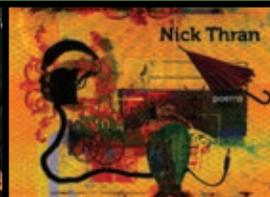
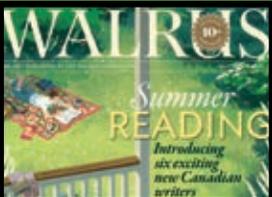


ONTARIO MEDIA DEVELOPMENT CORPORATION

Year in Review 2012-2013

Ontario's Creative Industries:
GROWING. THRIVING. LEADING.

OMDC



We've got it going



Ontario

Ontario Media Development
Corporation

Ontario Media Development Corporation

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Ontario Media Development
Corporation



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Our Mission:

The Ontario Media Development Corporation is the central catalyst for Ontario's cultural media cluster. It promotes, enhances and leverages investment, jobs and original content creation in the province's book and magazine publishing, film and television, music and interactive digital media industries.

OMDC



We've got it going





Antiviral

What We Do

The Ontario Media Development Corporation stimulates investment and employment in six creative media industries in Ontario: **book** and **magazine publishing, film** and **television, music** and **interactive digital media**.

How We Do It

- **Tax credits** – the Ontario Film & Television Tax Credit (OFTTC), the Ontario Production Services Tax Credit (OPSTC), the Ontario Computer Animation and Special Effects Tax Credit (OCASE), the Ontario Interactive Digital Media Tax Credit (OIDMTC), the Ontario Book Publishing Tax Credit (OBPTC), and the Ontario Sound Recording Tax Credit (OSRTC)
- **Funding** – the Film Fund, the Book Fund, the Magazine Fund, the Music Fund, the Interactive Digital Media Fund and the Export Funds
- **Industry development support** to a range of trade organizations, initiatives and markets, including the International Financing Forum during the Toronto International Film Festival
- **International business development support** for strategic initiatives abroad
- **Ontario's Film Commission** to attract and facilitate film and television production
- **Support and sponsorship** of a wide range of marketing, outreach, education and research activities.



Rollers of the Realm,
Phantom Compass



City and Colour

We've got it going



Message from the Chair and the President & Chief Executive Officer

In 2012-13, Ontario's creative industries continued to grow, thrive and lead.

Film and television production contributed \$1.28 billion to the provincial economy, almost double the \$671.2 million the industry generated in 2008 (up 90 per cent). In fact, domestic production has been increasing since the late 1990s. Production activity in 2012 accounted for almost 29,000 full-time direct and spin-off jobs.

Ontario's winning combination of government support, stable and competitive financial incentives, world-class infrastructure, superb talent and skills, and diverse locations together have allowed us to attract and retain a strong slate of production activity in 2012. This commitment has ensured the growth and stability of our production sector over the long term. While foreign film and television production continues to be an important part of our strategy, we are especially pleased by the strong performance of our domestic companies, which anchor the industry in Ontario.

Ontario's Interactive Digital Media (IDM) industries generate annual gross revenues of \$1.4 billion and employ 16,000 people in the province. We anticipate that this sector will continue to lead economic growth in the cluster.

One of Ontario's advantages is our strength across so many different sectors, which creates considerable opportunity for cross-sector collaboration across all creative industries. Events like OMDC's From Page to Screen encourage the transformation of stories and characters from books to various screens and platforms.

Ontario is home to more than half of Canada's book publishing industry, with Ontario-based companies bringing in revenues of \$1.3 billion dollars a year. More than half of the magazines in Canada are produced in Ontario, and half of those titles ship to readers outside the province. Ontario's music industry is the largest in Canada, with the highest revenues across the board, from record production to publishing to sound recording studios.

A few of the 2012-13 fiscal year highlights include:

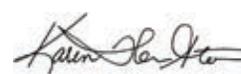
- OMDC's Book Fund supports business development, marketing and digital initiatives for Ontario and in 2012-13 provided \$2.1 million to 35 publishers. Since its inception, the Book Fund has increased publisher revenues by \$44.3 million, increasing market share by 20% on average, and profits by an average of 15%.
- In 2012-13, the OMDC Magazine Fund provided \$1.8 million in support to Ontario magazine publishers.
- OMDC's Tax Credits department issued 1,714 certificates for 2,368 cultural media products. The estimated tax value was \$428 million for projects valued at \$4.5 billion.

Reading through these pages, you will see many examples of the ways in which OMDC's programs and services have helped our stakeholders to achieve success in their respective businesses. Our sincere thanks to the Ministry of Tourism, Culture & Sport for its continuing support, and to OMDC's dedicated Board and staff, for their commitment to ensuring that Ontario continues to be a leader in stimulating the creation of globally-recognized creative media content.

Sincerely,



Kevin Shea
Chair



Karen Thorne-Stone
President & CEO



The Creative Industries

BOOK, MAGAZINE, FILM, TV, MUSIC and INTERACTIVE DIGITAL MEDIA

Over the past 12 months, Ontario's thriving creative industries have produced best-selling, record-breaking, award-winning content.



marblemedia's *Splatalot!*

Six Strong Sectors:

- Book publishers in Ontario bring in \$1.3 billion in annual revenues and pay \$260 million in wages and benefits.
- Ontario's \$1 billion magazine industry supports an average of 9,000 jobs annually, with salaries of more than \$360 million a year.
- Generating the lion's share of Canada's music recording and publishing revenues, the music industry in this province accounts for over 2,600 direct and indirect jobs.
- More than 1,000 digital media companies in Ontario produce revenues of \$1.4 billion and high-value employment for 16,000 skilled workers.
- The stature of Ontario's film and television industry has helped to make 'Hollywood North' the third-largest entertainment and creative jurisdiction in North America.

The Ontario government believes support for the OMDC is a sound investment in a sector that has proven its ability to strengthen and stimulate the economy in challenging times. As one of the world's most vibrant creative centres, Ontario is poised to seize new opportunities for economic growth and job creation.

"The resources and financial support producers have access to in Ontario is the envy of content creators around the world."

– Mark Bishop, *Co-CEO and Executive Producer, marblemedia*



Mark Bishop,
marblemedia

Another 'best-ever' year for film and TV

The film and television industry continues to show robust growth, nearly doubling economic activity in just five years. The sector contributed close to \$1.28 billion to the provincial GDP in 2012 – the strongest financial results ever, accounting for almost 29,000 full-time direct and spin-off jobs.

In 2012, the OMDC Film Fund provided \$4.8 million for 33 feature films, stimulating \$110 million in additional financing.

2012-13 was a busy year for Ontario feature production with 15 indigenous films going to camera, including the post-apocalyptic *The Colony*; *Cas & Dylan*, with Richard Dreyfuss and Tatiana Maslany; *The F Word*, with Daniel Radcliffe in his first romantic comedy; Atom Egoyan's latest star-studded production, *Queen of the Night*; and *The Calling* with Susan Sarandon.

Film and Television tax credits valued at \$347 million have leveraged well over ten times that amount for film and television projects since 2005.



OMDC Film Fund feature – *Cas & Dylan*



Defiance



Pacific Rim



Bomb Girls

2012 Highlights Reel

- Domestic film and television projects accounted for 68% of total production activity, generating revenues of \$871.9 million.
- Television series made the strongest contribution, with domestic productions up by more than 10% to \$698.2 million.
- The province attracted an 80% increase in foreign television production.

Ontario's talent pool, technical expertise, state-of-the-art infrastructure and access to reliable funding combined to attract outside productions. New to the province is Gaumont International TV, which brought *Hannibal* and *Hemlock Grove* here. NBC Universal returned with *Warehouse 13*, *Suits*, *Alphas* and *Covert Affairs* along with the new series *Defiance*. And highly rated local series such as *Murdoch Mysteries*, *Degrassi: The Next Generation* (now in its

On location in Ontario in 2012:
 48 feature films for theatrical release
 67 feature films for TV or cable
 158 episodic series for TV

12th season), *Rookie Blue*, *Bomb Girls* and *Flashpoint* (in its final year) continued to attract a large and loyal fan base the world over. OMDC's Film Commission assisted all of these productions.

In early 2012, filming began on Guillermo del Toro's *Pacific Rim* (Legendary Pictures and Warner Bros.) – the largest feature ever to shoot in this province. Cameras also rolled on high-profile remakes of *Robocop* and Stephen King's *Carrie* (both from MGM).

Producer and box-office king Don Carmody began work on *Mortal Instruments: City of Bones* (Constantin Films). His last movie, *Resident Evil: Retribution*, grossed over

\$5.4 million in Canada in 2012, earning Carmody his seventh Cineplex Golden Reel Award, presented to the Canadian film with the highest domestic box-office earnings.

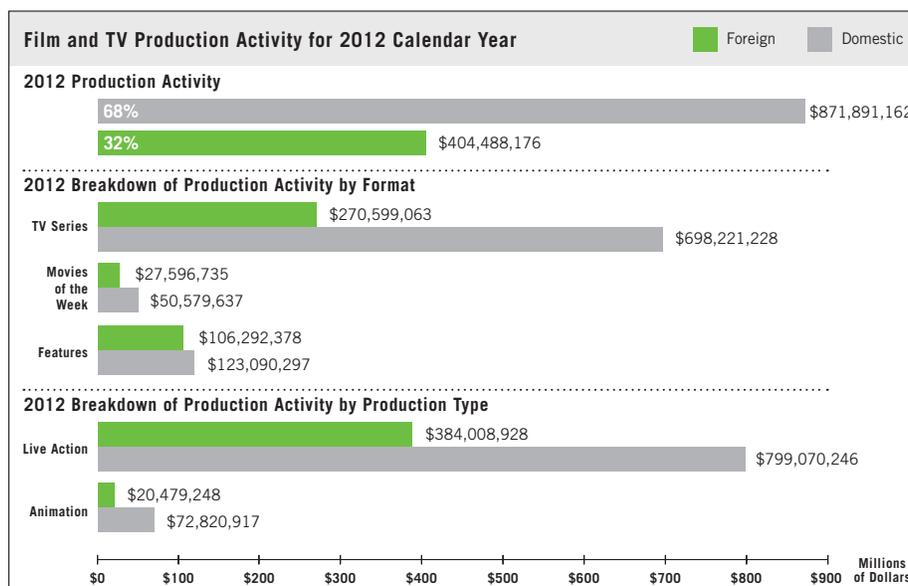
Northern Ontario shared in the increase in production levels, thanks to indie features like *Cas & Dylan*, *The Calling*, *Breakout* and *The Colony*.

“Producing *Beauty and the Beast* in Ontario was an easy decision to make, as Ontario is a hub of high-end production that delivers hundreds of hours of television programming to the US and international markets on an annual basis... In addition to the talent pool and infrastructure, Ontario offers competitive and dependable tax credits...”

– Frank Siracusa, *Executive Producer, Whizbang Films Inc.*

– John Weber, *Executive Producer, President, Take 5 Productions Inc.*

In addition to productions that shoot in Ontario, blockbuster films and lavish television series like *Vikings*, *Game of Thrones* and *The Amazing Spider-Man* film on location all over the world, then head to Ontario for best-in-class visual effects and digital animation. Animated children's series like *Justin Time*, *Thomas the Tank Engine* and *The Cat in the Hat* are also produced in Ontario for a worldwide market.



Building New Platforms for Success

Media worlds are colliding and new entertainment galaxies are exploding through interconnectivity across borders, across sectors and across platforms.

Ontario's interactive digital media sector is a \$1.4 billion industry, helping to fuel as well as feed the growing global appetite for innovative, transmedia content. The province has already firmly established itself as a hub for small game and mobile app development across a variety of delivery platforms. Our digital capacity is now being expanded across all creative media sectors in order to meet consumer demand, enhance global competitiveness and achieve other business goals.

2013 Digital Dialogue Conference:

In January, OMDC hosted its third Digital Dialogue conference. Stakeholders from Ontario's creative industries gathered with financiers, venture capitalists, media buyers and technology experts to explore the impact of multiplatform connectivity on the media landscape. Close to 300 industry leaders attended the sold-out event.

OMDC • SODIMO

Digital Dialogue Numérique

Premiere: Digital Dialogue Breakfast Series – Continuing the Conversation

Building on the popularity of the annual Digital Dialogue conference, OMDC introduced a series of breakfast sessions over the course of the year as a forum for ongoing discussion among decision-makers in the cultural media industries.

OMDC issued its 800th Ontario Interactive Digital Media Tax Credit in March, 2013.



Tom Frenzel, CEO, Little Guy Games



Panel – The Connected Consumer: Mary Maddever, Playback; Chris Geddes, Mobovivo; Maria Hale, Corus Entertainment; Chris Harris, Shaw Media; Janice Diner, Horizon Studios; and David Brown, YouTube/Google

“What began as a software cluster in Waterloo and a gaming hotbed in Montreal is evolving into a broad digital media ecosystem that spans the publishing, film, television and music sectors.”

– Tom Frenzel, CEO, Little Guy Games



Digital Dialogue Breakfast Series – Commercializing Content Rights for Mobile: PwC's Lisa Coulman moderated the panel of industry leaders including: Mike Wagman, MavenSay; Yoav Schwartz, Uberflip; and Lisa Lyons, Corus Entertainment – Kids Can Press.

OMDC supports Interactive Ontario's GameON: Finance, a two-day conference exploring the business of games with a particular focus on new and evolving business models, and access to capital for business growth, project financing and product distribution.

With ready access to first-class educational institutions, leading-edge R&D, and government support through innovative programs and initiatives, Ontario's content creators are able to fully embrace new technologies and new opportunities.

Since 2005, the IDM Fund has awarded \$10 million, creating 800 highly skilled jobs and resulting in \$56 million in revenues reported to date on completed projects.

Once again, OMDC-supported game developer Digital Extremes of London, Ontario, earned a spot on Canada's Top 100 Employers and Canada's Top Employers for Young People lists. The team at DE also scooped two 2012 Digi Awards: Most Innovative Digital Media Technology for *Evolution Engine* and Best in Web Gaming for *Warframe*.

Ontario IDM companies produce an average of 29 projects a year, 65% of which are based on their own intellectual property.

OMDC funding supports Ontario's creative industries as they develop, produce and roll out their products onto digital platforms.

The **OMDC Book Fund** has enabled Ontario publishers – leading adopters of digital technologies – to bring digital production capacity in-house, introduce efficient new digital workflows and increase productivity by 10%. More than 3,500 e-books have been released with OMDC support.

In 2012, a pilot initiative was introduced by OMDC to support digital-only magazine publishers in leveraging the increased popularity of mobile devices for the consumption of content.

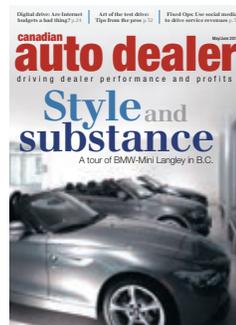
As a leading source of information for Canadian car dealerships, *Canadian Auto Dealer Magazine* has built a reputation for delivering timely, high-quality video content. With support from the **OMDC Magazine Fund**, Universus Media was able to establish the in-house video production capability to expand its online audience and compete with big international players.



2life



29Secrets.com



Canadian Auto Dealer Magazine

Collaboration and Cross-Sector Partnerships

Promoting collaboration among firms, across sectors and within the broader business community is a primary role of OMDC.

As delivery platforms rapidly change and converge, Ontario's content creators can find effective new ways to adapt and succeed by exchanging expertise, sharing resources and forging strategic partnerships. It is the stimulus of cross-sector cooperation and collaboration that keeps our creative cluster nimble and agile, skillfully competing to win in the global economy.



Filmmaker Sudz Sutherland (Hungry Eyes Film & Television) meets with publishers at OMDC's From Page to Screen event

“Business alliances are evolving... the sectors are cross-pollinating. Music labels are teaming up with gaming companies, filmmakers are partnering with health and education agencies, brands are working directly with content creators and talent agencies are partnering with distribution channels.”

– Sudz Sutherland, *Co-Founder of Hungry Eyes Film & Television*

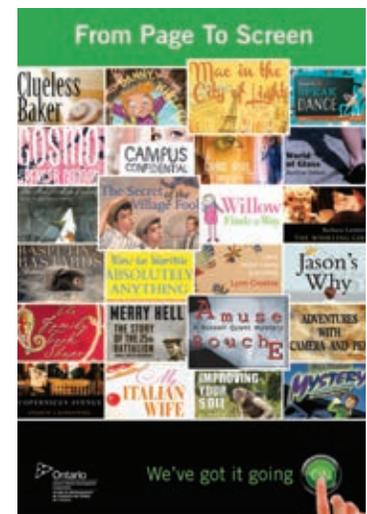


University of Toronto Press' Chris Reed and Lisa Jemison

From Page to Screen

Publishers and producers were kept busy with over 400 one-on-one meetings at OMDC's 6th annual From Page to Screen event. Designed to promote the adaptation of stories and characters from books to the big and small screens, the event has brokered 23 option deals since its inception.

OMDC has played matchmaker to many successful cross-sector partnerships. The acclaimed radio documentary, *Hana's Suitcase*, has now been successfully adapted to book, television, stage, film, and most recently, an interactive book available on the iPad.



New JUNO TV & JUNO Awards Mobile App

The best of Canadian music is now available to a wider audience through the launch of the OMDC-supported online JUNO TV channel and JUNO Awards iPhone app.

“JUNO TV helps us cast a spotlight on Canadian music year round. It’s about an ongoing and thriving Canadian music industry.”

– Melanie Berry, *President, and CEO, CARAS/The JUNO Awards*

Live Music Lives At NXNE

Affirming Ontario’s reputation as a global leader in live music, the 18th year of North by Northeast (NXNE) was marked by record attendance. Originally fashioned after the popular South by Southwest festival (SXSW) in Austin, Texas, NXNE has grown from a three-day showcase for local indie musicians into a week-long cross-sector celebration of talent. In addition to live music, the event now also features a film festival and an interactive digital conference (NXNEi) that focuses on the integration of technology with creativity in music, film and the arts.

At OMDC’s Music Makes It!, 60 companies from Ontario’s music publishing and screen-based media industries participated in a series of scheduled one-on-one meetings to discuss the licensing of Ontario music for placement in film, television, interactive and advertising productions. The event generated many high-quality leads for lucrative new business opportunities.



OMDC’s Music Makes It! event: Devi Ekanand, Coalition Entertainment; Mishelle Pack, Sony/ATV Music Publishing Canada; Cheryl Link, Peermusic Canada Inc.; Sari Delmar, Audio Blood Media Inc.; and Avi Diamond, Maple Music



Music Makes It! meetings

Ontario's Creative Media in the Global Marketplace

OMDC programs and initiatives are designed to stimulate international partnerships that will sustain and grow the industry and its revenue base.



Whitehorse

PHOTOS: DUNCAN MCKIE



The Wilderness of Manitoba

OMDC presented the Ontario Showcase at SXSW, featuring artists including Whitehorse (Six Shooter Records), The Wilderness of Manitoba (Popguru Sound & Vision), Poor Young Things (Bumstead Productions) and The Darcys (Arts & Crafts).

In 2011-12, OMDC Export Funds enabled:

- **32 book publishers** to travel to **55** international markets which resulted in revenues of **\$5.8 million**;
- **82 film and television** companies to visit more than **80** international markets, earning **\$170 million+**;
- **34 music** companies to attend **56** international markets and generate **\$4.2 million**; and
- **41 IDM** companies to attend **59** international markets, bringing in **\$6.7 million**.

The Export Fund provided \$1.7 million to 204 companies for 750 business-building trips to international markets and strategic destinations in 2012-13.

One of the largest and most important international trade fairs for the music industry, Marché International du Disque et de l'Édition Musicale (MIDEM) provides a forum for artists, producers, managers and investors from all over the world to talk business, promote labels and generate new revenue streams. At the 2013 MIDEM conference in Cannes, OMDC co-hosted the Ontario reception with 44 Ontario music stakeholders and over 180 international VIP guests, and supported Canadian Independent Music Association (CIMA)'s Canadian Blast with a night billed as the Ontario Showcase, featuring four Ontario artists – Jesse LaBelle, Alejandra Ribera, Divine Brown and The Balconies.

Ontario's screen-based content creators had the opportunity to network and

discuss licensing arrangements on a global level at MIPCOM – The World's Entertainment Market – in October. The industry was well represented, with a Focus on Canada program supported by OMDC, a powerful presence on the Canada Stand, and a reception targeted to Canadian and international companies doing business in the interactive and convergent space.

During Canadian Music Week, OMDC hosted a networking lunch in honour of the 10th anniversary of the International Marketplace and supported a number of international partnership initiatives, including Spotlight on Japan and Spotlight on Korea.



OMDC hosts 10th Anniversary luncheon for The International Marketplace (IMP) at CMW. Keely Kemp, OMDC; Neill Dixon, President of Canadian Music Week; and Donna Murphy, Canadian Independent Music Association

OMDC supported CIMA's Music Mission to Japan, arranged to explore business opportunities and strengthened Canada's ties to the dynamic Japanese market.

Eleven Ontario companies participated in the trade mission, which showcased three Ontario bands.

With OMDC support, over 20 Ontario game companies were able to exchange ideas and exhibit their wares with a stand-out kiosk at the Game Developers Conference in San Francisco – the largest annual learning and networking event for professional video game developers.

IFF at TIFF

Taking advantage of the global film industry's presence for the Toronto International Film Festival (TIFF), OMDC's 7th International Financing Forum (IFF) brokered 450 meetings among more than 80 film producers and industry executives from top global companies including eOne Entertainment, Film 4, IFC Films, The Match Factory, Participant Media, TF1, Trust Nordisk and Studio Canal. In addition to pursuing co-financing opportunities, several hundred Canadian



IFF Panelists: Jere Hausfater, Wendy Mitchell, Michael B. Clarke, Milan Popelka

and international stakeholders participated in IFF-related networking events.

Screened at TIFF

Seven OMDC-supported feature films were selected to screen at the 2012 Toronto International Film Festival: *Antiviral*, *Midnight's Children*, *Home Again*, *Foxfire: Confessions of a Girl Gang*, *Inescapable*, *The Lesser Blessed*, and *Still Mine*.

Since 2006, IFF has sown the seeds for a total of 297 feature films, including OMDC-supported *Midnight's Children*, which was selected for screening at TIFF 2012.



Midnight's Children



PLT offers a platform for producers on both sides of the pond to combine creative, technical and financial capabilities

Designed for independent producers with appropriate projects in the pipeline, Producers Lab Toronto 2012 during TIFF brought 24 Canadian and European producers together to explore the potential for international co-productions. This highly effective platform, which incorporated a Toronto Locations Tour for visiting producers, has led to the active development of 27 projects since its inception.

"I signed a co-production agreement with one of the Canadian producers for a project that we hope to have in production by the summer of 2013. Not only did I connect with a partner at Producers Lab, but the visibility we got by announcing the project during TIFF will help us through the life of the project. Dreams do come true!"

– Mariano Vanhoof, *Fobic Films* (Belgium)

Ontario Film Commission

As part of its successful, ongoing efforts to market Ontario to the international film and television production industry, the OMDC Film Commission provides location scouting and facilitation services, at no charge, to producers considering shooting here.

With a permanent marketing presence in Los Angeles (in partnership with the City of Toronto and FilmOntario), direct links to all regional film contacts in the province, and a digital locations database with more than 230,000 high-

The Film Commission added almost 800 new locations to the Digital Location Library in 2012-13.

quality images representing over 11,000 locations, the Film Commission provides a seamless location experience for both domestic and foreign projects, assisting 169 productions in 2012-13.

OMDC hosted the third annual Toronto/Ontario on Location in L.A. event, an initiative designed to showcase the province's advantages as a world-class destination for film, TV, VFX, animation and post-production. Featured speakers included Callum Greene, Executive Producer of *Pacific Rim*, and Randi Richmond of NBC Universal, who shared insights on Ontario's role in the success of their recent projects.



Panel: Callum Greene, Peter Oillataguerre, Andy House, Susan Murdoch, Randi Richmond and Len Pendergast

"Every facet of the film and television industry was represented at the event so all I had to do was drive from Hollywood to Universal City to feel like I was in Toronto, Ontario!"

– Justin Levine, *Executive Producer*, Stardust Pictures

Over the past year, the LA office helped bring to Ontario five productions with a value of \$75 million.

Celebrating Ontario's Achievements



25th Trillium Book Awards

Public interest and media coverage were at an all-time high for the celebrations

surrounding the 25th anniversary of the prestigious Trillium Book Award/ Prix Trillium, established in 1987 to recognize the quality and diversity of Ontario writing. Special events included an authors' dinner, public readings by previous winners and finalist authors, a public contest, and panel discussions of the top Trillium titles from years past. The awards gala itself showcased a new logo, a retrospective video in which past Trillium honourees shared personal observations about the prize, and a live musical performance by the Good Lovelies.

The English and French winners each received \$20,000, while their publishers received \$2,500 to promote the winning titles. The English and French poetry winners were awarded \$10,000 each, with \$2,000 going to their publishers. All finalists were given a \$500 honorarium.

More Accolades for Ontario's OMDC-supported Writers and Publishers
 Ontario writers were celebrated at a number of literary competitions in 2012, including the **Governor General's Literary Awards, Rogers Writers' Trust, Scotiabank Giller Prize, Griffin Poetry Prize** and **TD Canadian Children's Literature Award**.

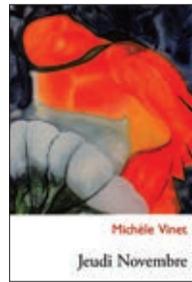
Among the works receiving multiple awards or nominations were Tamas

Dobozy's *Siege 13* (Thomas Allen Publishers); poet Ken Babstock's *Methodist Hatchet* (House of Anansi Press) and Patrick deWitt's *The Sisters Brothers* (House of Anansi Press), which took the CBA 2012 Libris Awards Fiction Book of the Year, the Governor General's Literary Award for Fiction 2011, and the Stephen Leacock Medal, and which was also shortlisted for the Man Booker Prize, the Scotiabank Giller Prize and the Walter Scott Prize.

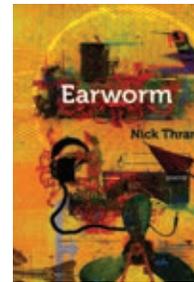
The 25th Trillium Book Awards were presented to:



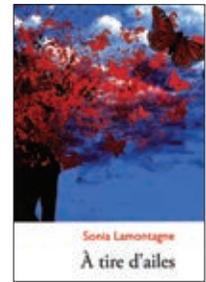
English-Language:
Phil Hall, Killdeer
(BookThug)



French-Language:
Michèle Vinet, Jeudi Novembre
(Éditions Prise de parole)



English-Language Poetry:
Nick Thran, Earworm
(Nightwood Editions)



French-Language Poetry:
Sonia Lamontagne, À tire d'ailes
(Éditions Prise de parole)



25 Trillium Winners: Nick Thran, Michèle Vinet, Minister Michael Chan, Phil Hall, and Sonia Lamontagne

Bringing Home the Gold

The recognition earned by the province's content creators at high profile awards shows holds its value long after the applause dies away. Nothing speaks more loudly or credibly to the capabilities of our creative industries than the respect and admiration of global peers.

2012-13 Superstars

Web series Guidestones (*iThentic/Smiley Guy Studios*) won Best in Web Series, Fiction at both the 2012 Digi Awards and the Banff World Media Festival, as well as Best Original Web Series at the 2013 Canadian Screen Awards and the 2013 International Emmy Award for Best Digital Program – Fiction at the MIPTV Media Market in Cannes.



Guidestones



Best Original Program or Series Produced for Digital Media – Fiction: *Guidestones*, Jonas Diamond, Jay Ferguson, Lisa Baylin, Jeremy Diamond, Denny Silverthorne

Prime Radicals creates 'Mathemagic'

Acclaimed children's television series *The Prime Radicals* (GAPC Entertainment) won three Prestige Film Awards, including a Gold for Interactive Website, as well as top honours at the Houston International Film Festival, Hermes Creative Awards and American Pixel Academy Awards.

Superbrothers: Sword & Sworcery EP

(*Capybara Games*) picked up five awards at the 2012 Canadian Video Game Awards (Best Game on the Go, Best Downloadable Game, Best Indie Game, Best Original Music and the Innovation Award) and was named the Best Handheld Game at the 2012 Game Developers Conference in San Francisco.

Among the Ontario magazines honoured at the 35th **National Magazine Awards** were *Design Lines*, *Canadian Art*, *Canadian House and Home* and *Toronto Life*. The **Canadian Online Publishing Awards**, celebrating digital journalism and design, awarded top prizes to OMDC-supported titles, including *The Walrus*, *Sharp for Men*, *Today's Parent*, *Spacing* and *Maclean's*. The **Kenneth R. Wilson Awards** for excellence in business-to-business magazines included Ontario-based publications *Listed* and *Marketing Magazine*.

In 2012, the Gemini Awards and Genie Awards were merged to form the **Canadian Screen Awards**, which recognize Canadian accomplishments in film, television and digital media. In March 2013 the ceremony was broadcast nationally. Among the many Ontario honourees were Andra Sheffer, selected for the Digital Media Trailblazing Award; the team behind *My Babysitter's A Vampire Interactive: Human vs Vampire*, for Best Cross-Platform Project – Children and Youth; and Mr. X, which won Best Visual Effects for *Resident Evil: Retribution*.

Toronto director Kate Melville's *Picture Day* won the 2012 **Borsos** competition for the best Canadian feature at The Whistler Film Festival.

For the first time in history, father and son directors David (*Cosmopolis*) and Brandon (*Antiviral*) Cronenberg both premiered OMDC-supported features at the **Cannes Film Festival**.



Ontario director Ruba Nadda (*Inescapable*, *Cairo Time*) was a featured speaker at Celebrate Ontario

OMDC's annual salute to Ontario films and filmmakers, **Celebrate Ontario**, was held during the Toronto International Film Festival, with more than 600 cultural industry, government, media and academic leaders in attendance. A compilation CD of critically acclaimed Ontario music was distributed at the event.



TIFF's Rising Stars: Charlotte Sullivan and Charlie Carrick at Celebrate Ontario

Celebrating Ontario's Achievements continued



Monster Truck

Ontario artists held their own at music events throughout the year, scooping top prizes at the 2012 **JUNO Awards** (13 winners, including Arkells for Group of the Year; Drake for Rap Recording of the Year; and Justin Bieber, Fan Choice); 2013 SiriusXM Indie Awards (10 winners, including deadmau5 for Live Artist or Group of the Year); the **Canadian Radio Music Awards** (13 winners including Arts & Crafts for Management Company of the Year); **CMW Broadcast Industry Awards** (2 winners including Arts & Crafts

for Canadian Independent Label of the Year); and the 2012 **SOCAN Awards** (9 winners, including FeFe Dobson for Pop/Rock and Bruce Cockburn for Lifetime Achievement).

Of special musical note: Feist added the \$30,000 2012 **Polaris Music Prize** for *Metals* to her JUNO Award for Artist of the Year; and Bruce Cockburn earned a JUNO for his solo album as well as SOCAN's Lifetime Achievement Award.



DUSTIN RABIN

Feist (centre) with hosts Lauren Toyota, Grant Lawrence and Tim Kingsbury and Jeremy Gara of Arcade Fire wins 2012 Polaris Prize for *Metals*



The Arkells – 2012 JUNO Award – Group of the Year

2012 MILESTONES

2012 was a big year for these OMDC stakeholders:

FIRST EVER... Canadian Screen Awards (formerly Gemini and Genie awards)

FIRST EVER... Father and son directors with films at the Cannes Film Festival (David and Brandon Cronenberg)

10th YEAR... Arts & Crafts Productions
Paper Bag Records
International Marketplace at Canada Music Week
House of Anansi Press
Hana's Suitcase (Second Story Press)

20th YEAR... Exclaim! Magazine
Hot Docs

25th YEAR... Trillium Book Awards

35th YEAR... National Magazine Awards



2012 JUNO Award – Roots & Traditional Album of the Year: Solo – Bruce Cockburn (True North* eOne), Small Source of Comfort

Innovative Financial Support

In 2012, the Industry Development Program invested \$2 million in 62 projects, initiating over 26,000 business leads.

Through its Industry Development Program, OMDC supports Ontario's content creators and producers by partnering with established trade organizations and business events that stimulate the growth of the province's book, magazine, film, television, music and interactive digital media industries.

Business-building initiatives supported by the Industry Development Program include MagNet, Canada's leading magazine publishing conference; the Ottawa International Animation Festival; Interactive Ontario's GameON Finance and iLunch cross-sector business-building sessions; Canadian Independent Music Association's Showcase at MIDEM and SXSW; the International Visitors Programme promoting cultural exchange in the book publishing world; and Word on the Street.



Matt Hilliard-Forde, OMDC with panelists Matthew Blackett, *Spacing*; Mark Kristofic, *S-Magazine*; and Michael LaFave, *Sharp*

OMDC's Magazine Best Practices Panel, a business development forum for Ontario's magazine publishing professionals, featured moderated discussions on issues and challenges, as well as presentations by Matthew Blackett of *Spacing Magazine*, Michael LaFave of *Sharp* and *S-Magazine's* Mark Kristofic, who were generous with insights gleaned from experience leading successful projects. Held throughout the year, Best Practices events serve as a catalyst for new strategies, new partnerships and new business models.

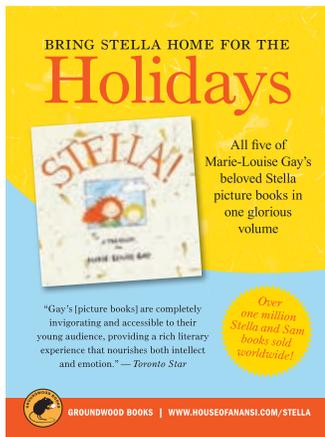


Peter Miller, Chair of Interactive Ontario and Mark Jamison, CEO of Magazines Canada at OMDC's Best Practises event

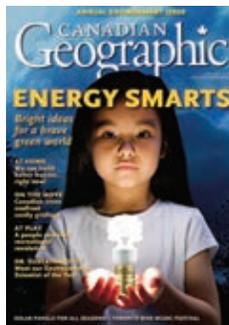


OMDC supported CIMA's Canadian Blast at MIDEM with an Ontario Showcase, featuring four Ontario artists (clockwise from top left) – Jesse LaBelle, Alejandra Ribera, Divine Brown and The Balconies

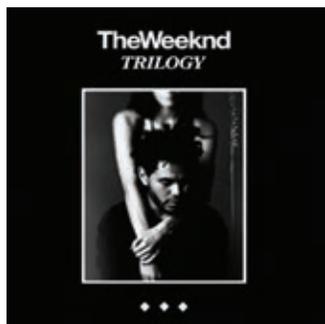
Innovative Financial Support continued



Groundwood Books marketing initiative supported by OMDC Book Fund



Canadian Geographic Magazine



CP Records & Management received support through the OMDC Music Fund

Noteworthy Fund Facts

The 2012 **Book Fund** awarded more than \$2.1 million to 35 Ontario publishers. Since 2005, the fund has increased publishers' revenues by \$44.3 million, their market share by an average of 20% and their profits by 15%, while creating 166 new high-value jobs.

In 2012, the **Magazine Fund** provided over \$1.8 million to Ontario magazine publishers. Since 2005, the Fund has awarded \$8 million, created 170 full-time jobs and generated revenues of \$24 million – three times the amount invested.

The 2012 **IDM Fund** investment of \$3.2 million leveraged an additional \$5.8 million for 24 interactive projects, resulting in over 5,400 weeks of work for Ontario creators. Gaming is projected to be an \$80 billion global industry by 2015, with 5-6% growth per year in Canada.

Since the OMDC **Music Fund** was introduced in 2005, recipients have reported increased revenues of \$23.2 million, nearly two-thirds of which is directly attributable to the Fund. During the same period, Music Fund recipients added 112 new employees.

With an investment of \$29 million since 2005, the **Film Fund** has supported 212 feature film projects, creating more than 55,000 weeks of employment for the province's production community.



Still Mine



Mega Run, Get Set Games

Enhancing vital tax programs

In cooperation with the Canada Revenue Agency, OMDC manages six tax credits, which provide a stable and reliable source of financial support of vital importance to the cultural media sectors:

Ontario Book Publishing Tax Credit

(OBPTC): a 30% refundable tax credit on eligible expenditures to publish and market books by Canadian authors, available to Ontario-based Canadian corporations.

Ontario Film and Television Tax Credit

(OFTTC): a 35% refundable tax credit on Ontario labour expenditures for film and television productions produced by Ontario-based Canadian corporations.

Ontario Production Services Tax Credit

(OPSTC): a 25% refundable tax credit on Ontario production expenditures (both labour and non-labour costs as well as all post-production) for film and television productions by Canadian or foreign-controlled corporations.

Ontario Computer Animation and Special Effects Tax Credit

(OCASE): a 20% refundable tax credit on Ontario labour expenditures for digital animation and visual effects created in Ontario for film and television productions.

Ontario Sound Recording Tax Credit

(OSRTC): a 20% refundable tax credit on eligible expenditures to produce and market sound recordings by Canadian artists, available to Ontario-based Canadian corporations.

Ontario Interactive Digital Media Tax Credit

(OIDMTC): a 40% refundable tax credit (35% for development under fee-for-service) on eligible expenditures to develop IDM products in Ontario, available to Canadian and foreign-controlled corporations.

In 2012-13, OMDC delivered an estimated \$428 million in tax credits to Ontario's book publishing, film, television, music and interactive digital media sectors in support of 2,368 projects, with budgets valued at \$4.5 billion.

Tax Credit Statistics 2012-2013

	Applications Received	Number of Certificates Issued	Number of Projects	Total Value of Estimated Tax Credits	Project Value
OBPTC	508	570	570	\$3,956,626	\$14,736,494
OSRTC	103	430	107	\$1,300,392	\$6,767,121
OFTTC	324	356	356	\$148,160,858	\$971,195,772
OPSTC	137	127	127	\$183,198,099	\$2,930,346,408
OCASE	76	55	193	\$15,794,113	\$239,282,487
OIDMTC	262	176	1,015	\$75,179,505	\$338,878,801
TOTAL	1,410	1,714	2,368	\$427,589,593	\$4,501,207,081

Notes: OCASE and OIDMTC applications are based on the applicant's fiscal year of activity and may include multiple productions. Up to three OSRTC certificates, for each fiscal year, are issued for each album.

Total Value of Estimated Tax Credits reflects certificates issued in the fiscal year, NOT production activity in that period.

Staying abreast of global trends, technological advances and market intelligence is critical for Ontario's content creators. OMDC conducts and supports research that advances knowledge, fosters growth and drives innovation in all six creative sectors. In addition to commissioning our own research, we provide research grants for studies undertaken by not-for-profit industry organizations to benefit the entire creative cluster. As well, the agency compiles Industry Profiles, providing current information on developments and issues within each industry.

Research Showcase 2012

At the OMDC Research Showcase in April, presenters from Magazines Canada, the Canadian Media Production Association (CMPA), the Canadian Independent Music Association (CIMA), the Canadian Interactive Alliance (CIAIC), the Documentary Organization of Canada (DOC) and the Association of Canadian Publishers (ACP) shared highlights of the latest research impacting Ontario's creative industries.

OMDC Program Evaluations

Independent evaluations of the Magazine, Music and Book Funds in Industry Development Group were undertaken throughout the year and involved extensive consultations with industry stakeholders to explore the impact and relevance of the individual Funds since inception. All three evaluations concluded that Magazine, Music and Book Funds play a valuable role in supporting investments in the industry, in technology and enabling companies to grow and adapt to changing the marketplace.

As a result of the evaluations OMDC will continue to support investments focusing on digital innovation in 2013-14 and will continue to adapt these Funds to respond to the changing business environments going forward.



Kate Edwards, ACP with Erin Creasey, ECW Press at Research Showcase

In 2012-13, 8 OMDC-funded research studies were released:

- Discoverability: Strategies for Canada's Digital Content Producers in a Global Online Marketplace (CMPA)
- Mobile Innovation: Ontario's Growing Mobile Content, Services and Applications Industry 2012 (MEIC)
- The Canadian Feature Film Distribution Sector in Review: Trends, Policies and Market Developments (CAFDE)
- Consultation on K to 12 Educational Publishing in Canada (ACP)
- Feasibility Study for Screen-based Content Producers Business Incubator Program (Centennial College)
- New Directions for the Financing of Interactive Digital Media in Canada (CIAIC)
- OMDC Client Satisfaction Survey
- Economic Profile of the Computer Animation and Visual Effects Industry in Ontario, 2008-2010 (CASO)

OMDC-funded research is available on the OMDC website.

OMDC Online Research Library

Introduced in 2009, the OMDC Online Research Library offers 24/7 access to a fully searchable database of cultural media research, statistics and industry profiles. There are now 279 documents in the Online Library.

Over the past 12 months, the online library had 797 unique visitors, who conducted a total of 2,883 searches.



Stuart Johnston, President of CIMA presents *Analysis of the Impact of the Ontario Sound Recording Tax Credit*

Reaching our audience



omdc.on.ca

Designed to be easy to navigate, easy to read, mobile-friendly and adaptable to the needs of persons who have disabilities, the new OMDC website went live in March. As the primary touchpoint for both public information and business content, the updated site has been painstakingly re-crafted to ensure that it is simple, accessible and consistent in look and language throughout. Enhancements such as new systems for uploading material and refreshing content will make information about programs and services easier to locate, and generate more frequent and fruitful visits by stakeholders. Performance of the new site will be evaluated by objective metrics such as Google Analytics as well as stakeholder feedback.

Social Media

OMDC and the content creators we support are benefitting from increased exposure and awareness through our strengthened social media presence. An increase in the number and duration of visits to the OMDC Facebook page, Twitter feed and YouTube channel are clear indications of growing audience interest and engagement. In 2012-13, OMDC gained over 1,000 Twitter followers, received more than 300 'Likes' on Facebook, uploaded 116 videos to YouTube (attracting over 9,000 upload views) and achieved a Klout Score of 53.

Stakeholder Testimonial

In a new corporate video, leaders from Ontario's book and magazine, film and TV, music and interactive digital media industries answer the question, "What does OMDC stand for?" Candid, on-camera testimonials speak effectively to the agency's role in strengthening Ontario's economy. The video was screened at select OMDC events and can be viewed on the agency's YouTube channel.



Justin Hines



Alana Wilcox

Throughout the year, OMDC staff conducted frequent workshops and information sessions to educate interested parties, from budding artists and students in the cultural media streams to industry groups and international business partners, about how to benefit from and apply for OMDC support. Stakeholder outreach continues to be a key OMDC priority.

Stellar Staff

Amethyst Award Recipients Kristine Murphy and Donna Zuchlinski were honoured for "outstanding achievement by public servants" in recognition of their collaborative work with the International Indian Film Academy (IIFA).



Kristine Murphy



Donna Zuchlinski

OMDC Industry Initiatives Book Consultant Janet Hawkins received the Janice E. Hanford Award from the Organization of Book Publishers of Ontario (OBPO).



Karen Thorne-Stone, OMDC's President and CEO; Janet Hawkins OMDC's Industry Initiatives Book Consultant; and Kevin Finnerty, Assistant Deputy Minister, Culture Division, Ministry of Tourism, Culture and Sport

Improving the process

Tax Credit Risk-Based Assessment Model

In 2012, an Internal Auditor's Review was conducted to assess tax credit procedures and assist in identifying strategies to reduce processing times. The Auditor's Report reaffirmed the effectiveness of the tax credit control framework and processes. However, the report strongly endorsed OMDC's proposed implementation of a risk-based assessment model for managing tax credit files.

OMDC worked with the Ministry of Finance to customize the MOF's automated risk assessment system for use with the Ontario Film and Television Tax Credit. Risk-based assessment for the OFTTC as a pilot model was implemented in February, 2013. It is slated for roll-out across the remaining tax credits in 2013-14.

Online Application Portal Videos

Paperless and secure, the Online Application Portal (OAP) allows applicants for all programs and credits to upload and store documents, track the status of applications and communicate with OMDC. A series of instructional videos is available online to provide additional assistance and more detailed instruction. In an effort to expedite processing, it is now mandatory to use the OAP for all applications.

Strategic Objectives

OMDC is working to ensure that we continue to be relevant to the media sectors we serve, that we are positioned to respond effectively to emerging challenges, and that we take full advantage of opportunities to strengthen Ontario's creative industries.

In 2011-12, in consultation with key stakeholders, OMDC developed a strategic plan identifying the key issues facing the book, magazine, film, television, music and interactive digital media industries, and proposing specific strategies to address challenges, stimulate growth and create the conditions for success.

2013-14 GOALS

In the year ahead, our objectives are to:

- **Improve the support delivery process (wait times)**
implementing automated risk-based tax credit assessment
- **Maximize the effectiveness of investment support (ROI)**
improving access to financing and stabilizing business models
- **Achieve greater flexibility in support mechanisms**
providing creative industries with the ability to adapt and respond to a permanent state of change
- **Facilitate cross-sector partnerships**
further strengthening the most effective means of achieving innovation and creating new products
- **Increase connections to export markets**
paying particular attention to the needs of SMEs, which do not have the global influence of larger competitors

OMDC



We've got it going  OMDC.on.ca