

# OMDC Film Fund Production Guidelines

## Program Deadlines for 2017/18:

**Thursday April 6, 2017 (by 5:00 pm)**

**Tuesday October 10, 2017 (by 5:00 pm)**

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**NOTE: Please see section 8 for important information on insurance and contract requirements for successful applicants.**

### 1. Introduction

The OMDC Film Fund Production stream is intended to increase the level of domestic feature film production in Ontario. It provides support to Ontario producers for feature film projects in the final stages of production financing.

The prime objectives of the fund are to:

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

The OMDC Film Fund supports a range of projects across genres with both industrial and cultural benefits. OMDC measures the results of the OMDC Film Fund primarily based on net benefit from the project to the province which includes but is not limited to return on investment and jobs created in the Ontario film industry.

Applicants may apply at any point during the year prior to commencing principle photography. All applications must be submitted and received on or before the indicated deadlines to be considered for that round. Applications will be assessed based on complete submissions received for each deadline. Inter-provincial and international co-productions are eligible to apply. Please provide supporting documentation where applicable.

To receive further information on OMDC programs please contact the Coordinator, Industry Initiatives:

175 Bloor Street East, South Tower, Suite 501  
Toronto, Ontario M4W 3R8  
T: 416-314-6858  
F: 416-314-6876  
programs@omdc.on.ca  
www.omdc.on.ca

Projects that were not successful at a previous deadline of the OMDC Film Fund may only be resubmitted with the permission of the OMDC.

## **2. Eligible Applicants and Companies**

To be eligible to submit an application to the OMDC Film Fund a company must meet the following tests:

### *Companies*

- be Ontario-based (see definition below);
  - have a permanent establishment in Ontario which serves as head office and base of operations (i.e. applicant is eligible to pay corporate income taxes in Ontario; and Ontario address is listed as head office in T2 filing);
  - must be able to demonstrate that they had a permanent establishment in Ontario for at least one year prior to the deadline.
- be a Canadian-owned and controlled organization (see definition below);
  - as defined in the Investment Canada Act (Canada).
- be incorporated in Ontario or federally.

Applicant companies and any associated production entity must be in good standing with OMDC at time of application submission.

### *Individual Producers*

- The individual producers must be Ontario residents and Canadian citizens within the definition of the Citizenship Act or permanent residents within the definition of the Immigration and Refugee Protection Act (Canada).
- Applicant producers must have previously produced at least one of: a dramatic or documentary feature film theatrically released in Canada; or a television movie; dramatic or documentary series; or two one-hour documentaries that have been broadcast in Canada.

OMDC will consider applications from producers who do not meet the above minimum applicant producer requirements provided that they can demonstrate in writing the attachment to the project of an Ontario based executive producer who does meet the above qualifications. In this instance applicants must seek pre approval by OMDC prior to application.

## **3. Eligible Productions**

Eligible productions must be for theatrical release and meet the following requirements:

- Have a minimum proposed length of 75 minutes.
- At the time of submission, projects must not have commenced principal photography
- Eligible productions must be shot in Ontario (co- productions and documentaries are excluded from this requirement)

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- Productions must be either eligible for certification as a “Canadian Production” by CAVCO, as a treaty co-production in accordance with the Official Co-Productions Guidelines, or eligible to receive Canadian Program recognition from the CRTC.
- Productions for which public financial support would be contrary to public policy will not be eligible.

#### **4. Production Funding, Budget and Financing Requirements**

##### **OMDC Funding**

Companies may apply for up to \$400,000 in funding for a dramatic feature film, and up to \$150,000 for a documentary, in each case capped at 15% of the total budget, on a last-in basis to complete the financing of the film. In the case of Interprovincial and/or international co-productions, companies are eligible to apply for 15% of the Ontario or Canadian sides of the budget, respectively; however, support for such interprovincial co-productions with less than 50% of principal photography in Ontario will be capped at a maximum of \$100,000. International co-productions with less than 50% of principal photography in Ontario are eligible to apply for up to \$200,000, provided that they spend a minimum of 75% of the Canadian budget on Ontario residents or in Ontario for Ontario goods and services. Otherwise they will be capped at a maximum of \$100,000.

OMDC's contribution will take the form of a repayable advance. OMDC's advance will be repaid in the same tier as other funding agencies. OMDC will not take an equity position in the project nor will it charge interest on the advance.

The number of applicants who will receive funding and the amount of funding received will be determined by the annual confirmed budget of the OMDC Film Fund and the quantity and quality of the projects funded.

##### **OMDC Budget Requirements**

*Dramatic films* must have a minimum budget of \$1,000,000. For any dramatic production with a budget of more than \$2,500,000, there must be an agreement in writing with a Canadian distributor which guaranteeing the theatrical release of the film within one year of delivery to the distributor. Dramatic films with budgets up to \$2,500,000 may apply without a Canadian distributor in place at the time of application but are required to provide a comprehensive global marketing and sales strategy that demonstrates an understanding and ability to maximize the critical and commercial potential of the film or the application will not be considered. (See Appendix 1.)

*Documentaries* must have a minimum budget of \$600,000 and may apply without a Canadian distributor in place. A detailed viable plan for Canadian theatrical release together with broadcast market support and a comprehensive global promotion and sales strategy must be provided at the time of application or the application will not be considered. (See Appendix 1.)

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All productions must provide a viable financing plan supported by commitment letters from all financial sources. Projects that cannot demonstrate full financing with OMDC's participation will not be considered.

#### *Schedule of Minimum Commitment of Ontario Expenditures (SMCOE)*

A complete and accurate Schedule of Minimum Commitment of Ontario Expenditures must be provided per the OMDC [template](#)

The SMCOE represents the benefits of the project to the Ontario economy. This includes:

- Projected Ontario expenditures as a multiple of OMDC's contribution
- Total projected number of weeks of employment for Ontario residents

Please ensure that the information you submit on this form is accurate and represents fully both estimated Ontario expenditures and, the total paid weeks of work for all Ontario residents. This has significant weight in the assessment of your project application. (See section 6: Decision Criteria)

### **5. Application Process and Evaluation**

- Applicants must submit their application to OMDC electronically through the Online Application Portal (OAP) at <https://apply.omdc.on.ca/>;
- Applicants that do not have a user account on the OAP, should go to <https://apply.omdc.on.ca/> and click on "Register". For assistance, please see OMDC's website for the "[OAP Quick Start Guide](#)";
- Applications will be reviewed by OMDC for completeness, eligibility and financial viability;
- Applications that pass this initial review will be assessed by an industry jury and OMDC for final funding recommendations;
- Decisions will be announced on or about August 1, 2017 for the first deadline, and on or about February 1, 2018 for the second deadline. Successful applicants must enter into a funding commitment agreement with the OMDC within one month of notification;
- OMDC reserves the right to withdraw its funding commitment should project financing not be complete within the negotiated time frame, the project no longer meets one or more of the funds eligibility requirements or the project changes significantly from time of initial commitment;
- Applications must be received at OMDC offices electronically via the OAP system no later than 5:00 pm on the date of the deadlines;
- Applications that are received after the deadline will not be considered.
- It is imperative that applications include all the required materials listed on the application form;
- Incomplete applications will not be considered.

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**6. Decision Criteria**

Applications will be assessed on the following criteria:

Benefits to the Ontario economy - (see note regarding Schedule of Minimum Commitment of Ontario Expenditures above). This includes: <ul style="list-style-type: none"> <li>• Projected Ontario expenditures as a multiple of OMDC's contribution</li> <li>• Total projected number of weeks of employment for Ontario residents</li> </ul>	40%
Feasibility of the project with respect to budget, financing, schedule and scope	20%
Demonstrated track record and ability of the proponent and production team to implement the production	20%
Creative merit of the project and potential for critical and commercial success	20%

All OMDC decisions are final. OMDC 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 OMDC's annual budget. The OMDC 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. Applicants are not to direct any questions or comments to jury members in advance of deadlines or following jury decisions. All inquiries pertaining to OMDC Funds are to be directed to OMDC staff only.

**7. Successful Applicants**

Successful applicants will receive Film Fund support during the course of the program, triggered by pre-determined deliverables as follows:

The OMDC's contribution will be advanced at the following stages and on the receipt of all the required documents specified in the agreement:

- 50% on execution of the OMDC agreement;
- 30% on the completion of principal photography or key animation;
- 15% on delivery and acceptance of the film by the Canadian theatrical distributor
- 5% on receipt and acceptance of the final audited statement of costs.

**8. OMDC Agreement and Participant Obligations:**

- On acceptance into the program, the participating company will receive a conditional Letter of Offer outlining OMDC's closing requirements. Once the terms are fulfilled, the company will be required to sign a long form agreement covering the terms of their participation in the program.

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- Agreement: The recipient company will be required to sign a standard Ontario government agreement covering the terms of their participation in the program including providing OMDC with permission to use the project and delivery materials for promotional purposes. Recipients may not amend the agreement template.
- FTEs – applicants must indicate the number of Full-Time Equivalent (FTE) positions that will be created and/or retained as a result of the OMDC-supported activity/activities and funding.
- Ontario expenditures – applicants are required to indicate the total expenditures paid to Ontario residents for labour that is directly attributable to the project, AND Total Ontario expenditures, excluding labour, that are directly attributable to the project.
- Funding from other sources – applicants are required to report the total unregulated private sector project funding (financing that is not influenced by government regulation such as internal revenues, venture capital investment, sponsorship, loans, distribution fees, AND the total public sector funding (Federal, provincial, and/or municipal government funding and tax credits)
  - 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. OMDC and Her Majesty the Queen need to be named as additional insureds on all policies. Please budget accordingly. Additional information on insurance requirements is available on request.
- Changes to the Project - OMDC must be notified of any significant changes to the project as defined in the contract and if applicable, changes will require consent of OMDC.

### **OMDC Film Fund Recognition and Promotional Rights**

OMDC Film Fund support is to be acknowledged with an OMDC credit and logo on the production, as well as on all publicity and promotional materials relating to the production; subject to customary exclusions and exceptions.

### **9. More Information**

Please contact Kelly Payne, Program Consultant

- Phone: 416-645-8521
- Email: [kpayne@omdc.on.ca](mailto:kpayne@omdc.on.ca)

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### **Ontario Media Development Corporation**

An agency of the Ontario Ministry of Tourism, Culture and Sport, OMDC facilitates economic development opportunities for Ontario's cultural media industries including book and magazine publishing, film and television, music and interactive digital media industries.

## Appendix 1.

### Required Global Marketing and Sales Strategy Elements

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**Productions with a budget of up to \$2.5 million without a confirmed Canadian distributor (includes documentaries of all budget levels), are required to submit the following elements of a marketing and sales strategy. The strategy must identify the critical and commercial potential of the film and how it will be realized. References to market potential and sales estimates should be researched with regard to performance of similar types of films, and proposed strategies and tactics should be realistic with regard to cost and experience of the team.**

The strategy should include the following:

- A description of the marketability of different elements of the film (e.g. renowned director and/or screenwriter, established movie franchise, confirmed cast, potential for success in a particular niche market). Director's notes are not sufficient.
- An evaluation of the film's market potential in Canada and key international territories across all platforms
- The target audience for each potential distribution platform and the expected results for each platform.
- A theatrical release strategy for Canada that targets potential distribution partners or could be executed by the producer.
- The main elements of the Canadian and international marketing strategy on traditional and other platforms including domestic and international festival placement, traditional media, social media, or other innovative strategies.
- Strategy for other domestic and international sales fulfilment (e.g. attendance at markets; a list of likely sales agents or buyers; or plan for other representation to ensure the film gets sold).

This Global Marketing and Sales strategy will be evaluated on the following criteria:

- The coherence of the proposed strategy with regards to the market appeal of the film, its target audience and strategies to reach that audience.
- The realistic potential to execute on the proposed marketing and sales strategies.
- The innovative character of the marketing and sales strategy.

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## Appendix 2. Required Schedule of Minimum Ontario Expenditures template

### OMDC Film Fund - Production Application

#### Schedule of Minimum Commitment of Ontario Expenditures

FILM TITLE					
ACCT NO.	DESCRIPTION	Total Budget	Total Ontario Expenditures/ Non-Labour	Total Ontario Expenditures/ Labour	Total BTL Paid Weeks of Work for Ontario Residents
<b>ABOVE THE LINE</b>					
01	STORY RIGHTS/ ACQUISITION				
02	SCENARIO				
03	DEVELOPMENT COSTS				
04	PRODUCER				
05	DIRECTOR				
06	STARS				
	<b>TOTAL ABOVE THE LINE</b>	\$0.00	\$0.00	\$0.00	
<b>PRODUCTION</b>					
10	CAST				
11	EXTRAS				
12	PRODUCTION STAFF				
13	DESIGN LABOUR				
14	CONSTRUCTION LABOUR				
15	SET DRESSING LABOUR				
16	PROPERTY LABOUR				
17	SPECIAL EFFECTS LABOUR				
18	WRANGLING LABOUR				
19	WARDROBE LABOUR				
20	MAKE UP/ HAIR LABOUR				
21	VIDEO TECHNICAL CREW				
22	CAMERA LABOUR				
23	ELECTRICAL LABOUR				
24	GRIP LABOUR				
25	PRODUCTION SOUND LABOUR				
26	TRANSPORTATION LABOUR				
27	FRINGE BENEFITS / PERMITS				
28	PRODUCTION OFFICE EXPENSES				
29	STUDIO/ BACKLOT EXPENSES				
30	LOCATION OFFICE EXPENSES				
31	SITE EXPENSES				
32	UNIT EXPENSES				
33	TRAVEL & LIVING EXPENSES				
34	TRANSPORTATION				
35	CONSTRUCTION MATERIAL				
36	ART SUPPLIES				
37	SET DRESSING				
38	PROPS				
39	SPECIAL EFFECTS				
40	ANIMALS				
41	WARDROBE SUPPLIES				
42	MAKEUP/ HAIR SUPPLIES				
43	VIDEO STUDIO FACILITIES				
44	VIDEO REMOTE TECHNICAL FACILITIES				
45	CAMERA EQUIPMENT				
46	ELECTRICAL EQUIPMENT				
47	GRIP EQUIPMENT				
48	SOUND EQUIPMENT				
49	SECOND UNIT				
50	VIDEOTAPE STOCK				
51	PRODUCTION LABORATORY				
	<b>TOTAL PRODUCTION</b>	\$0.00	\$0.00	\$0.00	0.00
<b>POST PRODUCTION</b>					
60	EDITORIAL LABOUR				
61	EDITORIAL EQUIPMENT				
62	VIDEO POST PRODUCTION (PICTURE)				
63	VIDEO POST PRODUCTION (SOUND)				
64	POST PRODUCTION LABORATORY				
65	FILM POST PRODUCTION SOUND				
66	MUSIC				
67	TITLES/OPTICAL/STOCK FOOTAGE				
68	VERSIONING				
69	AMORTIZATIONS (SERIES)				
	OTHER - Specify				
	<b>TOTAL POST PRODUCTION</b>	\$0.00	\$0.00	\$0.00	0.00

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**Ontario Media Development Corporation**  
 Société de développement de l'industrie des médias de l'Ontario

	<b>OTHER</b>				
70	UNIT PUBLICITY				
71	GENERAL EXPENSES				
72	INDIRECT COSTS				
	<b>TOTAL OTHER</b>	\$0.00	\$0.00	\$0.00	0.00
80	<b>CONTINGENCY</b>				
81	COMPLETION GUARANTEE				
82	COST OF ISSUE				
	<b>TOTAL CONTINGENCY</b>	\$0.00	\$0.00	\$0.00	
	<b>GRAND TOTAL</b>	\$0.00	\$0.00	\$0.00	0.00

Please note that the numbers you provide in this table are a minimum commitment by the production company, and will be part of the evaluation process.  
 Please ensure the accuracy of your estimates as this Schedule will form part of the contract, should OMDC approve your application.

Please note that the Total BTL paid weeks of work for Ontario residents should not be a formula. It should be a total, on each open line, of the budgeted number of pay weeks in each category, for each individual in that account group.

I declare that the information I have provided in this document constitutes a Minimum Commitment of Ontario Expenditures as outlined if the film, entitled: \_\_\_\_\_ proceeds to production in Ontario with the participation of the OMDC.

**Signed by:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

I have authority to bind the Company.

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