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Book Publishing
Policy and Programs



Book Publishing Industry Development Program

Support for Publishers

Aid to Publishers
Supply Chain Initiative
Business Planning
Publishing Internships
International Marketing Assistance

Application Guide 2005-06



Canada

Thinking about Ancient Forest Friendly paper

The Government of Canada is committed to supporting Canada's role as a global leader in sustainable development practices and technologies, including Ancient Forest Friendly (AFF) paper.

Ancient (or old growth) forests are forest areas that are relatively undisturbed by human activity. Ancient Forest Friendly paper is totally chlorine free (TCF) or processed chlorine free (PCF) and contains only the following fibres: post-consumer recycled fibre (PCR), de-inked recycled fibre, agricultural residue or tree-free virgin fibre, or Forest Stewardship Council certified virgin fibre. This guide has been printed on AFF paper.

As part of its commitment to preserve Canada's ancient forests, the Department of Canadian Heritage is collecting data on the use of Ancient Forest Friendly paper by applicants to the Book Publishing Industry Development Program. Publishers are asked to please complete the three questions included in this year's application form.

How to reach us

Book Publishing Industry Development Program
Department of Canadian Heritage
15 Eddy Street, 15-4-D
Gatineau, Quebec K1A 0M5

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Printed edition
Catalogue No. CH41-7/2006
ISBN 0-662-68733-7

PDF edition
Catalogue No. CH41-7/2006E-PDF
ISBN 0-662-39398-8



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About this guide

The 2005–06 Support for Publishers Application Guide contains important information about BPIDP’s criteria and procedures that will help you make a complete application—and ensure funding applications are processed as quickly as possible.

Applicants that qualify for Aid to Publishers are also eligible to apply for other BPIDP funding for Canadian book publishers. To simplify the application process, we have included all the program’s funding opportunities for publishers in this guide.

We would be pleased to respond to any questions you have as you prepare your application. **New applicants**, in particular, are encouraged to contact us before applying. (*Words or terms that appear in bold are explained in the definition section.*)

For information on BPIDP funding for other members of the Canadian publishing industry, including booksellers, distributors, wholesalers and industry associations, please consult the 2005–06 application guides for the Aid to Industry and Associations component and the Supply Chain Initiative.



How to apply to BPIDP

Application forms for Aid to Publishers, the Supply Chain Initiative, Business Planning and Publishing Internships are included with this package. Please complete the appropriate form(s) and submit to:

Book Publishing Industry Development Program
Department of Canadian Heritage
15 Eddy Street, 15-4-D
Gatineau, Quebec K1A 0M5

NEW THIS YEAR

Aid to Publishers and Supply Chain Initiative applications can now be completed and submitted electronically, using the new eForm available from our website: www.canadianheritage.gc.ca/bpidp. See the site for complete instructions. We encourage you to use the new eForm, but a printed version of the combined Aid to Publishers and Supply Chain Initiative form is included with this application package should you wish to complete it manually.

PDF versions of all BPIDP guides and forms are always available for downloading from the program's website.

DEADLINES

- > Aid to Publishers: May 2, 2005
- > Supply Chain Initiative: May 2, 2005

Any Aid to Publishers or Supply Chain Initiative application received after the May 2 deadline will not be accepted without prior written approval from the Director of Book Publishing Policy and Programs.

Commentary: BPIDP is strictly enforcing the application deadline to ensure publishers receive their contributions as soon as possible. Since no funding can be distributed until all applications are considered, it is essential that complete applications be submitted on time.

- > **Business Planning and Publishing Internships:** It is recommended that applications be submitted at least three months prior to the start of the project. Any costs incurred by applicants before the project application is received by the program are ineligible and will not be reimbursed by the program.

COMPLETE APPLICATIONS ONLY

Application forms must be completely filled out and all supporting documentation provided. For Aid to Publishers, the application checklist, which describes the supporting documentation, must also be completed.

Applicants with questions about BPIDP procedures are encouraged to contact us as early as possible so that any issues can be resolved before the application deadline. Take advantage of our toll-free number: 1 877 823-0702. Applicants should keep in mind any extra time that may be required for the preparation of financial statements or other documents by third parties.



Aid to Publishers

The objective of Aid to Publishers is to support the ongoing production and promotion of Canadian-authored books. It is the cornerstone of the Book Publishing Industry Development Program. Each year, over 200 Canadian publishers, from small presses to houses that publish more than a hundred titles annually, receive funding through this component of BPIDP.

Although contributions are based on eligible sales in a previous year, the funding is intended to support an applicant's publishing program in the year following the application deadline.

New this year

- > As already announced in the 2004–05 guide, royalty certifications must now be provided only in the form of a separate report and not in the form of a note to the financial statements.
- > Any type of binding is acceptable for an eligible book. Unbound books are also acceptable.
- > **Book packs**, which are combinations of an eligible book sold with another product, are eligible at a lower sales coefficient than regular books. In previous years, the program treated book packs together with regular books and factored them at the same rate. To provide a transition period for publishers that currently produce book packs, the new lower coefficient will be brought in gradually over two years.
- > To accommodate this new type of eligible product, a new field has been added to the application form.
- > The eligibility of **learning kits** remains unchanged, but a new field to record their sales has been added to the application form.
- > Publishers must publish at least one new Canadian-authored book per year.
- > On the application form, new fields have been added to report tax credits, Supply Chain Initiative contributions, and both eligible and ineligible export sales.
- > Also on the form, information about returns is being requested in a new way that we hope will make more clear the links between gross sales, returns, and net sales.
- > As part of a commitment by the Government of Canada to support sustainable development practices and technologies, a short survey on the use of Ancient Forest Friendly paper by book publishers has been added to the application form.
- > Applications can now be completed electronically, using the new eForm available from our website. We encourage all publishers to use this new form, which will save you time and effort and will allow us to process your information much faster. Nevertheless, publishers still have the option of completing their application by hand, as in previous years.

Eligible publishers

Only **book publishing** firms are eligible for Aid to Publishers. At the time of application, the publisher must have completed at least 36 months of operation as a book publisher.

From the time of application to the end of the term of any contribution agreement between BPIDP and a publisher, the publisher must:

- > be at least 75% **Canadian-owned and -controlled** in fact
- > have its headquarters and at least 75% of its **employees** based in Canada
- > be a private-sector firm or university press
- > be financially viable

Commentary: The program will determine viability based on the publisher's application form and supporting documentation, business plan and other information, as needed.

- > have fulfilled all contractual obligations with respect to author royalty payments

A publisher is not eligible if net sales of its **own titles** were \$20 million or greater in the **reference year** and the average profit margin for the three financial years ending with the reference year was 15% or greater.

Unincorporated divisions of larger organizations are not eligible.

PUBLICATION MINIMUM

The publisher must have an active and ongoing publishing program and:

- > have published by the end of its reference year, a minimum of 15 Canadian-authored **trade books** or 10 Canadian-authored **educational or scholarly books**
- > during the three financial years ending with the reference year, have published a minimum of twelve new Canadian-authored trade books or six new Canadian-authored educational or scholarly books, with a minimum of one new Canadian-authored book per year in each case

New editions and reprints are not considered new titles.

SALES MINIMUM

In the reference year, the publisher must have:

- > eligible sales of at least \$200,000 or \$130,000 for **official language minority publishers** and **aboriginal publishers**
or
- > a sales-to-inventory ratio for its own titles equal to or greater than the minimum ratio for the appropriate commercial category

Minimum sales-to-inventory ratios by commercial category

Educational books/Trade books	2:1
Scholarly books	0.33:1
Official language minority and aboriginal publishers	0.33:1

A weighted ratio will be calculated for firms publishing in more than one category.

SOURCES OF REVENUE

In the publisher's reference year:

- > at least 65% of the publisher's net revenue must be from the publication and sale of printed books, including distribution, printing and the sale of rights and permissions
- > revenue derived from the sale of **vanity titles** must not exceed 25% of net revenue
- > the number of **self-published titles** must not exceed 75% of the total number of new titles

How the Aid to Publishers formula works

Aid to Publishers provides funding based on an applicant's eligible sales in its reference year. A publisher's funding is determined using its factored sales in relation to the factored sales of all publishers receiving Aid to Publishers contributions during the same funding period. Factored sales are calculated by multiplying a publisher's eligible sales by the appropriate sales coefficient (*see table on next page*).

Aid to Publishers Sales Coefficients

Canadian-authored books		
Eligible sales up to \$400,000	Official or aboriginal language translations	3.75
	All other Canadian-authored books, including learning kits	3
Eligible sales > \$400,000		1
Foreign-authored books adapted or translated by a Canadian	Up to 25% of sales of Canadian-authored books	0.5
	Portion > 25% of sales of Canadian-authored books	0
Eligible non-print material	Up to 50% of sales of Canadian-authored books	1
	Portion > 50% of sales of Canadian-authored books	0
Book packs	Sales up to \$400,000	1.5
	Portion > \$400,000	0.5

For example, if a publisher's factored sales were 1.2% of the total factored sales, that publisher would receive 1.2% of the total Aid to Publishers budget up to the maximum annual contribution.

If the publisher's contribution is not at the maximum, its contribution would rise above 1.2% since it would receive a portion of the funds redistributed from publishers at the maximum. This system ensures the entire Aid to Publishers budget is distributed each year.

For 2005–06, the maximum annual contribution is \$850,000.

HOW GROUPS OF COMPANIES ARE TREATED BY THE FORMULA

The total of the contributions to all members of an **affiliated group** cannot exceed the maximum annual contribution. If an affiliated group's combined contribution is over the maximum, the contributions to its members are determined based on their share of the total eligible sales of the group.

For the purposes of the formula, new members of an affiliated group will not be considered as members for three program years following the transaction.

Aid to Publishers recipients in the current or previous program year must immediately inform the program of any change of ownership. The program will review a change of ownership to ensure the recommended funding is consistent with the eligibility requirements and objectives of the program.

Eligible books

ELIGIBLE

A printed book that is:

- > either written by a **Canadian** author or **adapted** or **translated** by a Canadian

Commentary: A book with more than one author is considered Canadian-authored if at least one of the authors is Canadian. The editor of a collective work is considered the author if the book is clearly and publicly attributed to the editor. The editing regularly done by a publisher in order to bring a manuscript to publishable form is not considered authorship.

- > at least 48 pages in length, except for **children's books**, which can be less than 48 pages

Commentary: All types of binding are acceptable, including unbound books.

- > clearly and publicly attributed to the author(s) or translator(s)

Commentary: The author or translator is always the person the book is publicly attributed to. The name of the author(s) or translator(s) must appear on the outside of the cover, the spine or the copyright page.

- > the publisher's own title and bears an ISBN assigned to or acquired by the publisher
- > published under the publisher's imprint or under an imprint for which it has acquired publishing, management and marketing rights
- > printed in Canada, except for **co-published** books and when the publisher can demonstrate that printing at a competitive price or specific printing services were not available in Canada

Commentary: If the percentage of eligible titles printed in Canada during the reference year is less than 100%, applicants must attach a justification demonstrating that competitive prices or specific printing services were not available in Canada (see the application form for details).

ALSO ELIGIBLE

- > **non-print material** derived from an eligible Canadian-authored, printed book
- > **learning kits**
- > **book packs**

INELIGIBLE

Titles that do not meet the eligibility criteria and any of the following:

- > vanity titles
- > directories, agendas, catalogues, calendars, maps or books of maps, colouring books, sticker books or other activity books, games in the form of a book, and other similar products
- > books underwritten by a political party or written by the paid staff of a political party
- > software and music recordings
- > books that contain advertising other than the publisher's own promotional material

- > periodicals published two or more times a year at regular intervals

- > titles which contain material which is degrading, dehumanizing, or which otherwise diminishes the dignity of any participant represented therein

Commentary: This may include, but not be limited to, material which is sexually exploitive, excessively violent, or which denigrates any individual or any group identifiable by race, religion, gender, or sexual orientation. Publishers are encouraged to seek the advance opinion of the Department regarding eligibility.

The reference year

This is the publisher's financial year that its Aid to Publishers application is based on and which is used to complete the application form.

- > It cannot be longer than twelve months.
- > Publishers cannot use the same reference year twice and the current reference year must immediately follow the end of the previous year used to apply to Aid to Publishers.
- > For 2005–06, the reference year must not end earlier than November 30, 2003.
- > New applicants for 2005–06 cannot use a reference year ending after December 31, 2004.

Please inform BPIDP as soon as possible if you are changing your financial year since this could affect your reference year and contribution.

The financial statements requirement

An applicant's financial statements must cover the reference year. They must be prepared and signed by an independent public accountant on official letterhead.

Applicants with sales of Canadian-authored titles (the total of fields 13D, 13H, and 13L on the appli-

cation form) during the reference year equal to or greater than \$400,000 must provide audited financial statements. All other applicants must provide a review engagement report.

New applicants must provide financial results—subject to an audit report or a review engagement report determined as above—for two financial years: the reference year and the year before. Only the financial results for the reference year will be used to calculate funding.

Eligible sales

The total of:

- > revenue from the sale of eligible titles net of trade discounts and credits for returns and allowances
- > revenue from the sale of rights and permissions for eligible books
- > amounts withheld by distributors for the sale of eligible titles

Commentary: If the amount withheld by distributors is not already included in net sales, it may be added to the appropriate fields in the revenues section of the application form. The same amount must also be added to "Distribution" in field 22B. The adjustment is for distribution fees only and must not include the trade discount.

To support a distribution fee adjustment, the publisher must provide a copy of the agreement between the publisher and the distributor and a letter from the distributor. (See the checklist in the application form for details.)

Use of funds

Contributions must be used to reimburse spending between May 2, 2005, and March 31, 2006, for activities that support the production and marketing of Canadian-authored books, including printing, editorial, marketing and authors' royalties. Funding must not be used to pay dividends,

bonuses or other extraordinary compensation to shareholders or owners.

At least 20% of the contribution must be used for eligible marketing expenditures:

- > salaries of permanent or contract staff responsible for the planning, design, production and shipping of promotional material
- > production/shipping costs for complimentary copies and advertising material, and purchase of advertising space
- > market studies performed by independent consultants and the purchase, rental or production of mailing lists
- > booth, rental space and travel costs for employees attending book fairs, trade shows, conferences or author tours in Canada
- > website development

PAYMENTS AND REPORTING

In standard cases publishers generally receive 90% of their Aid to Publishers contribution on signing a contribution agreement.

In the year following the receipt of a contribution, publishers must provide a final report on the use of funds. Following the acceptance of this report by the program, the final 10% is paid.

AUDIT

The program conducts audits of funding recipients each year. In such cases, recipients must make available any records, documents or other information that may be required to perform the audit.



Supply Chain Initiative

Through the Supply Chain Initiative, funding is available to ensure publishers can contribute to the industry's strategy for bibliographic data improvement. Incentives are provided to encourage the publishers' observation of standards related to bibliographic data quality, comprehensiveness and timeliness. Funding is provided to support publishers for the creation, population, and maintenance of high-quality, up-to-date, bibliographic databases.

Eligible publishers

Publishing firms currently participating in the Aid to Publishers component of BPIDP are eligible to apply for funding through the Supply Chain Initiative.

Funding conditions

To receive funding, publishers must commit to developing and maintaining high-quality bibliographic databases and to exchanging data with industry partners. Specifically, publishers need to take the following actions:

- > publishers must demonstrate that their bibliographic data meets industry-driven standards for data quality

ENGLISH-LANGUAGE MARKET

For the English-language market, publishers must provide evidence that they have achieved

BookNet Canada's (BNC) "Canadian Bibliographic Standard—Bronze Level" of bibliographic data certification. In order to achieve this certification, publishers must submit their bibliographic data to BNC before January 31, 2006. For any questions about this certification level, please visit the BNC Web site at: www.booknetcanada.com, or e-mail them at biblio@booknetcanada.com.

Inability to achieve this certification may result in a publisher having to repay the first payment of its Supply Chain Initiative: Support for Book Publishers contribution. Therefore, it is recommended that publishers submit their data to BNC well before the January 31, 2006 deadline to ensure that BNC has sufficient time to work with the publisher in assisting it to meet the Bronze Level.

FRENCH-LANGUAGE MARKET

For the French-language market, publishers must provide evidence that they have submitted their in-house bibliographic data directly to the Société de gestion de la banque de titres de langue française inc. (BTLF) in the required format (minimal level). This data must be submitted to the BTLF before January 31, 2006. For further details on data formats acceptable to BTLF, please visit the BTLF's Web site at: www.btlf.qc.ca or e-mail them at acquisition@btlf.qc.ca.

Inability to submit this data in the required format may result in a publisher having to repay the first payment of its Supply Chain Initiative: Support for Book Publishers contribution. Therefore, it is recommended that publishers submit their data to BTLF well before the January 31, 2006 deadline to ensure that BTLF has sufficient time to work with the publisher in assisting it to meet the appropriate requirements.

- > publishers must identify a senior staff member in their firm who is responsible for data quality and for liaison with data aggregators
- > publishers must commit to undertaking these activities upon submission of their application. They must report upon the attainment of these commitments in their final report before May 1, 2006
- > publishers that received Supply Chain Initiative funding in 2004–05 must provide a report on the use of those funds with their 2005–06 application (see the form included with this guide)

Funding levels

Support is based on a publisher's net sales of eligible titles under the Aid to Publishers component, as reported in field 13JJ of the Aid to Publishers application form:

Publishers' net sales of eligible titles	Funding
Sales up to \$500,000	\$5,000
Sales between \$500,001 and \$1,000,000	\$7,500
Sales > \$1,000,000	\$10,000

A first payment of 90% of a publisher's funding will be provided on signing of the contribution agreement.

A second payment of 10% will be provided on the program's acceptance of the recipient's final report.

Eligible costs

Recipients must invest funds received in acquisitions and activities related to the maintenance of high-quality bibliographic databases. These may include the following:

- > costs associated with the acquisition of software and hardware related to the creation and maintenance of bibliographic databases (e.g., computers, scanners, servers, spreadsheet software, ONIX utilities, etc.)
- > Labour costs related to data entry, database set-up, liaison with aggregators and distributors, and other activities related to data creation, maintenance and distribution
- > cost associated with supply chain related training and professional development (e.g., information sessions, etc.)

Reporting

The release of the final installment of a publisher's contribution is conditional on the submission of a report on the use of funds. In addition, publishers that received supply chain initiative funding in the previous year must provide a report on the use of funds in order to receive funds in subsequent years.

The report must detail the publisher's investments and activities with respect to its fulfillment of the commitments made in its original application for funding. Information must be provided with regard to the recipient's maintenance of its bibliographic database, including details on its attainment of industry standards for data quality, frequency of updates and submission of data to aggregators. Please see the form entitled Report on the Use of Funds, 2005–06 included with this guide for details.



Business Planning

This funding initiative encourages the adoption of strategic approaches to business and succession planning by providing access to customized advice from experienced industry consultants.

Eligible publishers

Publishing firms eligible for either Aid to Publishers in 2004–05 or 2005–06 or the most recent year of the book publishing support programs of the Canada Council for the Arts as well as book industry associations are eligible to apply for funding.

Eligible projects

Eligible projects must:

- > contribute to the development of a business plan, a strategic plan related to targeted initia-

tives (for example, the exploration of new markets), or a succession plan

- > foster the acquisition and application of skills relating to the publishing, marketing and promotion of books as well as the management of a publishing firm or book industry association
- > include an evaluation framework which states clear and attainable objectives, as well as expected results indicators against which the success of the project will be measured

Priority will be given to projects that:

- > are designed to significantly improve the performance and viability of a publishing firm or book industry association
- > raise the profile of books written or published by Canadians from aboriginal, visible minority or official language minority communities
- > are designed to facilitate succession planning

Succession planning is a key element of good business planning. It ensures a company's long-term viability and performance, as well as the continuity of its role in the support of Canadian books and authors. The development of a succession strategy usually takes place over a number of years and often requires professional expertise, which can be costly.

Eligible Business Planning projects related to succession will help owners of book industry companies to plan for the succession of their companies by assisting in the development of succession planning. Projects may include accessing specialized resources in order to develop:

- > business valuations;
- > the proposal of possible models for transition, such as finding an external buyer or arranging an internal buyout by employees or management;
- > a plan to ready a business for sale;
- > a plan for organizational transition, including transition to new management, roles and responsibilities, fiscal and accounting procedures.

To provide more information on this subject, the Department's guide, *An Overview to Succession Planning*, will be available electronically on our Web site and those of the Association of Canadian Publishers and the Association nationale des éditeurs de livres in May, 2005.

Funding

The level of support is based on the scope of the project, the anticipated benefits for the publishing firm or book industry association and the overall level of funding designated to these projects. The level of funding is generally 50% of a project's eligible costs.

■ The maximum annual contribution per project is \$50,000.

A publisher's contribution will be paid in installments according to a schedule established by BPIDP, taking into account the project's cash requirements, total contribution amount and duration.

Eligible costs

- > costs associated with research and analysis performed by an independent consultant
- > executive training related to the development of a business, strategic or succession plan
- > general administration costs, up to 15% of other eligible costs

Any cost not included in the above categories may be deemed eligible by the program if the applicant demonstrates that the cost will contribute directly to the project objectives.

Reporting

The final contribution payment will be issued once the following have been received and approved by BPIDP:

- > a copy of the business, strategic or succession plan and an implementation plan prepared by the recipient
- > an evaluation of project results based on established objectives developed in conjunction with the program
- > a report on the use of funds, including a budget comparing planned and actual revenue and expenses, in a format approved by the program



Publishing Internships

The objective of this funding is to support the Canadian book industry's development of the next generation of publishers. Internships allow publishing firms and industry associations to provide valuable training for new industry professionals, who in turn accomplish useful tasks the firm might not otherwise have the resources to carry out.

Eligible candidates

PUBLISHERS

Publishing firms eligible for either Aid to Publishers in 2004–05 or 2005–06 or the most recent year of the book publishing support programs of the Canada Council for the Arts are eligible to apply for funding. National and regional associations representing the book industry are also eligible.

INTERNS

Proposed interns should be either registered in or recent graduates of post-secondary educational programs in a field relevant to the book publishing industry, or have commensurate related work experience.

NEW THIS YEAR

Publishing firms with total sales revenue greater than one million dollars are not eligible to apply for the Publishing Internships component.

■ The recruitment and hiring of interns is the sole responsibility of the applicant.

Eligible projects

Eligible projects must:

- > demonstrate the capacity of the applicant to provide a productive training environment for the intern
- > provide opportunities for the intern to contribute to the development of the publishing firm or industry association
- > assign the intern useful roles that the applicant organization could not otherwise undertake due to a lack of human or financial resources
- > provide the intern with structured professional development and training
- > include an evaluation framework which states clear and attainable objectives, as well as expected results indicators against which the success of the project will be measured

Priority will be given to projects that:

- > foster greater awareness of Canada's cultural diversity
- > provide opportunities to publishing professionals from aboriginal, visible minority or official language minority communities

NEW THIS YEAR

In order to provide opportunities for more young professionals to intern, internships will be limited to one year.

Funding

Applicants should contact BPIDP for details concerning acceptable intern salaries, which should reflect industry norms. The level of funding is generally 50 percent of a project's eligible costs.

■ The maximum annual contribution per project is \$10,500, subject to the exception listed below.

For interns from aboriginal, visible minority or official language minority communities, the maximum BPIDP contribution is generally 75% of a project's eligible costs, up to a maximum of \$16,000 per year for the intern's salary.

Contributions will be paid in installments according to a payment schedule established by the program, taking into account the project's cash requirements, total contribution amount and duration.

Eligible costs

- > salary of the intern
- > for interns from aboriginal, visible minority or official language minority communities, costs related to an intern's participation in professional development or publishing industry events, including travel

Reporting

The final contribution payment will be issued once the following have been received and approved by BPIDP:

- > a final evaluation report submitted by the applicant outlining the training activities, the project results, the benefits to the publishing firm or industry association, along with an evaluation of the intern's performance and ability to pursue a career in the publishing industry
- > a final evaluation report submitted by the intern outlining the training activities, an assessment of the training received, performance self-evaluation and assessment of the internship's impact on the intern's ability to pursue a career in the publishing industry
- > a report on the use of the BPIDP contribution, along with all relevant supporting documentation, including proof of the level of the intern's salary



International Marketing Assistance

Publishers receiving funding from Aid to Publishers in the previous year may be eligible for additional support for their export sales, including funding, promotional and logistical assistance, and market intelligence. Please contact the Association for the Export of Canadian Books for complete information and an application form:

Association for the Export of Canadian Books
1 Nicholas Street, Suite 504
Ottawa, Ontario K1N 7B7

tel: (613) 562-2324

fax: (613) 562-2329

email: aecb@aecb.org

www.aecb.org



Government assistance: General conditions

Acknowledgment of support

AID TO PUBLISHERS

All funding recipients must recognize the financial support provided by the Government of Canada by printing the acknowledgment text in all their eligible titles (including new editions and reprints), catalogues and websites. The acknowledgment text may be accompanied with the Canada wordmark, available at www.canadianheritage.gc.ca/logos. Neither an acknowledgment nor the wordmark should be placed in ineligible titles.

The English acknowledgment text is:

We acknowledge the financial support of the Government of Canada through the Book Publishing Industry Development Program (BPIDP) for our publishing activities.

The French acknowledgment text is:

Nous reconnaissons l'aide financière du gouvernement du Canada par l'entremise du Programme d'aide au développement de l'industrie de l'édition (PADIÉ) pour nos activités d'édition.

SUPPLY CHAIN INITIATIVE / BUSINESS PLANNING / PUBLISHING INTERNSHIPS

All funding recipients must recognize the financial support provided by the Government of Canada by ensuring the Canada wordmark appears in all public announcements, news releases, advertising, websites and printed material related to the project. The wordmark is available at www.canadianheritage.gc.ca/logos.

Where possible, recipients should also print a statement acknowledging the Government's support on all products produced in relation to the project.

The acknowledgment text for English-language projects is:

We acknowledge the financial support of the Government of Canada through the Book Publishing Industry Development Program (BPIDP) for this project.

The acknowledgment text for French-language projects is:

Nous reconnaissons l'aide financière du gouvernement du Canada par l'entremise du Programme d'aide au développement de l'industrie de l'édition (PADIÉ) pour ce projet.

All recipients must be prepared to assist the Department of Canadian Heritage in preparing public announcements or promotional events about their project.

Limits on government assistance

For Aid to Publishers, **total government assistance** cannot exceed 50% of the publisher's total eligible expenditures or 90% for official language minority, aboriginal or smaller, specialized publishers.

For the Supply Chain Initiative, Business Planning and Publishing Internships, total government assistance cannot exceed 50% of total eligible project costs or 100% for not-for-profit organizations.

Repayment of government assistance

Aid to Publishers recipients must repay a contribution of \$100,000 or greater *unless* the publisher's profit margin—excluding all BPIDP funding—was less than 15% during the publisher's financial year in which the contribution was received and during its two preceding financial years.

All other recipients must repay a contribution of \$100,000 or greater *unless* the project benefits the Canadian book industry generally or the recipient is a not-for-profit organization.



Definitions

Aboriginal publisher

A publisher owned and controlled by members of the aboriginal peoples of Canada, which includes Status and Non-Status Indians, Métis and Inuit people.

Adaptation

The publication under a Canadian publisher's imprint of a foreign-published book in its original language with either substantial changes to at least 25% of the original written content or at least 25% new content written by a Canadian author to ensure it is suitable for the publisher's own market. The adaptation and the original foreign book cannot be co-publications.

Affiliated group

A group of companies in which the same person, or group of persons, holds the majority of shares with full voting rights or has been shown to have control in fact of these companies.

Book pack

An eligible **trade book** packaged and sold together with a non-book item, such as a CD or a toy. Exception: books sold with a CD inside the cover that is not visible from the outside are not considered book packs, but as regular books.

Book publishing

Professional activity involving the selection, development and editing of manuscripts; contractual agreements with authors or copyright holders; production and marketing of printed books under the firm's imprint; and the assumption of the risks associated with these activities.

Canadian

- a) a citizen within the meaning of the *Citizenship Act* who is ordinarily resident in Canada
- b) a permanent resident within the meaning of the *Immigration and Refugee Protection Act*
- c) a Canadian corporation or
- d) a non-profit organization in which 75% of its members are persons referred to in paragraphs a) or b)
- e) a partnership, trust or joint venture in which a person or any combination of persons referred in paragraphs a), b), c), or d) beneficially owns or controls, directly or indirectly, interests representing in value at least 75% of the total value of the assets of the partnership, trust or joint venture, as the case may be.

Canadian-owned and -controlled firm

A firm:

- a) that is a sole proprietorship, partnership, cooperative or a corporation (for profit or not for profit) established under the laws of Canada or a province
- b) whose activities are based primarily in Canada
- c) whose chairperson or presiding officer and at least 75% of whose directors and other similar officers are Canadian citizens or permanent residents within the meaning of the *Immigration and Refugee Protection Act*
- d) if a corporation with share capital, of which Canadians beneficially own or control, other than by way of shares held only as security, directly or indirectly, in the aggregate at least 75% of all the issued and outstanding voting shares representing at least 75% of the paid-up capital
- e) if a corporation without share capital, of which Canadians beneficially own or control, directly or indirectly, interests representing in value at least 75% of the total value of the assets.

If at any time one or more persons that are not described in any of paragraphs a) to e) of the definition “Canadian” have any direct or indirect influence through a trust, an agreement, an arrangement or otherwise that, if exercised, would result in control in fact of the publishing firm, the firm is deemed not to be Canadian owned.

Children’s book

A **trade book** published for the children’s or young adults’ markets, including picture books, easy-to-read books, chapter books and young adult books. **Educational books** intended for elementary school students are also considered children’s books.

Co-publishing

Joint financial investment by two or more publishers to conceive, produce and print, under their respective imprints, individual titles or collections to be sold in their respective markets.

Provided all other eligibility criteria are satisfied, co-published books are eligible, but applicants may claim as eligible sales only their portion of the total revenue. The partner publisher of the applicant may be foreign-owned.

Educational book

Instructional material, such as textbooks, teachers’ guides and eligible **learning kits** designed for the primary, secondary or post-secondary school markets. Together with **trade books** and **scholarly books**, educational books are one of the three BPIDP commercial categories.

Employee

Full- and part-time paid staff working directly for the entity. Owners are considered employees unless they have no active role at the firm. Independent contractors are not considered employees.

Learning kit

A product for the primary, secondary or post-secondary school markets consisting of one or more eligible **educational books** packaged and sold together with other complementary materials, such as software, audiovisual material, maps or activity sheets. To be considered eligible, a learning kit must be made up of elements intrinsically linked to each other. The focal point of a learning kit must clearly be the eligible educational book(s). The entire learning kit is considered one educational title.

New applicant

An applicant that did not receive a contribution from Aid to Publishers in each of the two previous years of the program.

New edition

A new edition is the publication in modified form of a book previously published by the same or a different publisher. In contrast with a new title, a book is considered a new edition if more than 50% of its content is taken from the previously published book. In contrast with a reprint, a new edition must have at least one of the following: substantial changes in the format or binding; reformatting of at least 50% of the text; either substantial changes to at least 25% of the original written content or at least 25% new written content; or substantial changes to the illustrations, other than on the cover.

Non-print material

An audiotope, audio CD, CD-ROM, e-book, or similar product.

Official language minority publisher

A publisher based outside Quebec who publishes primarily in French or a publisher based in Quebec who publishes primarily in English.

Official or aboriginal language translation

A Canadian-authored book translated by a Canadian from an official or aboriginal language to an official or aboriginal language.

Own titles

Titles for which the publisher holds publication, development and marketing rights for its own market.

Reference year

The publisher's financial year that its Aid to Publishers application is based on and which is used to complete the application form.

Scholarly book

A book based on research that makes a significant contribution to the development of knowledge in a given field and is subject to peer review prior to publication. Together with **trade books** and **educational books**, scholarly books are one of the three BPIDP commercial categories.

Self-published title

A publication written by authors who are shareholders or owners of the publishing firm.

Total government assistance

All federal, provincial, territorial and municipal funding provided towards the same eligible costs.

Trade book

A book intended for the public in general, including literary works, how-to books, dictionaries, encyclopedias and reference works intended for professionals. Any title that is not an educational or a scholarly book is considered to be a trade book. Together with **educational books** and **scholarly books**, trade books are one of the three BPIDP commercial categories.

Translation

The publication under the applicant's imprint of a Canadian- or foreign-published book in a different language. A book with text in more than one language is not a translation.

Vanity title

A publication dependent on a financial contribution from, or an initial purchase by, the author.