

4. FINDINGS AND ANALYSIS: FILM AND VIDEO

The federal government recently introduced a new film and video policy. This policy resulted in the restructuring of the federal support structure for film and video in Canada. Of particular relevance to the issue of foreign marketing was the creation of Telefilm Canada.

Approximately one year prior to the introduction of the National Film and Video Policy, the government introduced a new Broadcasting Strategy. An important element of this strategy to the film and video industry was the creation of the Canadian Broadcast Program Development Fund (BPDF), aimed at supporting the production of Canadian programming and now administered by Telefilm.

As part of the film and video policy, Telefilm was given responsibility for assisting the private sector to promote Canadian productions abroad. It carries out this responsibility primarily through its offices in Los Angeles, New York, London and Paris. The offices are to assist the industry in taking advantage of opportunities in these major film markets. Annex III contains a listing of the activities of Telefilm Canada for assisting film and video companies to penetrate foreign markets.

4.1 Analysis of Data Available on Capabilities and Achievements-to-Date in Foreign Marketing

Introduction

The film and video industry can be divided into two broad sub-sectors for policy purposes: film and video production and film and video distribution.

The production industry consists in large part of companies with annual revenues of under \$250,000. These small companies accounted for 74% of all production companies in Canada. However, 58% of total industry revenues accrued to the 33 large firms with revenues of over \$1 million, whereas the small firms earned only 14% of industry revenues. In terms of profitability, it is the large and the medium-sized firms (representing 26% of the production companies), which show profits. The small companies showed a loss of nearly (\$11) million in 1982.