

# 2023-24 ONTARIO MUSIC INVESTMENT FUND MUSIC INDUSTRY INITIATIVES GUIDELINES

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## 1. Overview: Ontario Music Investment Fund

The Ontario Music Investment Fund (OMIF) is designed to provide targeted economic development investment to the province's vibrant and diverse music industry.

Program Objectives:

- OMIF supports Ontario music companies with strong growth potential to maximize return on investment (ROI), and create more opportunities for emerging artists to record and perform in Ontario.

Key program goals:

- Focus resources on music companies with strong growth potential by:
  - Providing investment to drive long-term growth; and,
  - Maximizing ROI and enhance opportunities for emerging talent.
- Strengthen support at critical stages in the careers of artists.

The program's four streams are tailored to different parts of the industry:

- **Music Industry Initiatives:** supporting industry organizations that undertake professional development/training and export activities, conduct industry analysis/data gathering and build regional capacity.
  - Eligible applicants include music industry trade associations and music service organizations.
- **Music Creation:** supporting businesses that take risks discovering and developing talent – particularly emerging artists – and bringing it to market through recording and production, marketing and promotion, touring and showcasing, and publishing.

- Eligible applicants include domestic and multinational record labels, and domestic music publishers.
- **Global Market Development for Music Managers:** supporting music management companies to participate in national and international activities (e.g. business travel and conference attendance) that correspond to a strategy for company growth.
  - Eligible applicants include music management companies
- **Live Music:** supporting businesses and organizations that produce or promote live music events featuring Canadian artists including eligible music festivals and concert series.
  - Eligible applicants include live music promoters and presenters.

\* OMIF will consider strategic support for non-conforming projects that are time-limited and have a high impact on the broader Ontario music industry. Interested applicants must contact the Ontario Music Office (OMO) a minimum of three weeks ahead of the application submission to discuss eligibility.

#### Anticipated Outcomes:

- Focused targeting of funding to optimize revenue, profits, job creation, private investment and tax revenue.
- Production of intellectual property (content) which may be owned and consumed domestically and exported, leading to sustained revenues and jobs in the province.
- Increased profile and prestige of Ontario on the world stage as the next generation of breakthrough artists are discovered and developed to their full potential.

Ontario Creates is committed to fostering increased diversity, gender parity, accessibility, and environmental sustainability within the creative industries. Please review the **Program Policies** document for additional important information.

The following guidelines outline the eligibility requirements and application details for the **Music Industry Initiatives** stream of the OMIF.

## 2. Introduction: Music Industry Initiatives

The OMIF **Music Industry Initiatives** (MII) stream provides support to Ontario's established music trade associations and service organizations to offer initiatives, events and activities that strengthen, support and stimulate the economic and cultural growth of Ontario's music industry.

MII will provide funding to successful applicants that engage in strategic and collective initiatives with long-term impacts on growth and sustainability in the music sector by building market share, increasing sales, promoting innovation and expanding regional capacity. Eligible activities include: professional development, training, business analytics and export activities (including showcasing Ontario talent).

Funding is provided in the form of direct grants towards the costs of eligible activities. Funding may not exceed 50% of the total approved budget. Applicants must demonstrate clear, measurable outcomes which align with the objectives of the Music Industry

Initiatives stream. Exceptions may be considered on a case-by-case basis; however, applicants bringing a higher percentage of non-government funding will be considered more favourably.

### **3. Deadline & Eligible Activity Window**

The OMIF Music Industry Initiatives stream has a continuous application intake: Applications may be submitted **from program launch until October 26, 2023 by 5:00 PM ET.**

- Activities must take place within a (maximum) 12-month spending window between **March 31, 2023 – December 31, 2024**
- Spending may commence once an application has been submitted (at applicant's own risk), provided a valid certificate of insurance is in place
- For activities that are event-based (e.g. showcases, conferences, public-facing training programs) applications must be submitted a minimum of eight weeks in advance of the event

Applicants may submit more than one application to this program, provided the total funding request does not exceed the total eligible funding amount (\$300,000).

The activity/spending window will commence on the date that the first expenditure is incurred for activities related to the submitted application. Please see the **FAQs** (on the Music Industry Initiatives page) for more details and examples that demonstrate the options available to applicants in terms of the starting and ending dates for activities.

Applicants will receive a response within 8-10 weeks of their submission; however, applications submitted after September 30, 2023 will be reviewed along with those received on the final program deadline resulting in a longer response time.

### **4. Eligible Applicants**

#### **Music Industry Trade Associations and Music Service Organizations**

In order to be eligible, applicants must demonstrate the following general criteria:

- Be Ontario-based;
- Be able to demonstrate that the company's principal place of business has been in Ontario for at least one year prior to the deadline;
- Be Canadian-owned;
- Be incorporated in Ontario or federally (or prepared to incorporate immediately if the application is successful);
- Be in a sound financial position;
- Be in good standing with Ontario Creates at time of application submission.

In addition, Music Industry Trade Associations and Music Service Organizations must:

- Serve Ontario artists, companies, and entrepreneurs working in the music industry;
- Be engaged in music-related activities in Ontario (may also be engaged at the national level);

- Demonstrate expertise and experience in supporting the industry through the delivery of activities or programming; and
- Be a non-profit Canadian organization (registered in Canada with a majority Canadian board of directors).

National organizations offering significant benefit to Ontario participants/music industry will have eligibility determined via membership base. At least 60% of a national organization's membership must be Ontario-based.

The following entities are **not** eligible to apply for funding in this stream:

- Music Festivals;
- Federal, provincial, municipal governments and/or their agencies; and
- Universities, Colleges and/or Training institutions.

**Exceptions** to the eligibility requirements may be considered for:

- Incorporated for-profit companies whose primary purpose is to plan, develop, market and stage events, conferences and workshops that provide professional development and networking opportunities for music industry professionals in Ontario. Eligible companies must take the primary business risk in developing and staging these activities.
- BIPOC- (Black, Indigenous, People of Colour) or Francophone-focused organizations and applicants that otherwise meet the provincial definition of diversity (see page 12).

Please review the Ontario Creates **Program Policies** document for information on financial statements and other requirements/logistics.

First-time applicants and those seeking exceptions **must** contact the Ontario Music Office (OMO) a minimum of three weeks ahead of the application submission to discuss eligibility and/or funding restrictions.

Note: Applicants who meet the eligibility criteria for OMIF as well as Experience Ontario may not receive funding from both programs for the same event in the same activity window.

## 5. Funding Levels

Eligible applicants may apply for a maximum of **\$300,000** per funding cycle. The minimum OMIF amount that can be requested is \$10,000.

Funding is provided in the form of direct grants towards a share of the costs of eligible activities. Contributions are non-refundable except in the case of recipient default. The OMIF contribution may not exceed 50% of the total approved budget\*. Total funding from all government sources must not exceed 75%.

*\*Note: Flexibility may be considered for applicant organizations with diverse, underrepresented and/or equity-seeking memberships.*

## 6. Eligible Activities & Costs

The OMIF will support new activities, and expanded and/or enhanced approaches to activities that contain the following elements:

- **Strategic Initiatives:** support for targeted activities to address challenges and facilitate strategic opportunities for stakeholder groups, and/or address specific environmental changes.
- **Capacity Building:** support for activities that enable strategic and organizational efficiencies that benefit the applicant organization's members and stakeholders.
- **Business Development:** support for business to business (B2B) industry activities and business to consumer (B2C) audience development initiatives that create business leads, sales and relationships for stakeholders.
- **Professional Development:** support to develop and implement business learning opportunities for the music sector (such as developing new components for existing conferences -including virtual/online offerings; presenting a regional industry conference; mentorship programs).
- **Skills Development:** support for workforce development and training & recruitment initiatives delivered by music industry associations/organizations targeted at professional artists, technical/business staff and owner/managers.
- **Market Expansion:** support for new opportunities to showcase Ontario artists at domestic and international festivals and events, engage in trade missions and expand export activities at global industry marketplaces. Possible activities could include marketing through new channels, exploiting new geographic targets, and expanding promotional focus on specific and/or under-represented genres.
- **Digital Innovation:** support for new initiatives that provide resources, develop tools), or leverage digital platforms to raise the profile and economic impact of Ontario music.

Applicants proposing a higher percentage of Ontario-based expenses will be considered more favourably, as will applicants who invest in increasing opportunities for emerging artists to achieve success.

### *Eligible Administrative & Overhead Costs*

- Costs for items such as staff salaries, office space and corporate services that are directly used in the delivery of the planned activities (to a maximum of 25% of the total activity costs).

### *Eligible Labour Costs* **\*UPDATED REQUIREMENTS\***

- **New Position:** The cost of a new position that is being created as a result of the proposed activity (salaried or contract) may be included as a distinct line item in the activity budget. In the description of the activity, applicants must include an explanation of why the new position is necessary for the undertaking of the proposed activity. If the position is intended to continue beyond the initial OMIF-supported period, a rationale must be provided for how the position will be sustained by the applicant.

The OMO recognizes that the specific individuals to be hired for proposed roles may not be known as of the time of application. As such, OMIF recipients will be required at the interim and/or final reporting stage to provide specific details (e.g. full name, job description, hours worked) regarding new employees/contractors included in activity budgets. Please provide as much detail as possible at time of application submission.

- **Current/Ongoing Position:** A portion of salaries or wages for existing staff or ongoing contract employees (whether part-time or full-time) that are assigned to work on the proposed activities may be included as part of the “administrative and overhead expenses” section of the budget.

All labour costs included must be undertaken by Ontario-based staff or contract employees, and must be directly related to the proposed activities. Costs related to consultants based outside of Ontario may be considered where a business rationale is presented to demonstrate the necessity of hiring from outside Ontario.

### ***Eligible Capital Costs***

- Budget allocations towards capital expenditures such as the purchase of equipment, materials and/or software are eligible if required for an activity (such as digital infrastructure and innovation).
  - Equipment, Materials, and Software: if purchased, amortization value for inclusion in budget must be calculated using the straight-line method with a prescribed useful life of 24 months; if rented, actual rental cost can be included.

### ***Ineligible Expenses***

- Costs relating to the creation, presentation and promotion of award shows;
- Expenses incurred outside of the approved activity period which did not receive pre-approval by Ontario Creates;
- Labour costs not directly related to the activity;
- Staff benefit costs;
- In-kind costs for staff;
- Real estate costs and leasehold improvements, or capital costs related to permanent structures;
- Cost of alcoholic beverages or cannabis-related products;
- Fees relating to the compilation engagement report (or notice-to-reader), review, or audit of applicant financial statements;
- Fees relating to the procurement of services of grant writers for preparing government funding applications;
- Cost of General Liability insurance (the cost of event-specific insurance is eligible);
- Taxes that are recoverable by the recipient (such as GST/HST, PST, VAT); and
- Related party transactions which did not receive pre-approval by Ontario Creates.

## 7. Budgets and Financing

Eligible costs directly associated with the proposed activities must be included in the Activity Budget template provided in the application. The Activity Budget must contain complete information as to how the organization will pay for the activities.

The total amount of financing must match the total cost of all eligible activities. Specifically, the financing component of the Activity Budget must indicate all sources and amounts from corporate investment (cash in the bank), financed investment (e.g. line of credit, investors), projected revenue derived from execution of the activity, confirmed funding from government or other private funding bodies, and anticipated funding from government or other funding bodies – including the request for OMIF funding.

The OMIF contribution can comprise a maximum of 50% of the total budget. Financing from public/private funding agencies/bodies does not need to be confirmed at the time of application. However, unconfirmed funding from these sources should be supported with information, timelines and documentation to demonstrate the applicant's level of confidence in receiving such funding. Please see the MII activity budget template for more details on financing parameters.

Exceptions may be considered on a case-by-case basis; however, applicants (particularly for-profit companies) bringing a higher percentage of non-government funding will be considered more favourably.

## 8. Application Process

**IMPORTANT:** First-time applicants ***must*** contact the OMO at least three weeks ahead of the application deadline to discuss eligibility.

- Applicants must submit their applications electronically through the Ontario Creates Online Application Portal (OAP) at <https://apply.ontariocreates.ca>.
- Applicants that do not have a user account on OAP should go to <https://apply.ontariocreates.ca/> and click on “Register.” For assistance, please see Ontario Creates’ website for the “**OAP Quick Start Guide**”.
- For technical assistance, please contact the OAP Helpdesk at [applyhelp@ontariocreates.ca](mailto:applyhelp@ontariocreates.ca).
- Applicants are strongly encouraged to begin the application process well in advance of the deadline to allow ample time to compile and complete the necessary information. The application can be worked on over time and information can be saved as it is entered. Once saved, the applicant can go back to edit and/or add information up until the time when the application is actually submitted.

Late applications will not be considered for funding.

Prior discussion with Ontario Creates regarding the eligibility of an activity does not guarantee funding.

## Summary of Application Requirements

A complete list of required application materials is outlined in the application form on the Online Application Portal (OAP). For the Music Industry Initiatives stream, the following application components are required:

- Activity Budget (template provided);
- Activity Details and Plans for each proposed activity (questions provided in OAP application);
- Year-Over-Year Operating Budget;
  - for comparative purposes, this budget must include both actual revenues and expenses for the previous fiscal period as well as a forecast of revenues and expenses that correspond to the current fiscal year, and/or to the end of the applicant's proposed eligible activity window.
- Business Plan or Strategic Plan (see below for requirements);
- Articles of Incorporation;
- Financial Statements for the two most recently completed fiscal years;
- Back up confirmation to support confirmed or pending financing;
- Documentation indicating that eligibility requirements have been met (e.g., provincial membership breakdown);
- Signed Related Party Transaction form; and
- Signed Applicant Affidavit.

Please see **Program Policies** document for guidance regarding financial statements requirements and additional information.

## Business Plans/Strategic Plans

A Business Plan (preferred) or Strategic Plan is required for all applicants. If an applicant has previously submitted a Plan to the OMO that covers multiple years (including the current activity period), the applicant need only re-submit the plan in the case of material updates.

Business Plans should include forward-looking information on growth plans, supported by a discussion of organizational strengths, industry development strategies, human resources, corporate financing and other key details. It is recommended that this document range between 10-25 pages.

At minimum, a Business Plan must contain the following components:

- Applicant track record, including profile(s) of key personnel;
- Overall mandate and strategy;
- Overview of general business activities and short/long-term goals;
- SWOT analysis;
- Outline of risk management and mitigation plans for any risk factors that could potentially impact your operations and proposed activities such as:
  - financial;
  - logistical;
  - human resources;



- operational;
  - health & safety;
  - environmental; and
  - legal.
- Rationale for revenue, expense and profit projections going forward for the next 12-18 months, compared with actual results for the most recently ended fiscal year.

Strategic Plans should include a detailed action plan, including timelines. At minimum, it should outline objectives for the next few years and address how organizational goals will be achieved.

A Strategic Plan must contain the following components:

- Vision, mission, and values;
- Aligned activities/goals
- Clear timeframes;
- Risks and mitigation strategies (as above);
- Operational plans that support the strategic plan;
- Rationale for revenue, expense and profit projections going forward for the next 12-18 months, compared with actual results for the most recently ended fiscal years; and
- A case for OMIF funding and its contribution towards Ontario's music industry, its growth and long-term potential.

Note: Applicants submitting a Strategic Plan are strongly encouraged to include additional detail such as track record and profile(s) of key personnel.

## 9. [Assessment Criteria](#)

Applicants are advised to ensure that they meet all eligibility requirements before submitting an application. Applicants should also ensure that their application material clearly conveys the strengths of their proposed activities with respect to the program guidelines and evaluation criteria.

The number of applicants that will receive funding and the amount of funding awarded is dependent on the quantity and quality of the activities selected, and the individual needs of each applicant.

After applicant and activity eligibility have been confirmed, applications will be assessed according to the following criteria:

<b>Track Record</b> <ul style="list-style-type: none"> <li>- Degree to which the applicant demonstrates that it has the track record and organizational capacity (financial, human resources) to effectively execute the activities</li> <li>- Presence of diversity among senior leadership, staff, or contract employees, particularly underrepresented communities within the music industry</li> </ul>	20%
<b>Financial Risk</b> <ul style="list-style-type: none"> <li>- Effectiveness of the applicant's articulation of its financial capacity to undertake the proposed activities</li> <li>- Stability and strength of the applicant's financial position based on company's financial statements</li> </ul>	5%
<b>Overall Proposal</b> <ul style="list-style-type: none"> <li>- Thoroughness of the applicant's description of the proposed activity and its anticipated impacts</li> <li>- Degree to which the documentation clearly describes the proposed activity, and demonstrates a feasible timeline, budget &amp; financing plan</li> <li>- Demonstration of thoughtful consultation, collaboration, and participation of equity-seeking communities, particularly underrepresented communities within the music industry</li> </ul>	30%
<b>Relevance &amp; Support for Emerging Talent</b> <ul style="list-style-type: none"> <li>- Extent to which the activity meets a demonstrated need amongst Ontario Creates stakeholders and/or addresses an industry challenge</li> <li>- Degree to which the applicant focuses on emerging artists</li> </ul>	10%
<b>Expected Results (Economic &amp; Cultural Impact)</b> <ul style="list-style-type: none"> <li>- Extent to which the activity will have a positive impact on the applicant's ability to serve its members and stakeholders and produce measurable results.</li> </ul> <p>Factors may include: number of Ontario participants; the impact on applicant's members and stakeholders; commercial impact (projected number of business meetings, sales results, and increase in audience awareness); demonstration of net benefit to the music industry in Ontario.</p> <p>Note: Applicants bringing a higher percentage of non-government funding will be considered more favourably</p>	25%
<b>Sustainability</b> <ul style="list-style-type: none"> <li>- Extent to which the application demonstrates forward-thinking strategic planning and focus on long-term growth and sustainability</li> </ul>	10%

The provincial definition states: the dimensions of diversity include, but are not limited to: ancestry, culture, ethnicity, gender identity, gender expression, language, physical and intellectual ability, race, religion (creed), sex, sexual orientation and socio-economic status.

All Ontario Creates decisions are final. Ontario Creates reserves the right to alter program guidelines with general public notice to all potential applicants and to refuse any application for any reason. The number of awards and amount awarded is contingent on confirmation of Ontario Creates' annual budget. Ontario Creates is not required to make any minimum number of awards. Subject to the Freedom of Information and Protection of Privacy Act, all information contained in the application will remain strictly confidential. All inquiries pertaining to Ontario Creates Funds are to be directed to Ontario Creates staff only.

## 10. Successful Applicants

Successful applicants will be required to deliver an interim report and final report through the Online Application Portal by the identified deadline(s).

Generally, the following milestones will trigger payments:

- Execution of the Ontario Creates transfer payment agreement (please see the **Program Policies** for a copy of the template agreement);
- Delivery of interim report(s) and subsequent approval; and
- Delivery of the completed activities and all deliverables outlined in the funding agreement and subsequent approval.

### ***Insurance***

Recipient companies will be required to carry Commercial General Liability Insurance on an occurrence basis for Third Party Bodily Injury, Personal Injury and Property Damage, to an inclusive limit of not less than \$2,000,000 per occurrence, \$2,000,000 products and completed operations aggregate. Ontario Media Development Corporation and His Majesty the King in right of Ontario must be named as additional insureds on all policies. Please budget accordingly. Additional information on insurance requirements is available on request.

### ***Transfer Payment Agreement Template***

On acceptance into the program, the recipient company will be required to sign a standard Ontario government Transfer Payment Agreement (TPA) covering the terms of their participation in the program including providing Ontario Creates with permission to use the project and delivery materials for promotional purposes. A copy of this agreement can be found in the **Program Policies** document. Recipients may not amend the agreement template.

### ***Reporting Criteria***

Recipients will be required to provide Ontario Creates with a satisfactory report evaluating the completed activities. Specific report requirements will be outlined in the Ontario Creates agreement but generally are expected to include those mentioned in the Measurable Outcomes section of the reporting template and the following:

- Short term actual measurable results against projected original targets\*;
- Strategy for capturing longer term results where possible;
- Sustainability of proposed activities; and
- Assessment of effectiveness in meeting the activities objectives and those of the Music Industry Initiatives stream of the OMIF.

A cost report is required as part of the reporting process. Ontario Creates reserves the right to request receipts to demonstrate actual expenses incurred by OMIF recipients.

*\* see Appendix 1 for a list of OMIF Measurable Outcomes.*

**For more Information:**

General program inquiries should be directed to [omo@ontariocreates.ca](mailto:omo@ontariocreates.ca).

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Ontario Creates is an agency of the Government of Ontario that facilitates economic development, investment and collaboration in Ontario's creative industries including the music, book, magazine, film, television and interactive digital media sectors.

<https://www.ontariocreates.ca>

## Appendix 1 – Measurable Outcomes

Anticipated outcomes for the Music Industry Initiatives stream may include any of the following, depending on the type of activity undertaken. **It is not expected that each applicant will achieve all of the outcomes below.** Applicants should provide a list of all anticipated outcomes they will report on in their interim and final reports, should their funding request be successful.

Measurable Outcomes – Music Industry Initiatives
Sustainability of activity outcomes
Professional Development opportunities for Ontario participants
Number of artists supported
Number of business connections/meetings/leads by participants
Number of international participants/delegates
Activities that stimulate knowledge transfer and business opportunities
Activities that demonstrate innovation, technological advancement and/or new approaches to business
Number of new performance opportunities for artists (including online)
Online and social media impact (metrics)
Traditional media impact (metrics): radio/video plays, interviews, articles, reviews, etc.
Critical success of supported activities
Financial success of supported activities
Number of Ontario attendees/participants at events
Number of international markets targeted
Fees paid to artists
Organizational growth (membership, revenue)
Return on Investment (broader benefits to members, increased profile, sector visibility)
Promote Ontario as a Live music centre
Jobs created/retained (by applicant organization and/or membership)
Tangible initiatives to improve or further embedding diversity, equity and inclusion within company operations (i.e. staff training, hiring practices, artist signings)