The agency continues to chair monthly calls and an Annual General Meeting with MoF and the Canada Revenue Agency (CRA) to address issues of administration of the tax credits. In 2017-18 Ontario Creates began discussions with CRA to look at information sharing and harmonization possibilities to streamline the administration of tax credits. This work will continue into 2020-21.
- As the Tax Credit team moves through the current backlog of files, potential challenges are anticipated around an increase in irregular files which may require additional processing time and may have higher potential for disputes. As a mitigating strategy, Ontario Creates is committed to working with partners to recommend a privative clause which would formalize the review process in the event of a dispute.

BUSINESS AFFAIRS AND RESEARCH

BUSINESS INTELLIGENCE PROGRAM

Ontario Creates offers financial support to incorporated not-for-profit industry organizations undertaking business intelligence initiatives relevant to the growth of one or more content-creating sectors in Ontario. Completed business intelligence projects are made publicly available on the agency's corporate website and in the Online Research Library.

PROGRAM OBJECTIVES:

- To support projects that provide information, data, and/or insights that Ontario's creative companies need to increase their capacity and effectiveness.
- To provide Ontario companies with competitive market advantages.
- To level the playing field between Ontario's creative companies and global multinationals that have the capacity to conduct their own market research and business intelligence.
- To provide Ontario Creates with valuable trend and data information about the industry to help inform and improve programs and services offered by the agency.

PROGRAM RESULTS:

Support provided through the Business Intelligence Program (BIP) is anticipated to support five to ten new studies that will provide information and data to help Ontario creative industry companies remain competitive with larger scale multinational companies operating around the world. Business Intelligence studies are also anticipated to raise the profile of Ontario Creates and the Province as trusted partner and a catalyst for information and research in the creative media industries. Support is anticipated to leverage nearly double the amount invested by Ontario Creates.

Results for this program are measured by the:

- Number of projects released.
- Leverage value of Ontario Creates' contribution to each project.

2020-21 PRIORITIES:

- Ontario Creates will continue to deliver the Business Intelligence Program. In 2020-21 the program will offer three application deadlines and will operate with a budget of \$200,000.
- For the last several years, as research funds for music have been available via the Music Industry Development stream of the Ontario Music Fund, music has been an ineligible sector for BIP funding. In 2019-20, there was an \$8 million cut to the OMF and the Fund is in the process of being redesigned. In order to ensure continued support is available for music business intelligence gathering, beginning in 2020-21, music will be added as an eligible sector under the Business Intelligence Program.
- The agency will evaluate the impact of the business intelligence approach on program effectiveness and industry knowledge.

BUSINESS INTELLIGENCE PROGRAM STUDIES FUNDED AND RELEASED

In 2018-19, nine business intelligence projects were funded through the Ontario Creates Business Intelligence program. As of the end of the second quarter of 2019-20, four studies that received support through BIP (in prior fiscal years) were released. They are available to the public through the Ontario Creates website and Online Research Library:

- *Measuring Success: The Impact of the Interactive Digital Media Sector in Ontario (2nd Edition)* (Interactive Ontario)
- *Women in View on Screen 2019* (Women in View)
- *Analysis of Canadian Content in Ontario Libraries: Ebook Acquisition, Lending Models & Discoverability* (eBOUND Canada)
- *Gameplanner* (Game Arts International Network)

ONTARIO CREATES' COMMISSIONED RESEARCH

Where the agency identifies a particular knowledge gap or strategic growth opportunity which is not being addressed through the Business Intelligence Program, the agency will directly commission studies. These Ontario Creates-led projects allow for forward-thinking, 'big picture' intelligence on emerging issues facing the sectors, and are also primarily used to feed into the agency's programming, strategic planning and business planning processes.

- **Baseline Gender Data and Key Role Framework:** In 2018-19, Ontario Creates undertook a study to generate baseline data about gender diversity in key business and creative roles among the companies and productions supported by Ontario Creates. The key role framework and a summary of the data will be made publicly available on the Ontario Creates website. In 2020-21, the Research and Strategic Planning Group will proceed with a Phase 2 of this project, aimed at enhancing data collection to support improved tracking of diversity in key business and creative roles among Ontario Creates clients and projects on an ongoing basis.
- **Production Statistics Methodology Review:** In 2019-20, Ontario Creates is conducting a study in partnership with other members of the Association of Provincial Funding Agencies (APFA) to better understand how each jurisdiction captures and reports on film and television production statistics.
- **Creative Industry Workforce Research:** Ontario Creates will undertake a cross-sectoral research initiative exploring the talent pipeline, skill requirements, and future labour force demands in each creative sector within the agency's purview. This research will provide Ontario Creates with knowledge about the workforce needs of Ontario's creative industries in order to allow the agency to best support future growth and job creation in the sector.
- **Tax Credit cross-jurisdictional scans:** The agency will conduct cross-jurisdictional scans to identify how other tax credit regimes structure their regional bonus, identify how other organizations (including Canadian provinces, the federal government, and international jurisdictions) treat, support and finance webisodes and convergent online products. This research will provide relevant data to assist in making recommendations related to modernizing tax credits.
- **Sustainable Production:** In 2020-21, the Business Affairs and Research team will provide support to the Film Commission and Sustainable Production Working Group's research and planning efforts, as needed.

PARTNERSHIPS

Ontario Creates undertakes targeted research initiatives with third parties, allowing the Agency to extend its in-house research capacity to generate high value business intelligence for stakeholders.

- Since 2013-14, Ontario Creates has participated in the Culture Statistics Strategy, an initiative led by the Department of Canadian Heritage and a range of provincial, territorial, municipal and other partners. This partnership supports the release of key Statistics Canada culture data such as culture jobs, contribution to GDP, and trade of cultural products and services.
- In 2019-20, Ontario Creates partnered with VICE Media Group to conduct a joint research study on the habits, behaviours and preferences of Generation Z consumers and on best practices from content creators successfully reaching these audiences. The partnership model allowed Ontario Creates to leverage VICE's unique expertise to deliver a piece of market intelligence of value to our stakeholders across sectors.
- In 2020-21, Ontario Creates will continue to pursue relevant partnerships where an opportunity to provide a valuable research product to stakeholders is identified.

ONLINE RESEARCH LIBRARY

The Online Research Library (ORL) is a resource created and maintained by Ontario Creates which contains domestic and international studies specific to the creative industries and serves as a valuable repository of research for industry stakeholders, academics and the agency's own planning needs. The ORL is used by researchers, research institutions, and industry stakeholders who have indicated that this "one-stop shop" information source is an exceptionally valuable resource:

- The ORL contains over 700 research studies.
- In 2018-19, the ORL was visited by over 2,000 unique users.
- The studies in the ORL are also used to inform the development of the agency's semi-annual industry profiles which received nearly 15,000 unique views in 2018-19.
- In 2019-20, the ORL is undergoing an enhancement to its functionality and look. We anticipate the updates will greatly increase user friendliness of the site, which has not been significantly refreshed since its launch in 2009.

BUSINESS INTELLIGENCE BULLETIN

Ontario Creates launched a quarterly Business Intelligence Bulletin in Q2 of 2018-19 and achieved over 1,200 unique views within the first nine months. The Bulletin offers a platform to inform interested industry stakeholders about Ontario Creates-funded research, industry profiles, events and third-party data releases and industry consultations.

OPERATIONAL ACTIVITIES

A five-year Strategic Plan for the agency was released in 2017-18, which includes a commitment to several operational improvements. As of the second quarter of 2019-20, Ontario Creates has completed the implementation of its new Electronic Payments system so that payments to funding recipients and administration fees from tax credit applicants will now be made electronically. This was a significant customer service and efficiency improvement.

Operational activities in 2020-21 will include the following:

- **Transfer Payment Modernization:** Although not mandatory for agencies, as a best practice, Ontario Creates will place particular emphasis on Transfer Payment Directive policies aimed at simplification and transitioning to fully electronic processes which are in keeping with the Ontario's Open for Business Act. Similar to electronic payment, we expect the implementation of e-contracts to make working with Ontario Creates faster and easier for funding recipients.
- **Results Measurement:** Explore and implement further automation of quarterly results and reporting to make results management and responding to data requests required for briefing and event notes more efficient.
- **Open Data:** identify, prepare, and maintain datasets in compliance with Ontario's Open Data Directive.
- **Production Statistics:** compile annual film and television production statistics.
- **Strategic Planning:** monitor implementation of Strategic Plan Action Plan and coordinate annual agency business planning.

INDUSTRY ENGAGEMENT ACTIVITIES

Ontario Creates programs and activities are informed and enriched by regular stakeholder engagement that enhances the agency's ability to successfully fulfill its mandate. Formal stakeholder engagement takes place through Ontario Creates' five Industry Advisory Committees: Book, IDM, Magazine, Music, and Screen-based. Beginning in 2017-18, and at the request of industry representatives on these committees, Ontario Creates established and formalized cross-sector meetings of Industry Advisory Committee members.

The Advisory Committees are made up of stakeholders from creative industry companies and trade organizations who serve a term of up to three years. Each Committee nominates an Industry Co-Chair and the Ontario Creates CEO serves as the agency's Co-Chair. The Co-Chairs alternate the responsibility for chairing meetings.

The role of the Advisory Committees is threefold:

1. To provide high-level stakeholder input into Ontario Creates planning and program development and design;
2. To support two-way communication between the agency and its stakeholders, including the opportunity to make presentations to the Ontario Creates Board of Directors where appropriate. Committee members are expected to represent the views of their sectors and to consult with their sector colleagues in advance of meetings; and
3. To inform Ontario Creates of emerging stakeholder issues and priorities.

On occasion, subcommittees of the larger Advisory Committees are struck to provide input on specific Ontario Creates programs or documents.

Staff members from all departments are active participants in Ontario Creates' Industry Advisory Committees and staff conduct ongoing consultation with industry and stakeholders on issues, services and program offerings. Staff also engage in outreach activities to improve understanding of the requirements and application processes for all Ontario Creates programs and tax credits. These include information sessions and participation in industry panels.

In 2019-20, Ontario Creates is in the planning stages for a new cross-sectoral Industry Diversity Committee. It is expected to have representation from sector-based IAC members as well as other industry representatives. Its role would be to advise the agency on ways to ensure Ontario Creates programs and services are inclusive, and to monitor developments in the industry broadly in regards to achieving diversity goals. Establishing the Diversity Committee will also support our Strategic Plan goals of ensuring our culture reflects the diversity of Ontario and contributes to our vision, mission and values.

ACT AS A CHAMPION FOR THE CREATIVE INDUSTRIES

Ontario Creates continues to work with industry stakeholders to identify relevant issues and assist them in communicating those issues to the appropriate levels of government.

- In 2019-20, and moving into 2020-21, Ontario Creates will participate on the MHSTCI/MOF Film and Television Advisory Panel.
- In 2019-20, Ontario Creates made a submission to the Ontario Government's Intellectual Property in the Post-Secondary Education Sector consultation.
- Ontario Creates intends to monitor, and contribute as appropriate to activities stemming from the recently completed review of the *Copyright Act* as well as the ongoing review of the *Broadcasting Act*, *Telecommunications Act*, expected to be finalized by January 2020.
- Through the Business Intelligence Bulletin, Ontario Creates is able to communicate with stakeholders about opportunities to contribute to policy consultations taking place at all levels of government.

STRATEGIC INITIATIVES

Ontario Creates' programs are oversubscribed and stretched to maximum capacity, yet there continue to be untapped opportunities to further enhance the impact of programs, to develop skills and partnerships, and to advance the strategic priorities of diversity, workforce development, partnership, discoverability, marketing and export. While Ontario Creates has focused on ensuring a balanced budget for core program delivery, in recent years, the agency has utilized uncommitted cash reserves to activate program enhancements and new initiatives, on a time-limited basis, in an effort to address some of the ongoing program gaps and unmet industry needs.

In 2020-21, Ontario Creates is prepared to utilize reserve funds to activate a series of time-limited initiatives that will leverage and extend existing programs without creating unsustainable stakeholder expectations and with limited additional strain on human resources. The initiatives are as follows:

- **Diversity Enhancement:** Ontario Creates has observed significant benefits from supporting diverse projects, including critical acclaim, workforce development and box office success. The Diversity Enhancement will be delivered through three key activities in 2020-21: (1) Film Fund Diversity Enhancement for films with diverse key creatives, voice, and story; (2) Industry Development Program towards initiatives that support diverse workforce development and increased inclusion in industry mentorship and professional development opportunities; and, (3) A new cross-sector marketing initiative that will highlight Ontario Creates-supported diverse content across the province.
- **Workforce Development Initiatives:** The Film Commission has convened a workforce development committee composed of regional/municipal film liaisons and unions to better understand potential labour shortages, within the context of studio space expansion. This committee has identified strategies and tactics that provide Ontario Creates with an opportunity to be a leader in driving job growth for the sector. Strategic time-limited Workforce Development tactical initiatives may include co-hosting job and recruitment fairs.
- **Sustainable Production Initiatives:** In an effort to respond to intensifying corporate social responsibilities mandates and environmental policy making, the Film Commission has convened a Green Screen Committee to discuss strategies for sustainable production that will save both environmental and monetary costs for productions and provide a value add to choosing the Ontario as a filming jurisdiction. This Committee has identified short-term and long-term tactics for sustainable filming practices that Ontario Creates is well positioned to deliver on via a program delivery agent, funded in partnership with industry stakeholders and government representatives. Sustainable Production research will be conducted as determined/defined by the Sustainable Production Working Group. The research would be commissioned to a third party.
- **Plain Language Tax Credit Guidelines:** As part of an effort to improve customer service and the quality of applications coming into the tax queue, Ontario Creates will commission a writer to develop plain language guidelines for all tax credits. Once rolled out, we expect this initiative to contribute to a better informed client base, fewer ineligible submissions, and higher quality, more complete applications, which over time should assist in streamlining processing and speeding up review times.
- **Ontario Author Touring Support (OATS):** Recognizing the changing marketplace for books, OATS provides publishers with funding to support Ontario-published author appearances at key domestic and international literary festivals and events to garner media exposure and increase book sales. In 2020-21, the program will again be delivered through the Book Fund in order to streamline delivery and assist with the planning cycle for publishers.
- **Frankfurt Book Fair 2020: Canada Focus:** Canada has been selected as the Guest of Honour at the Frankfurt Book Fair 2020 (14-18 October 2020). The Frankfurt Book Fair is the international hub of the publishing world and being its Guest of Honour will provide opportunities to showcase Ontario literature, film, interactive digital media, and music across Germany and to an international audience.. The agency's lead up programming for this event began in 2018-19 and in this focus year will support B2B activities across the creative industries, an expanded presence for Ontario book publishers at the fair, a program highlighting Ontario film producers across Germany, and an interactive digital media presence to build business opportunities and audience engagement.
- **Magazine Industry International Business Development:** Based on the success of this initiative since its pilot in 2017-18, this initiative will be extended for another year. Funding will be provided to give magazine companies more flexibility to attend international activities that best suit their niche needs and to build on the exposure the Ontario collective has had internationally to date. In 2020-21, the initiative will again be delivered through the Magazine Fund in order to provide administrative efficiencies and

assist magazine companies with their annual planning.

- **Domestic Feature Film Distribution and Marketing:** Based on the success of this initiative in the current fiscal year, Ontario Creates will provide funding to support innovative marketing and distribution strategies for Ontario films for an additional year. This initiative will further leverage the distributor's marketing investment, will increase audience awareness and box office sales, and will empower producers to be more active agents in the distribution of their films. In 2020-21, the initiative will also include an element of professional development in order to optimize the agency's investment and ensure strong marketing plans.
- **Completion of Customer Relationship Management (CRM) System Upgrades:** A small portion of cash reserves will be used to complete upgrades of the agency's Client Relationship Management system (CRM) aimed at improving the customer experience and creating administrative efficiencies for Ontario Creates. This significant infrastructure project began in 2018-19 and is expected to be completed in 2020-21.

VI. RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

RESPONDING TO HIGH PROGRAM DEMAND

Demand for Ontario Creates programs continues to outpace resources. This is a sign of tremendous success for Ontario. As the size of Ontario's creative economy continues to grow, Ontario Creates continues to experience an increase in program demand, which strains both human and financial resources. In 2018-19, Ontario Creates was only able to support 62 per cent of the applications to the agency's selective funding programs and those applications are only receiving a portion of the funds requested. This means that many quality projects were not funded and in many cases were either not implemented at all, or moved to another jurisdiction at a loss to Ontario's economy. Sustaining the agency's budget at the current level (or further reducing it) will mean a loss of jobs and economic opportunity for Ontario.

FOSTERING DIVERSE STORIES AND CREATORS

There is a strong appetite, particularly among younger generations, for exposure to different viewpoints, and there is a feeling that as it stands, the content industry has not yet caught up with the audience in terms of diverse representation.¹¹³ In order to continue generating economic returns and supporting jobs in Ontario, companies need to adapt to make content future audiences will want to buy, meaning both the industry and its outputs will need to reflect the breadth of Ontario's diversity. Investing in further diversifying the creative industries and content is crucial to supporting continued relevance, uptake and ongoing economic impact of these industries, so that content consumption remains robust for Ontario creators in the future. Through Diversity Enhancement funding, Ontario Creates can support creative companies in this transition.

BUILDING THE TALENT PIPELINE

Particularly in the film and television industry, as dedicated studio space has grown across the GTHA, the risk of a shortage of trained crew has emerged as a key concern. Ontario Creates is involved in proactive measures with partners to better understand the level of need and to create clear career pathways into the industry, including attracting those changing careers.

More broadly, Ontario's creative industries are committed to ensuring that future generations see their sectors as viable careers, and have greatly appreciated mentorship and internship programs supported by Ontario Creates that have brought new, and in particular, diverse talent into the sectors. Continued investment in skills development, talent attraction and retention initiatives, clarification of career pathways, mentorship opportunities, and initiatives to ensure curriculum is aligned to industry needs is vital for the health of the creative industries going forward.

GREENING THE INDUSTRIES

Sustainability is a growing area of awareness and concern across all industries as well as among consumers and households. Productions are seeking ways to reduce the environmental impact of their activities and welcome resources to make doing so easier to implement. In order for Ontario to remain competitive and continue to be a leader among production jurisdictions, it is important to invest in training and resources that will help producers make greener creative products. Ontario Creates has already added search fields to the Film Commission's Digital Locations Library allowing users to easily find green vendors to use in their productions if they choose. In 2020-21, the agency will enter into partnerships to provide carbon literacy training to creators and conduct a sustainability research study to provide greater insight to partners. Going forward, provincial investments could target additional incentives for producers to reduce their environmental footprint, in recognition of the strong link between attractiveness of our jurisdiction and leadership in this area.

BOOSTING PARTNERSHIPS

In addition to sponsorships, Ontario Creates continually seeks out appropriate partnerships with local, regional, federal and international private, non-profit and public entities that assist in furthering the agency's mandate and

¹¹³ VICE and Ontario Creates, *GenZ: The Culture of Content Consumptions Cultural Content Diet*, November 2019.

strategic goals. In 2020-21, Ontario Creates wishes in particular to pursue new cross-Ministerial opportunities, including seeking to more actively work with the Ministry of Education in order to advance priorities of mutual interest, such as getting more Ontario books and content into Ontario schools.

FOCUS ON EXPORT AND INTERNATIONAL BUSINESS DEVELOPMENT

Export activity is fundamental to growing Ontario's creative companies which is why it is a key element of Ontario Creates' Strategic Plan. In 2020-21, Ontario Creates will continue to prioritize support for export activities to drive market growth and ROI; however, success requires active engagement of staff to facilitate in-market programming and provide the kind of expert on-the-ground support which includes introducing Ontario companies to potential financiers and potential production partners. These activities have proven to leverage Ontario's presence in international markets into better outcomes for Ontario companies and better ROI for the Province. In the event that travel restrictions remain in place, Ontario Creates will have to scale back on international business development, which will have a negative effect on Ontario's competitive business advantage and impact results, including losing Ontario's status as the lead go-to player as international partners build relationships with other jurisdictions.

MAINTAINING AND BUILDING ON CORE PROGRAMS

A succession of reductions to Ontario Creates' budget and uncommitted cash reserves in recent years has placed significant strain on the agency's budget and human resources. The financial forecast and program and service descriptions included in this Business Plan assumes that core funding will remain in place, that there will be no further reductions to the agency's budget or cash reserves and no changes to the agency's number of FTEs.

The agency's budget reduction strategy has always been to mitigate the direct industry impact of cuts through timing adjustments, cost containment, program modifications, revenue increases, and program reductions while ensuring the long-term financial and strategic sustainability of the agency's strategic and business planning. The budget for core programs and services has been balanced and cash reserves utilized to support time-limited initiatives which do not create long-term stakeholder expectations. As such, the agency has been successful at cost-containment, and operations are lean and efficient, with corporate expenditures making up just 7.2% of the agency's total budget in 2018-19, with the remaining 92.8% dedicated to direct, program-related spend. However, through successive cuts to the Ontario Creates budget and to cash reserves in 2016, 2017 and 2019, the flexibility of the agency to respond to changes in the environment or to take advantage of emerging opportunities has been compromised. Access to cash reserves allows Ontario Creates to respond to immediate opportunities and needs identified within the cultural sector with tailored programs, without requiring a request for funds to the ministry.

VII. MITIGATING RISK: RISK IDENTIFICATION, ASSESSMENT AND MITIGATION STRATEGIES

Ontario Creates regularly updates and submits a quarterly risk register to the Ministry of Heritage, Sport, Tourism and Culture Industries. The risk register addresses current and future activities of the agency and environment with respect to related risk factors and their impacts. Ontario Creates has prepared comprehensive mitigation strategies for all of the risks that it has identified and as new risks emerge or change, Ontario Creates will endeavor to inform MHSTCI and act judiciously to minimize any negative consequences.

High- and medium-impact risks facing the agency and the creative industries over the next three years include the following:

Film/TV Workforce Shortages (High)

- As dedicated studio space has grown in the GTHA and Ottawa, there are an increased number of projects, and a risk of insufficient capacity to accommodate all activity with the existing base of trained crew.
- Ontario Creates is participating in a Workforce Development Group alongside unions, guilds, regional and municipal representatives, and other industry players who have focused efforts on identifying ways of growing capacity in the industry.

Ontario Music Industry - Potential Loss of Leadership Position/Limitations on Growth (High)

- The \$8 million cut to the Ontario Music Fund in 2019-20 represented a halving of the funds available for music stakeholders. This unanticipated reduction will impact music companies that had undertaken longer-term strategic planning for 2019-20 for specific initiatives; the reduced fund will impact those initiatives and associated results. With stakeholder consultations complete as of September 2019, Ontario Creates and MHSTCI are now in the program redesign stages with the launch of a new modernized OMF expected in Spring 2020. The team will work as efficiently as possible in order to minimize delays. Delays and the lack of certainty around the design of the new fund may result in lost opportunities for Ontario music businesses, reduced program metrics and a loss of reputation for Ontario as a leading business jurisdiction for music.
- Ontario Creates will work with MHSTCI on the OMF review to ensure that the funding available is targeted to achieve the highest ROI and address the government's priorities.

Limited Discretionary Resources (High)

- While grateful for the significant funding Ontario Creates administers for the creative industries, the recent trend of restricting the agency's funding to specific programs, means that Ontario Creates is less nimble to respond to industry needs and issues.
- As a result of cuts to the agency's budget, the remaining sectors continue to be disproportionately resourced in comparison to Music and IDM. Ontario Creates will continue to strategize with MHSTCI to serve all sectors with available resources.

Tax Credit Application Volume (Medium)

- While the volume of products applying for Tax Credits has begun to ease, and process improvements have been implemented, the high level of applications continues to exceed staffing allotment and leads to lengthy timelines for processing of tax credits which may put Ontario at a competitive disadvantage to jurisdictions offering rebates or quicker processing times. The delays may slow payment to applicants and may jeopardize company stability and productivity which could impact Ontario Creates' ability to achieve its mandate.
- Ontario Creates mitigates this risk through risk assessment processes to assist with queue triage. Ontario Creates also received permission for three temporary FTEs and assigned a new Team Lead to focus on process improvements to help mitigate the risks of high application volume. A new intake process will also assist by ensuring that only complete applications enter the queue.

Staffing Challenges and Restrictions (Medium)

- The current hiring restrictions mean that vacancies at the agency can only be filled by hiring from within the OPS. This has made it challenging to fill vacancies with individuals that have specialized knowledge of the creative industries required by Ontario Creates. New hires without this industry knowledge and experience require significantly more training resources which negatively impacts the agency's ability to deliver services in a timely manner. This is especially critical as it erodes the productivity gains made in addressing the backlog of tax credit applications.
- Existing staff are being provided with development opportunities where possible as a mitigating strategy.

Limited Access to Export Markets (Medium)

- Export activity including international sales is fundamental to growing Ontario businesses. Restrictions placed on out-of-province travel for staff may mean that Ontario Creates can't provide the kind of expert on-the-ground support and B2B networking in key markets that has proven to leverage Ontario presence into better outcomes for Ontario companies. There is also the risk that competitive advantage will be lost if Ontario does not have an on-the-ground staff presence at markets where other provinces are promoting their jurisdictions.
- As a mitigating strategy, Ontario Creates is continuing to support companies to attend foreign markets and conduct export activities, and is establishing partnerships to leverage existing resources. Ontario Creates continues to work with other levels of government to pursue opportunities, including participating in the Federal, Provincial and Territorial Cultural Promotion and Diversity in a Digital Age Working Group which was tasked with developing an inventory of strategies and initiatives (e.g. programs, services) that support Canadian cultural promotion and export.

Insufficient Resources to Service Growing Demand (Medium)

- Increased demand for Ontario Creates services without new resources to service this demand may lead to slow customer service and disgruntled stakeholders. At its worst, it may mean that stakeholders move their productions and companies to other jurisdictions where their projects can be supported.
- Regular performance results measurement assists in identifying any problem areas in terms of spikes in demand and declines in ability or rate at which the demand can be met. Agency staff work to continually implement business improvement processes in order to service clients more efficiently including the recent introduction of online payments; however, this will not mitigate a lack of program funding.

VIII. HUMAN RESOURCES AND STAFFING

Staff at the agency are highly skilled and competent in their respective service areas and have the highest levels of commitment both to public service and to the stakeholders they serve. Ontario Creates meets or exceeds all required controls and accountabilities as a public service agency and administrators of public funds. Ontario Creates places a great deal of emphasis on ensuring that all obligations under both the Transfer Payment Accountability Directive (TPAD) and operating MOUs with the Ministry of Heritage, Sport, Tourism and Culture Industries are met.

All Ontario Creates staff are members of the Ontario Public Service. Staff members who are represented by a union are compensated under the terms of their collective agreements.

Ontario Creates is continuously working to be a better organization and workplace. The Strategic Plan includes two internal enabling commitments: to ensure service and operational excellence and to empower people and teams. This means that the agency will continue to work to improve processes and technology; to provide a superior customer service experience; and to ensure accountability and the effective use of resources.

In a 2018 survey of all Ontario Public Service employees, Ontario Creates staff had a strong participation rate of 73% (as compared to 61% across the OPS) and a high engagement index of 77.5 (as compared to 69.8 across the OPS). While the overall results were positive and demonstrated strong results in inclusion, learning & development, quality of service, organizational communication and management of performance barriers, there is always room for improvement and the agency is committed to working with staff in the year ahead to further improve the Ontario Creates workplace. An Employee Engagement Committee was established in 2018 which has developed a detailed action plan for further engaging staff.

The current hiring restrictions placed on the OPS means that vacancies at the agency can only be filled by hiring from within the OPS. This has made it challenging to fill vacancies with individuals that have specialized knowledge of the creative industries served by Ontario Creates. Where possible, existing staff are being offered development opportunities as they arise.

Below is the staff complement broken down by bargaining unit classification:

FTE CAP

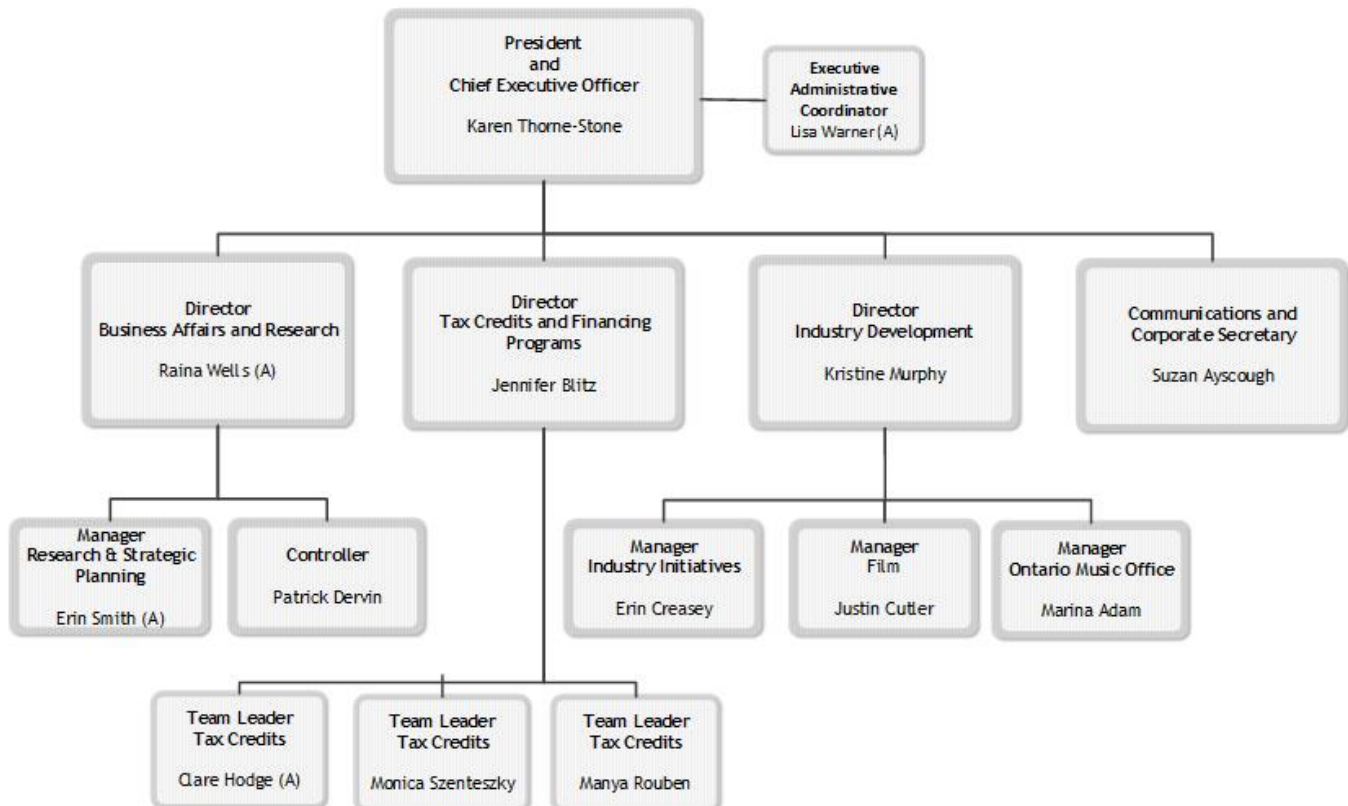
SMG/ITX	MCP	Excluded	OPSEU	AMAPCEO	TOTAL
3	6	0	62	7	78

ORGANIZATIONAL CHART

As of November 30, 2019

Ministry of Heritage, Sport, Tourism and Culture Industries

Ontario Creates



IX. PERFORMANCE MEASURES

Performance measures for Ontario Creates provide regular feedback on whether agency programs and activities are meeting their objectives and provide some insight into the overall health of Ontario's creative industries.

The agency's outcome and output-based performance measures align with the ministry's strategic objectives of fostering a sustainable and prosperous creative economy, supporting innovation, investment and job creation, helping Ontario's creative companies compete in the domestic and international marketplace, and helping Ontario become a leader in the knowledge-based economy.¹¹⁴ In 2020-21, Ontario Creates will continue to collaborate with its government partners to strengthen and grow Ontario's entertainment and creative cluster.¹¹⁵

A number of new performance measures were added in 2017-18 and 2018-19. The following table provides interim results as of September 30, 2019 (Q2) for key 2019-20 performance indicators. It also shows trend information by outlining comparable final results from 2018-19, 2017-18 and 2016-17, where applicable. Performance measure targets for the Ontario Music Fund included in the table below, are based on a redesigned Ontario Music Fund following the \$8 million cut that was announced in the 2019 Ontario Budget.

Ontario Creates recognizes that the diversity of Ontario's creative sectors is key to their future economic success. In 2020-21, Ontario Creates will develop additional metrics to track this priority.

In addition to these key performance indicators, Ontario Creates management monitors performance measures that address operational efficiency and effectiveness as well as metrics in specific program areas. Monitoring these measures, while not reported in this Plan, contributes to the overall success of Ontario Creates in achieving the agency's corporate goals and commitment to continuous improvement as well as ensuring the agency's responsibilities under various accountability directives are met.

¹¹⁴ Ontario Ministry of Tourism and Culture, *Results-based Plan Briefing Book 2014-15*, p. 4.

¹¹⁵ *Ibid*, p. 7.

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
Strategic Goal #1: STIMULATE ECONOMIC GROWTH AND EMPLOYMENT							
1. Estimated value of Tax Credits (millions)	\$129	\$136	\$600	\$840	\$747	\$509	
2. Leverage Value (additional amount of financing generated for each dollar invested by Ontario Creates)							
a) Investment through all six Tax Credits	\$12.19	\$12.67	\$15.00	\$20.64	\$17.80	\$18.15	
b) Investment through Book Fund	\$0.60	-	\$0.57	\$0.57	\$0.72	New Measure for 2017-18	
c) Investment through Film Fund (Production)	\$16.84	\$9.35	\$20.00	\$20.66	\$17.82	\$25.02	
d) Investment IDM Fund (Production)	\$2.56	Note 2	\$1.85	\$1.96	\$2.21	\$1.79	
e) Investment through Magazine Fund	\$0.70	-	\$0.75	\$1.01	\$0.72	\$0.97	
f) Investment through Ontario Music Fund (OMF)	-	\$6.15	Note 10	\$4.18	\$4.83	\$4.79	
g) Investment through Business Intelligence Program	\$1.21	-	\$1.50	\$1.75	\$1.73	New Measure for 2017-18	
3. Return on Investment (sales earned for every dollar invested by Ontario Creates)							
a) Book Fund	-	-	\$3.50	Note 2	\$4.79	\$2.85	
b) Export Funding (Export Fund and IDM Fund: Global Market Development)	-	-	\$175.00	Note 2	\$177.86	\$174.54	
c) IDM Fund: Marketing Support	-	-	\$2.00	Note 2	\$1.55	New Measure for 2017-18	
d) Magazine Fund	-	-	\$1.20	Note 2	\$1.19	\$1.97	
4. Ontario Music Fund Economic Growth and Employment Indicators							
a) Increased company gross revenue as a result of the OMF (millions)	Annual Result		Note 10	Note 2	\$97.77	\$118.98	
b) Private sector investment and equity secured as a result of the OMF support (millions)	Annual Result		Note 10	Note 2	\$12.00	\$9.55	

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
c) Jobs created and/or retained through OMF projects (FTEs)	Annual Result		Note 10	Note 2	551	538	
5. Other Economic Growth and Employment Indicators							
a) Weeks of work created and/or retained through IDM Fund and Film Fund projects	9,739	223	22,000	35,280	22,962	20,623	
b) Job Creation Index (# of jobs per million dollars of Ontario Creates support)	Annual Result		64	Note 3	Note 3	Note 3	
c) Number of educators reached through Canadian Books in Ontario Schools	-	0	12,000	Note 2	Note 2	Note 2	
d) Job Quality Index (average wage per job)	Annual Result		\$52,928	Note 3	Note 3	Note 3	
e) Economic ROI Index (GDP per dollar of Ontario Creates support)	Annual Result		\$3.27	Note 3	Note 3	Note 3	
f) Investment Leverage (private sector funding per dollar of Ontario Creates support)	Annual Result		\$1.58	Note 3	Note 3	Note 3	
Strategic Goal #2: PROMOTE THE INDUSTRIES							
1. Film and Television Production							
a) Number of film and television productions that shoot in Ontario	42	61	145	152	137	146	
Domestic	24	41	85	92	74	82	
Service	18	20	60	60	63	64	
b) Value of film and television productions that shoot in Ontario (millions)	\$370	\$531	\$1,320	\$1,316	\$1,480	\$1,324	
Domestic	\$176	\$184	\$520	\$512	\$525	\$563	
Service	\$195	\$347	\$800	\$803	\$955	\$761	
c) Number of actively scouting domestic and service productions accessing Ontario Creates scouting services	39	40	150	154	150	140	

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
2. Los Angeles Office							
a) Number of leads developed by L.A. Office	26	25	120	120	216	New Measure for 2017-18	Note 6
b) Proportion of L.A. Office-assisted projects that shoot in Ontario	14%	64%	30%	32%	34%	28%	Note 6
c) Value of L.A. Office-assisted projects that shoot in Ontario (millions)	\$110	\$172	\$500	\$343	\$953	\$585	Note 6
3. Social Media Influence							
a) Sysmos score	8/10	8/10	8/10	8/10	58.4	59.9	
b) Number of new subscribers to Ontario Creates social media channels	607	602	1,500	3,996	1,443	New Measure for 2017-18	
4. Media Impressions							
a) Number of media impressions (millions)	9.8	22.6	50.0	184.6	31.7	33.3	
b) Number of Trillium Book Award media impressions (millions)	126.5	-	60.0	4.5	172.0	49.1	Note 5
Strategic Goal #3: ENCOURAGE COLLABORATION AND INNOVATION							
1. Industry Development Support (Industry Development Program, Sector Marketing Support, other Ontario Creates support to industry development)							
a) Number of industry development initiatives led or supported by Ontario Creates	27	27	60	64	69	New Measure for 2017-18	
b) Number of business connections/leads made by participants at Ontario Creates-led or supported initiatives	27	Note 2	20,000	35,359	24,436	New Measure for 2017-18	
c) Number of business connections and/or leads made as a result of OMF Music Industry Development Support	Annual Result		Note 10	Note 2	12,111	9,308	

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
2. International Business Development							
a) Number of markets at which Ontario Creates has organized a strategic presence	1	1	9	6	17	16	
b) Number of foreign markets at which Ontario participants are supported through export activity support	62	45	200	241	346	284	
3. Collaboration Initiatives							
a) Number of Collaboration events led by Ontario Creates	0	2	5	4	7	New Measure for 2017-18	
b) Number of business connections made through meetings at Collaboration events	0	Note 2	1,200	1,167	1,757	New Measure for 2017-18	
c) Number of deals/options arising from Collaboration events after 12 months	1	2	6	6	6	New Measure for 2017-18	
d) Value (when applicable) of deals/options arising from Collaboration events after 12 months	\$2,500	\$10,000	\$20,000	\$23,000	\$29,100	New Measure for 2017-18	Note 7
3. Business Intelligence							
a) Number of Business Intelligence projects released	3	1	8	10	9	13	
b) Number of Industry Profiles updated	2	2	8	8	7	9	
c) Number of unique views of Industry Profiles on corporate website	4,613	1,171	15,000	14,816	15,128	New Measure for 2017-18	
d) Number of new documents added to the Online Research Library	43	72	80	92	116	New Measure for 2017-18	
e) Number of unique visitors to the Online Research Library	568	596	2,500	2,094	3,662	New Measure for 2017-18	
f) Number of Business Intelligence Bulletin unique views	559	573	1,500	1,297	New Measure for 2018-19		

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
Strategic Enabler #1: ENSURE SERVICE AND OPERATIONAL EXCELLENCE							
1. Program Delivery							
a) Number of applications received (funds and tax credits)	968	687	2,300	2,464	2,287	New Measure for 2017-18	Note 1
b) Average turnaround time across all tax credits (weeks)	31.3	37.8	34.0	33.8	41.9	42.5	
c) Average time tax credit files spend in analysis (weeks)	3.9	6	4.0	3.9	5.3	7.2	
d) Total number of tax credit products reviewed	989	780	2,700	3,183	3,047	New Measure for 2017-18	
e) Program Delivery Effectiveness Index (avg. application time, weeks)	Annual Result		28.29	Note 3	Note 3	Note 3	
f) Program Delivery Effectiveness Index (avg. cost per application)	Annual Result		\$869	Note 3	Note 3	Note 3	
2. Service							
a) Number of service calls and emails	1,133	998	4,600	4,521	4,779	New Measure for 2017-18	
b) Number of ministry inquiries	28	43	60	97	136	New Measure for 2017-18	
c) Client satisfaction survey (approximately every 5 years)	Annual Result			N/A	Completed	New Measure for 2017-18	Note 4
Strategic Enabler #2: EMPOWER PEOPLE AND TEAMS							
1. Percentage of staff that have been at organization 5+ years	Annual Result		55%	62.9%	62.5%	New Measure for 2017-18	
2. Percentage of staff with Performance Development and Learning Plans	Annual Result		95%	94.3%	94.4%	New Measure for 2017-18	
3. Percentage of staff who engaged in 1+ professional development activities within the year	Annual Result		95%	98.6%	94.4%	New Measure for 2017-18	

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
4. OPS Employee Survey (positive or negative variance between Ontario Creates and OPS results on Employee Engagement Survey - when issued)							
a) Engagement Index	Annual Result		+4.0	+7.7	+4.4	New Measure for 2017-18	
b) Inclusion Index	Annual Result		+4.0	+5.3	+4.1	New Measure for 2017-18	Note 8
c) Performance Barriers	Annual Result		+12.0	+12.4	New Measure for 2018-19		Note 9
d) Independence & Innovation	Annual Result		0.0	-2.5	New Measure for 2018-19		Note 9
e) Learning & Development	Annual Result		+11.0	+11.6	New Measure for 2018-19		Note 9
f) Leadership Practices - Directors/Senior Managers	Annual Result		+2.0	+2.3	New Measure for 2018-19		Note 9
g) Quality of Service	Annual Result		+10.0	+10.6	New Measure for 2018-19		Note 9
h) Organizational Communication	Annual Result		+14.0	+14.4	New Measure for 2018-19		Note 9
i) Survey Response Rate	Annual Result		+12.0	+12.0	New Measure for 2018-19		Note 9

NOTES:

Return on Investment (ROI) represents the amount generated in sales for every dollar invested by Ontario Creates.

Leverage value indicates the additional amount in financing generated for each dollar invested by Ontario Creates.

(1) Target is relative to the number of Tax Credit applications certified

(2) Results not yet available

(3) Results not yet available, baseline results from survey, not directly comparable to future years

(4) Ontario Creates Client Satisfaction Survey was issued in 2017-18. Surveys are issued approximately every five years

(5) Elevated results in 2017-18 due to additional activities and ad spend related to Trillium's 30th anniversary

(6) LA Office in Redevelopment mode - new marketing consultant in place from Q4 2018-19 after position was vacant for 2 quarters.

(7) Results not yet final

(8) Inclusion Index was revised for 2018 and as a result, is not directly comparable to indices from previous years.

(9) Due to change in OPS Employee Survey reporting, not all historical indicators were available for 2018. Additional indicators developed for 2018.

Key Performance Indicator	2019-20 Quarterly Results Q1	2019-20 Quarterly Results Q2	2020-21 Target	2018-19 Actual	2017-18 Actual	2016-17 Actual	Notes
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(10) The OMF is currently being redesigned. Targets will be set once program design is confirmed.

X. FINANCIAL BUDGET

AGENCY:

ONTARIO CREATES

(\$ Thousands)

	2020-21 <i>OC Business Plan Budget</i>	2021-22 <i>FORECAST</i>	2022-23 <i>FORECAST</i>
REVENUE			
MHSTCI Funding (Note 1)	35,744.3	35,512.3	35,512.3
Self-generated (Note 2)	3,709.3	3,805.5	3,805.5
TOTAL REVENUE	39,453.6	39,317.8	39,317.8
EXPENDITURES			
Salaries & Benefits (Note 3)	7,917.9	8,039.8	8,163.5
Operations (Note 4)	2,184.8	2,195.6	2,206.7
Grants	28,046.1	27,814.1	27,814.1
Program Delivery	1,304.9	1,292.9	1,280.7
TOTAL EXPENDITURES	39,453.6	39,342.4	39,465.0
Net Surplus/(Deficit) before Other Items	0.0	-24.6	-147.2
Other Items (funded from cash reserves):			
- Time-limited Strategic Initiatives	2,090.0	0.0	0.0
- Time-limited FTE Allocation	235.0	235.0	235.0
Net Deficit Before Cash Reserves Draw to Balance Budget	-2,325.0	-259.6	-382.2
- Cash Reserves Draw to Balance Budget	2,325.0	259.6	382.2
Effective Deficit	0.0	0.0	0.0
Closing Unrestricted Net Assets	2,978.2	2,718.6	2,336.3

Notes:

(1) Two three-year funding sources - Diversity Fund (\$1.5 million) and Canadian Books in Ontario Schools (\$0.3 million) - expired in 2019-20.

(2) Includes tax credit administration fees, interest, and other income

(3) Includes known bargaining unit increases

(4) Includes occupancy, administration, marketing and communications costs, and annual 2% inflation on operations and information services

XI. IT AND ELECTRONIC SERVICE DELIVERY PLAN

Ontario Creates provides and supports its own information technology services, including maintenance of the internal network and servers, email service, an internal database for operational purposes and three outward-facing databases that provide access to industry research, filming locations, and the agency's funding programs and tax credits applications. The agency is responsible for all procurement and security related to this infrastructure.

Staff are responsible for infrastructure maintenance and operations as well as internal and external customer service support. They are also responsible for system monitoring and enhancements as well as answering all support inquiries from agency staff and external users of Ontario Creates' Online Application Portal (OAP). The in-house model offers the agency much-needed flexibility to provide a high level of customization and responsiveness to client needs in a timely fashion.

CLIENT SERVICES

Ontario Creates is proud to be advanced in its efforts to provide electronic service delivery to clients, which supports the broader government's digital service plans. The agency's corporate website is its primary client interface. Ontario Creates clients access the OAP, the Digital Locations Library (DLL) and the Online Research Library (ORL) through the website. It is also the agency's communications portal to provide information about the agency's programs and services and to share news for and about stakeholders.

Two outward-facing databases provide services to the agency's clients: the Online Research Library and the Digital Locations Library. The content of both libraries is kept up to date by staff. There is a maintenance agreement in place for these databases that provides technical support for fixing issues and also provides a guaranteed rate for enhancements to the systems. Enhancement requests are developed by staff from the Research, Film Commission, and IT areas, who work with the external vendor to implement them. Enhancements are approved by management according to the business needs of the agency and the funds available.

SECURITY AND SYSTEM MONITORING

The agency has robust security protocols in place. To ensure the ongoing operation of the agency IT infrastructure and the personal and confidential information it contains, agency staff do 24-hour system monitoring. This is carried out on a rotational basis by members of the IT team. Ontario Creates engages in an annual security audit carried out by the Ministry of Government Services to ensure that there are no major flaws in the system and that personal and confidential information is secure. The agency has built a strong track record of promptly addressing any security vulnerabilities identified in annual audits, and there have been no major security breaches over the years.

ELECTRONIC SERVICE DELIVERY

Ontario Creates provides Electronic Service Delivery to clients through the Online Application Portal (OAP). It is mandatory for all applicants to the Industry Initiatives, Ontario Music Fund, Business Intelligence Program, and Tax Credit programs to submit their applications through the portal. All written communication regarding applications is done through the OAP. The OAP tracks and sends reminders regarding milestones and deliverables and allows clients to track the status of their applications. Maintenance and technical support of the system are carried out by IT staff. Enhancements to the OAP are carried out by the same process as described above.

The agency's internal corporate database allows staff to interact with the OAP for the administration of programs and also to manage the agency's contacts and mailings. As with the other systems, maintenance and technical support of the system are carried out by internal staff and enhancements implemented through the process described above.

RECENT ACCOMPLISHMENTS

In the last three years, a number of significant IT projects and systems upgrades have been completed:

- A full visual refresh and expansion of the cutting-edge Digital Locations Library (DLL) site was completed in 2017. The user experience upgrade and new promotional pages offer users a sophisticated location scouting solution, improving jurisdictional competitiveness. The Film Commission Production Guide was also successfully migrated from the corporate website to the DLL.
- SharePoint was implemented across the agency in 2017-18.
- A facelift to the website to coincide with the rebranding of the agency was completed in 2018-19.
- The agency completed the first phase of transitioning to cloud-based Office 365 as part of its efforts to modernize IT systems, supporting efforts to ensure they conform to the highest security standards.

2019-20 INFORMATION TECHNOLOGY PLAN UPDATE

- The agency's annual security audit was conducted at the beginning of 2019-20 and came back clean.
- Significant enhancements to the OAP and the first phase of a major upgrade of the agency's Customer Relationship Management (CRM) systems will be completed in 2019-20.
- A refresh of the Ontario Creates corporate website is underway. A reskinned version using the agency's new branding was completed in 2018-19, however the website will undergo further updates including ensuring that it will meet or exceed Accessibility for Ontarians with Disabilities Act requirements that come into force on January 1, 2021.
- As part of the website refresh, new tools to improve user experience for tax credit applicants are being created, including an online tax credit estimate calculator and a tool to assist in determining whether a particular region qualifies as being inside or outside of the GTA for the purposes of the regional bonus.
- In 2019-20, the electronic payments project was completed. After an initial roll-out to vendors and funding recipients, the agency has now made it easier to pay tax credit administrative fees and receive administrative fee refunds through electronic payment.
- Modernization of the agency's IT systems will continue, including the colocation of the agency's servers to an offsite data centre, for business continuity purposes.
- OAP enhancements are underway to support improvements in the tax credit intake process. Enhancements include information-sharing taking place with CAVCO through shared application fields to reduce the burden in completing applications.
- An Online Research Library (ORL) enhancement project is underway in 2019-20 which will greatly improve the look and functionality of the site for users.
- Requirements gathering is ongoing for Transfer Payment Modernization, namely implementation of e-contracts for funding recipients.

2020-21 INFORMATION TECHNOLOGY PLAN

- The final phase of upgrades to the Customer Relationship Management (CRM) systems will be completed.
- Testing and implementation phases will take place for introduction of e-contracting options as part of Transfer Payment Modernization plans.
- The agency will be in a planning/requirements gathering stage for transitioning client-facing applications (OAP, DLL, ORL) to the Cloud to assist in improving security, improved access to service, and flexibility.
- Exploration of business intelligence (BI) software and results automation tools will continue.
- The next step in corporate implementation of Sharepoint will be to transition the tool to the Cloud (Office 365) as part of broader IT system modernization efforts.
- The IT Team will support the Tax Credit unit's plans to bring the risk assessment scoring function (currently undertaken by MOF) in-house and exploration of processes available to issue electronic certificates with appropriate security features embedded.
- The IT Team will support the Research and Strategic Planning Group's efforts to enhance data collection around key business and creative roles among companies and productions supported by Ontario Creates.

XII. LEVERAGING PARTNERSHIPS: INITIATIVES INVOLVING THIRD PARTIES

Ontario Creates works closely with a range of partners on targeted initiatives. Extending existing partnerships and developing new ones is a key strategic priority for the agency, as collaboration with both internal and external entities allows the agency to greatly extend its impact, often without the need to tap into additional resources. Ontario Creates continually seeks out appropriate partnerships with local, regional, federal and international private, non-profit and public entities that assist in furthering the agency's mandate and strategic goals. In 2020-21, Ontario Creates wishes in particular to pursue new cross-Ministerial opportunities, including seeking to more actively work with the Ministry of Education.

As an agency that administers investment funds and tax credits, Ontario Creates complies with all its responsibilities under the Transfer Payment Accountability Directive (TPAD). For each program, Ontario Creates defines expectations, establishes and implements agreements, monitors projects and takes corrective action where necessary, and reports on the results of the agency's funding. Regular risk assessment and mitigation is done on each file by Ontario Creates staff and referred to management when necessary. To improve effectiveness and performance, the agency works with public and private partners to deliver specific services and activities that support the creative media industries.

The following initiatives demonstrate ways Ontario Creates has been able to maximize the impact of Ontario's investments through partnership with third parties:

TORONTO/ONTARIO FILM OFFICE IN LA

- The Toronto/Ontario Film Office in LA is a partnership between Ontario Creates and the City of Toronto Film, Television and Digital Media Office. It maintains a full-time marketing presence in Los Angeles, providing on-the-ground marketing to attract production to Ontario and support to Ontario's screen-based content creators.
- The partnership, established in June 2003, has enabled the partners to pool their resources and provide a much more effective platform from which to promote the many benefits of filming in Toronto and Ontario.
- Ontario Creates is the managing partner of the Office.

TORONTO INTERNATIONAL FILM FESTIVAL, INC (TIFF)

- Ontario Creates is the mechanism by which MHSTCI provides annual funds (\$815,000 in 2019-20 for the care and maintenance of the Province's film collection at the Film Reference Library (formerly Cinematheque Ontario) and TIFF Cinematheque's screening programs.
- In 2019-20 the agency also provided \$300,000 in operating support to the Toronto International Film Festival, Inc. (TIFF), \$150,000 to the TIFF Industry Office which supports international sales opportunities for producers during the Festival, and \$30,000 via the Industry Development Program to TIFF's Film Circuit.

COCREATE

- Ontario Creates partners with Screen Australia, New Zealand Film Commission, British Film Institute, Irish Film Board, and Creative Scotland to deliver this co-production business development initiative in the feature film industry.
- Ontario Creates initiated and led this initiative to raise industry profiles and create opportunities for Ontario producers, and to raise the international profile of the agency, the industry, and the Province.
- The program commenced at TIFF 2017, with over 30 feature film producers conducting over 200 business meetings across English-language territories.

- In 2019-20, CoCreate was held at the Cannes film festival and at TIFF.

INTERNATIONAL CANADA STANDS

- Ontario Creates partners with Telefilm Canada and other provinces on branded Canada “stands” in key international markets for the film and television sectors providing Ontario producers with access to business support, meeting space, presence on panels, and invitations to networking events.
- Ontario Creates is a major contributing partner to the Canadian presence at the following markets: Cannes International Film Festival, MIP-TV, MIPCOM, Sunnyside of the Doc, Toronto International Film Festival, and the Berlin Film Festival. Ontario Creates also maintains a partner presence at international markets such as SXSW, Reeperbahn Festival, Kidscreen, and Game Developers Conference.
- Ontario Creates also partners with Telefilm and other provinces on international activities that do not involve a stand presence but that provide a coordinated Canadian presence and opportunity for producers to do business. An example of this is the American Film Market.

IDM FUND PARTNERSHIPS

- IDM Fund Futures is an initiative designed to teach business, marketing, and pitching skills to up-and-coming digital-media creators and those transitioning to digital from traditional screen content. This program is delivered by leveraging the expertise and reach of partner organizations Women in Film and Television-Toronto, Hand Eye Society, and Interactive Ontario, reducing the administrative burden on Ontario Creates of running the program, while increasing partner capacity.

CAVCO

- Ontario Creates is exploring with CAVCO how information can be shared by the Federal administrator as a means of streamlining an applicant’s need to input and validate information in the Ontario Creates application form.

DEPARTMENT OF CANADIAN HERITAGE/STATISTICS CANADA

- Since 2013-14, Ontario Creates has participated in the Culture Statistics Strategy, an initiative led by the Department of Canadian Heritage and a range of provincial, territorial, municipal and other partners. This partnership supports the release of key Statistics Canada culture data such as culture jobs, contribution to GDP, and trade of cultural products and services.

VICE MEDIA GROUP

- In 2019-20, Ontario Creates partnered with VICE Media Group to conduct a joint research study on the habits, behaviours and preferences of Generation Z consumers and on best practices from content creators successfully reaching these audiences. The partnership model allowed Ontario Creates to leverage VICE’s unique expertise to deliver a piece of market intelligence of value to our stakeholders across sectors.

TELEFILM CANADA

- Ontario Creates undertook a Development Pilot project with Telefilm Canada in 2019-20. Upon assessment of the pilot, a decision will be made regarding continuation in 2020-21.

XIII. 2020-21 IMPLEMENTATION PLAN

The financial forecast summary and program and service descriptions included in this Business Plan are based on a status quo financial and human resources. 2020-21 is the fourth year of implementation for Ontario Creates' five-year Strategic Plan.

ACCOMPLISHMENTS: YEARS 1-3

Ontario Creates has made significant progress against many initiatives outlined in the Strategic Plan. Key accomplishments include:

- ***Stimulate Economic Growth and Employment:***
 - Implemented process changes related to tax credit legislative changes for game company eligibility and convergent embedded websites.
 - Participated in tax credit modernization meetings involving industry and government
 - Provided input on new MOF/MHSTCI Film & TV Advisory Panel
 - Adapted program guidelines to include a bonus score for diversity (company and/or project) across all selective funding programs.
 - Introduced greater support for marketing and distribution initiatives through the Film Fund and IDM Fund.
 - Launched a new Business Intelligence Program and a new quarterly Business Intelligence Bulletin.
- ***Promote the Industries:***
 - Delivered high-impact promotion opportunities including Production Fam Tour, redesigned Production Guide, created new sizzle reel, used new productions leads technology to guide targeted outreach to producers.
 - Launched Co-Create, pairing Ontario producers with producers from Australia, New Zealand, Ireland & the United Kingdom.
 - Launched a new brand for Ontario Creates.
- ***Encourage Collaboration and Innovation:***
 - Formed private and public partnerships to target specific initiatives and leverage existing resources.
 - Created and formalized a cross-sector Industry Advisory Committee meeting.
 - Diversity Enhancement for Film Fund (Cycle 2) allowed for non-traditional partners
 - Held Regional Film Forum and location management seminars with municipalities
- ***Ensure Service and Operational Excellence:***
 - Tax credits process improvement team lead in place; process improvements implemented.
 - Completed the electronic payments project, offering electronic direct deposit payments to vendors, staff and board, electronic direct deposit payments to funding recipients and electronic payment of tax credit administrative fees and refunds.
 - Progress made toward significant CRM and website upgrades to improve user/applicant experience.
 - Review of Industry Development and Film Fund completed; implementation of program updates
 - Held stakeholder roundtable consultations and survey as part of shaping modernized Ontario Music Fund.
- ***Empower People and Teams:***
 - Employee Engagement Committee created and Action Plan developed
 - Provided development opportunities to current staff when hiring

2020-21 IMPLEMENTATION PLAN

The chart below maps the specific activities that will be carried out in 2020-21 against the three strategic goals and two strategic enablers.

#	OBJECTIVE	2020-21 TACTICS
STRATEGIC GOAL #1: STIMULATE ECONOMIC GROWTH AND EMPLOYMENT		
1	Champion the modernization of Ontario's tax credits	<ul style="list-style-type: none"> a. Ongoing implementation of revised tax credit guidelines b. Support MHSTCI Review of Cultural Media Tax Credits c. Study bringing risk scoring function (currently performed by MOF) in house d. Articulate tax credit modernization proposal options
2	Regularly update program parameters to ensure they are modern and responsive and to optimize the impact of Ontario Creates' role across the value chain	<ul style="list-style-type: none"> e. Evaluate and refine new program criteria and funding guidelines f. Launch redesigned Ontario Music Fund; deliver Film Fund program and administrative update and finalize design of Film Fund Development Stream g. Continue to deliver Diversity Enhancement and enhanced Marketing support programs h. Provide leadership with regard to film and television workforce development and sustainable production strategies. i. Undertake IDM Fund Review
3	Explore new sources of investment capital and/or financing models to support industry growth (e.g., loan guarantee, loan facility, angel/venture capital)	<ul style="list-style-type: none"> j. Study options for ways Ontario Creates could facilitate access to capital for Ontario companies
STRATEGIC GOAL #2: PROMOTE THE INDUSTRIES		
4	Promote Ontario as a place for inward investment and development in the creative industries	<ul style="list-style-type: none"> k. Continue implementing high-priority promotion opportunities l. Evaluate the impact of promotion programs on industry investment and development in Ontario
5	Amplify domestic and international export and export opportunities for Ontario companies and content	<ul style="list-style-type: none"> m. Continue implementing refined/new programs, services and partnerships
6	Refresh Ontario Creates' branding and communications to support promotion activities	<ul style="list-style-type: none"> n. Evaluate impact of Ontario Creates' new branding and communication strategy on improving domestic and industry brand perception and awareness
STRATEGIC GOAL #3: ENCOURAGE COLLABORATION AND INNOVATION		
7	Stimulate innovative cross-sector collaboration within the creative industries and with broader public sector partners	<ul style="list-style-type: none"> o. Ongoing implementation and evaluation of industry development and partnership initiatives p. Explore inter-ministerial opportunities (e.g. MOE, MEDJCT) q. Continue partnerships with other levels of government
8	Optimize the impact of Ontario Creates' programs by incorporating business intelligence and leveraging partnerships	<ul style="list-style-type: none"> r. Evaluate the impact of the business intelligence approach on program effectiveness and industry knowledge
9	Facilitate domestic and international business partnership opportunities for Ontario-based companies	<ul style="list-style-type: none"> s. Evaluate the impact of increased engagement on levels of innovation and collaboration
STRATEGIC ENABLER #1: ENSURE SERVICE AND OPERATIONAL EXCELLENCE		

10	Continue to streamline internal processes and procedures	t. Evaluate impact of the business process review recommendations and integrate continuous improvement
11	Review program priorities and capacity to deliver across the agency to ensure a continued focus on high value activities	u. Ongoing program review in alignment with agency requirements and annual review cycle v. Adjust programs and service offerings based on review outcomes
12	Streamline reporting to focus on transparent performance measurement and outcomes	w. Evaluate the impact of custom reports for results management on operational efficiency x. Develop additional performance metrics to allow tracking of results in areas beyond economic outcomes (e.g. diversity).
STRATEGIC ENABLER #2: EMPOWER PEOPLE AND TEAMS		
13	Maintain focus on continuously evolving Ontario Creates' culture to align with agency and government values	y. Evaluate the impact of cultural initiatives on employee engagement and organizational effectiveness
14	Attract and retain the best people and support them to achieve excellence	z. Evaluate the impact of enhanced human resource capacity on staff turnover and engagement

XIV. COMMUNICATIONS PLAN

Ontario Creates' communications plan and activities are designed to showcase the province's world-class content, creators and talent to local, national and international audiences while demonstrating to consumers, stakeholders and decision makers how the government's strategic investments through Ontario Creates fuel the province's creative industries, drive economic growth and job creation, and deliver a strong return-on-investment (ROI).

The agency's overarching goal is to build awareness, engagement, and investment in Ontario music, books, magazines, film, television and interactive digital media industries.

STRATEGIC OBJECTIVES

Ontario Creates' objective is to demonstrate that Ontario offers a business-friendly environment where companies can thrive, good jobs can grow, and great content gets made. By communicating news and information about Ontario success stories - job creation, international export, flourishing partnerships and industry prosperity and growth, the agency will support the government's message that Ontario is Open For Business and will demonstrate that Ontario Creates' investments are delivering value for money.

As such, our strategic objectives are to:

- Communicate the success and prosperity which spring from Ontario Creates' six creative industries;
- Excite youth and the public at large about the job creation and economic opportunities generated by Ontario's screen-based, publishing and music industries;
- Demonstrate the economic impact of Ontario Creates' investments, programs, and activities, including high-value job creation from all sectors;
- Position Ontario Creates as an investor, partner and catalyst for innovation and growth;
- Elevate local, national and international perception of Ontario's creative industries, companies and content;
- Position Ontario as a preferred filmmaking jurisdiction with deep capacity, talent, and both urban and rural hubs;
- Show Ontario as an industry leader in sustainable production practices with a strong and viable strategy for the screen-based industries;
- Reinforce messaging about Return on Investment (ROI) from investments in the creative industries;
- Advance the conversation about the importance and economic benefits of diversity and inclusion in the creative industries;
- Generate awareness and pride among Ontarians about made-in-Ontario creative content that is representative of the cultural and ethnic diversity of the province;
- Reassure potential investors and producers that Ontario has the capacity to meet growing industry demands; highlight new infrastructure developments and a corresponding workforce development strategy.
- Showcase Ontario talent and content, emphasizing cross-sector successes and the province's diverse talent pool;
- Support the Ministry's efforts to communicate the collective impact of heritage, sport, tourism and culture industries.

AUDIENCES

- **External:** Consumers and stakeholders in Ontario, across Canada and around the globe, including creative industry companies and entrepreneurs, industry trade organizations and foreign film and television producers/studios.
- **Internal:** MHSTCI and relevant government ministries, Ontario Creates Board of Directors, Industry Advisory Committee members, and Ontario Creates staff.
- **Media:** Trade and consumer journalists, editors, influencers and bloggers.

APPROACH

- Develop key messages at the agency and sector level that can be adapted for various purposes and platforms throughout the year;
- Share key messages and outstanding metrics on social media, with traditional media, in speaking opportunities, and presentations;
- Increase outreach to diverse communities through ethnic media outlets and articles translated from English to multiple languages, where possible and appropriate;
- Develop and execute marketing plans that target regional, national, and international audiences, as well as social media influencers;
- Tailor new marketing and social media campaigns which engage partners, stakeholders, and the public on our social media platforms: Facebook, Twitter, YouTube, LinkedIn, and Instagram;
- Use the launch of the updated Ontario Creates website as a 'hook' to deliver key messages to all audiences, through e-blasts and media;
- Target industry trade publications with stories that highlight Ontario Creates supported productions and target screen-based decision-makers to shoot, post and animate in Ontario;
- Host and sponsor/support industry events to connect industry stakeholders, reinforce the Agency's business development role, and leverage those opportunities to build public and stakeholder awareness;
- Leverage opportunities with partner organizations in order to extend reach of Ontario Creates' impact and messaging;
- Support MHSTCI priorities and position Ontario as 'open for business' with the #WorldInOneProvince.

XV. RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY MANDATE LETTER

This Business Plan details the goals, objectives, strategic direction, specific programs, activities, and initiatives that will enable Ontario Creates to achieve its mandate in the year ahead. The agency's Strategic Plan, *Lead. Connect. Grow.* focuses resources on stimulating economic growth and employment, encouraging collaboration and innovation, and promoting Ontario's creative industries while striving to be flexible, collaborative, accountable, and inclusive. This plan strongly aligns with, and supports, the government's priorities and the ministry's dual mandate reflecting Ontario's cultural fabric and economic bottom line, as set out in the agency's mandate letter from the Minister of Heritage, Sport, Tourism and Culture Industries.

Ontario Creates will support government priorities by continuing to promote economic development, investment and jobs in Ontario's vibrant cultural media industry, specifically by:

- Promoting, enhancing and leveraging investment, jobs and content creation in Ontario's book publishing, film and television, interactive digital media, magazine publishing and music industries; and
- Working with industry partners to boost the economy, create jobs for Ontarians, and demonstrate that Ontario is a place where companies from around the world can grow.

In these ways, the agency will help advance ministry priorities such as promoting the arts and fueling the creative economy.

Ontario Creates will also work with the ministry, as directed in the 2019 Ontario Budget, to support initiatives to:

- Modernize the Ontario Music Fund to focus on activities that bring the biggest return to the province and investments that create opportunities for emerging talent to achieve success; and
- Enhance the tax credit certification process to streamline administration and reduce application processing times.

Ontario Creates will continue to maintain the highest levels of accountability, exercising good governance and effective oversight in support of the government's number one priority of restoring trust, transparency and accountability in the province's finances. We will support implementation of recommendations from the Agency Review Task Force upon receipt of the government's directions. We will work with the ministry to ensure strong governance, fiscal management and sustainability, and accountability processes to reflect best practices and ensure compliance with Treasury Board/Management Board of Cabinet direction.

Ontario Creates strives to support all government initiatives that relate to the agency's mandate. As indicated throughout this business plan, the agency's focus on the development of diverse cultural industries aligns with the ministry's recognition of the value of showcasing Ontario's diverse experiences and supporting diverse communities.

Ontario's screen, publishing, and music industries are a global success story. Collectively, these industries generate billions of dollars in economic activity and create thousands of jobs, while supporting local economies. We are confident that with ongoing support from the ministry, Ontario Creates will be able to make strategic and timely investments that will position Ontario as a leader, as an attractive jurisdiction for domestic and foreign business activity, and that this will ensure the province's creative industries continue to compete successfully on the world stage.