

NEWS RELEASE

CONTENT EVERYWHERE

Mapping the Digital Future for the Canadian Production Industry

New Report Shows Huge Online Opportunities for Canadian Producers – But Major Challenges as Well

Canadian production industry risks falling behind US without retooling of current system

Ottawa,February 28, 2012 –The Canadian Media Production Association (CMPA) released an important new report today that examines how the "videofication" of the Internet – the ever–increasing time spent by consumers watching video content online – is generating increased demand for professionally produced original content that is specifically made for an online audience, while at the same time challenging the business models of the traditional television industry. The report, *Content Everywhere: Mapping the Digital Future for the Canadian Production Industry*, received funding support from the Canada Media Fund (CMF) and the Ontario Media Development Corporation (OMDC). "What this report tells us is that the opportunities for Canadian content producers are enormous, but so are the challenges," says Norm Bolen, President & CEO of the CMPA. "We're blessed in Canada to have built a broadcasting system that is second to none. But now we need to figure out how to create Canadian content for online platforms in a way that makes business sense, while also making sure that we don't erode the pillars of the current system." Added Valerie Creighton, President and CEO of the CMF: "With our mandate to support the creation of content that Canadians can enjoy anytime, anywhere, anyhow, the CMF is proud to have partnered with the CMPA on *Content Everywhere*. Relevant research like this provides insight into how our industry can continue to prosper in an increasingly competitive environment, and we are delighted to play a part in sharing such valuable information."

The report, authored by Catherine Tait of Duopoly Inc., also examines how major US-based content aggregators like YouTube, Yahoo and Hulu are making significant investments in original, professionally-produced programming as they look to distinguish their brands, increase audience engagement and attract greater advertising dollars to their platforms.

"We are witnessing a sea change in the digital content marketplace, at least in the United States," says John Barrack, Chief Operating Officer and Chief Legal Officer for the CMPA. "Barely a week goes by now without an announcement by one of the major American online players about new channels or original series that they're launching on their platforms. The question our industry now needs to answer is: how do we tap into this demand for original digital content that speaks to both Canadian and international audiences?"

The report also shines a light on the risk to the Canadian production industry of not keeping pace with developments in the US digital marketplace. It points out that there is no equivalent online aggregator for Canadian content, and that Canadian broadcasters have largely focussed on repurposing television content for online platforms. The report also highlights the need to retool existing financing

mechanisms so that they can more effectively be used to support digital production.

"Canadians are among the leading consumers of video content online," says Barrack. "We also have one of the most innovative and dynamic digital production industries in the world. Both the demand and the talent is there – now we need the financing tools to be put in place so that we can produce a critical mass of compelling Canadian digital content."

The report's author, Catherine Tait, will be moderating a panel on Friday, March 2 at the CMPA's annual conference, *Prime Time in Ottawa 2012*, where she will discuss the report's findings with industry players Jeremy Butteriss, Director, Strategic Partnerships, Google Canada; Daniel Dales, CEO and Executive Producer of Smokebomb Entertainment, Richard Stursberg, Senior Advisor on Media and Entertainment Strategy, TELUS; and Thom Zadra, Head of Business Development for Yahoo's original video programming.

'OMDC is pleased to support *Content Everywhere* – it is precisely this type of innovative research that producers need to help them identify emerging trends in the shifting media landscape and to successfully compete in a growing global digital marketplace," says Karen Thorne-Stone, President & Chief Executive Officer of the OMDC.

A copy of the report is available <u>here</u>.







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