

Publishing Programs Book Publishing Industry Development Program (BPIDP)

Application for Financial Assistance Book Publishers 2000-2001

Document confidential once completed. Use additional sheets, if necessary.

A. APPLICANT IDENTIFICATION

Organization name	President
Address	Authorized officer
	Title
Postal Code	Telephone Fax
	Website address
Affiliated companies requesting assistance (see <i>Applicant's Guide</i> , page 16)	Email address
	This application covers the applicant's last completed financial year, from
	/to//



B. GENERAL ELIGIBILITY CRITERIA

1. PRINCIPAL ACTIVITY OF THE COMPANY (BREAKDOWN OF REVENUES) Sale of printed own titles % - Vanity titles Non-authored material % (directories, agendas, etc.) % Where author is shareholder or owner % Other own titles % Rights or permissions ■ Sale of printed titles other than own titles \$ % (i.e. exclusive distribution, retail sale, etc.) \$ % **■** Grants and contributions % **Subtotal** % ■ Sale of non-print-materials % ■ Other revenues (e.g. interest, etc.) 100% Total 2. OWNERSHIP AND CONTROL OF THE COMPANY ■ Is your organization incorporated? _ federal Jurisdiction of incorporation: provincial Type of organization: Private for profit Affiliated with an institution or public-sector association Private-sector non-profit University press Publicly funded ■ Date of establishment: day month year Date of incorporation: (if different from date of establishment) day month year ■ Number of authorized shares by class of share: ■ Number and par value of issued shares by class of share: Number of voting shares: (i.e. carrying voting rights exercisable under all circumstances)

■ Information on shareholders and owners



3. PUBLISHING ACTIVITY

Indicate the number of titles published during the last three financial years, the number of reprints during the last financial year and the number of titles in print.

	I	NUMBER OF OWN TITLI	 ES	
	PUBLISHED II	N NEW EDITIONS OF PREVIOUSLY	REPRINTS	TITLES IN PRINT
		PUBLISHED TITLES MOST RECENT FISC	AI YFAR	
Canadian-authored titles in print form				
- Educational titles		a	b	
- Scholarly books		С	d	
- Tradebooks and others		е	f	
Other eligible titles				
- Educational titles		g	h	
- Scholarly books		i	j	
- Tradebooks and others		k	1	
Non-eligible titles				
- Educational titles	r	n l	n	
- Scholarly books		0	р	
- Tradebooks and others		q	r	
Total titles published		s	t	

PRINTING % ■ Percentage of eligible titles printed in Canada % Percentage of eligible titles printed outside of Canada SUPPLEMENTARY INFORMATION yes Are the sales of your own titles greater than \$15 million? Did your company receive more than \$50,000 from the Department of Canadian Heritage (BPIDP, including AECB) during the company's preceding financial year? ves What was the company's average profit margin for the last three financial years (i.e. the profit before income tax and extraordinary items divided by total company revenues and multiplied by 100)? The total company revenues should not include financial assistance received from the Department of Canadian Heritage (BPIDP, including AECB). In addition, this assistance should be subtracted from the net profit. % 6. INTERNATIONAL STANDARD BOOK NUMBER(S) (ISBN) Please identify all International Standard Book Number(s) (ISBN) assigned to your company by the National Library of Canada or the Bibliothèque nationale du Québec.

7. CHECKLIST OF REQUIRED DOCUMENTATION AND INFORMATION

- Publisher's most recent catalogue
- List of new eligible titles indicating the following:
- Title
- Author and citizenship
- Subject category (refer to Applicant's Guide)
- Whether the book is an adaptation
- Whether the book is a translation
- Whether the book is co-published
- Number of pages (indicate whether the book is a children's book)
- Country of printing
- Distribution contracts and any other relevant agreements

- Independently prepared audited financial statements or Review Engagement Report (for companies that received less than \$50,000 from the Department of Canadian Heritage during the preceding financial year)
- Royalty certification by an independent licensed accountant
- All applicants are required to provide copies of their most recent published titles, in the following quantities:
 - Trade publishers: 4 titles
 - Educational/scholarly publishers: 2 titles
- First time applicants must send 10 copies of their most recent published titles

8. BREAKDOWN OF NET REVENUES

For the purpose of this application, financial assistance from the Department of Canadian Heritage (BPIDP, including AECB) should be recorded as revenue. Publishers who have applied such assistance to reduce cost of sales and/or expenses should make an upward adjustment on No. 9 and No. 11.

	EDUCATION (\$)		AL CATEGOR TRADE (\$)	TOTAL (\$)	TOTAL (\$)
■ NET SALES OF ELIGIBLE OWN TITLES	(+)	(+)	(+)	(+)	(+)
Canadian-authored titles					
- Titles authored or edited by a Canadian					1
 Titles translated by a Canadian from one official language to the other 					1
- Other titles translated by a Canadian					1
Foreign-authored titles					
- Titles adapted by a Canadian					1
- Titles translated by a Canadian					1
- Titles originated in Canada					1
Other titles					
- Rights or permissions of eligible titles					1
- Eligible non-print material					l
Subtotal of eligible titles	a	b	С		d
■ NET SALES OF NON-ELIGIBLE OWN TITLES					
- Non-eligible titles					
- Rights of permissions of non-eligible titles					
Non-eligible titles in non-print form					l
Subtotal of non-eligible titles	е	f	g		h
OTHER NET REVENUES					_
- Book retailing				i	1
- Periodical publishing				j	1
- Marketing and distribution services (including	agency titles)			k	
- Other revenues, e.g.: interest, etc. ()		
Subtotal of other net revenues					
■ GRANTS AND CONTRIBUTIONS	BPIDP Aid to publishers	AECB (FRMAP)	AECB (EMAP)	TOTAL	
- Department of Canadian Heritage					
- Canada Council for the Arts					
- Provincial programs					1
- Other sources ()		1
Subtotal of grants and contributions					m
			Total =	at revenue	
			iulai II	et r evenue	n

9. COST OF SALES

	COST OF TITLES SOLD						
-	Opening inventory (including work in progress)	\$					
-	Plus direct costs (editorial, design, production, paper, printing, binding)	+ \$					
-	Minus closing inventory (including work in progress)	_ \$					
-	Plus royalty expenses following sale of titles	+ \$					
		Subtota		\$			
-	Plus cost of other products sold		+	\$			
			Tota	al cost	s of sales	а	\$
1(0. GROSS PROFIT (No. 8n – No. 9a)						\$ 5
1	1. OPERATING EXPENDITURES						
-	Marketing and promotion Distribution Other operating expenditures	\$ \$ \$					
					Tota	al a	\$
1:	2. PROFIT (LOSS) (No. 10 – No. 11a)						\$ 5
1:	3. INCOME TAX						\$
14	4. EXTRAORDINARY ITEMS						\$
1	5. NET PROFIT (LOSS) (No. 12 – [No. 13 + No.	14])					\$
1(6. RETAINED EARNINGS OR OWNERS' EQUIT	ΓΥ					
-	Retained earnings or owners' equity at beginning of year Plus or minus net profit (loss) (No. 15) Plus or minus prior years' adjustments Minus dividends declared / withdrawals Retained earnings or owners' equity at end of year 7. PROFIT MARGIN		± ± -	\$ \$ \$		a	\$ 3
	Profit / Loss	Total Revenues					
	\$: (No. 12)	\$ (No. 8n)		x	100 =		%

A	SSETS				
-	Cash, securities, advances and deposits		\$		
-	Accounts receivable (net)		\$		
-	Grants and contributions receivable (net)		\$		
-	Inventory (costs or market value, whichever is lower, excluding work in progress)	а	\$		
-	Deferred prepublication costs (including work in progress)		\$		
-	Prepaid royalties and advances		\$		
-	Fixed assets (net)		\$		
-	Investments in and advances to affiliates		\$		
-	Other assets (specify:)	\$		
			Total assets		\$
S	HORT-TERM LIABILITIES				
-	Bank indebtedness and other short-term loans payable		\$		
-	Royalties payable		\$		
-	Accounts and income taxes payable		\$		
-	Current portion of long-term liabilities		\$		
-	Deferred revenue from grants / contributions		\$		
-	Other short-term liabilities (specify:)	\$		
		Total shor	t-term liabilities		\$
L	DNG-TERM LIABILITIES				
_	Due to shareholders or owners	b	\$		
-	Mortgages and other long-term loans payable		\$		
-	Other long-term liabilities (specify:)	\$		
		Total long	-term liabilities	С	\$
		_			\$
-	DUITY		Total liabilities		Ψ
E	QUITY		¢		
-	Share capital issued and paid		\$		
-	Contributed surplus		\$		
-	Retained earnings or owners' equity (No. 16a)				•
			Total equity	d	\$
		Total liabili	ities and equity		\$

19. COMPANY'S INVENTORY (excluding work in progress)

OWN TITLES

- Educational titles
- Scholarly books
- Tradebooks and others

\$ %

\$ % \$ %

100% a \$ **Subtotal**

- OTHER TITLES
- **OTHER PRODUCTS**

Total (No. 18a)

\$

\$

20. AREA OF SPECIALIZATION

As per net sales of own titles

- **EDUCATIONAL TITLES** (No. 8a + No. 8e)
- %
- SCHOLARLY BOOKS (No. 8b + No. 8f)
- %
- **TRADEBOOKS AND OTHERS** (No. 8c + No. 8g)
- % 100%

Total

D. BPIDP SUPPLEMENTARY ELIGIBILITY CRITERIA

21. MINIMUM REVENUES AND REQUIRED FINANCIAL RATIOS

The required financial ratios are calculated individually for each company taking into account its specialization. To be eligible, the company must satisfy one of the following criteria.

■ NET ELIGIBLE SALES

- Minimum required: \$200,000 (or \$130,000 for companies in a minority-language situation)
- Net eligible sales



MEETS CRITERIA __ ves

■ SALES OF OWN TITLES OVER INVENTORY OF OWN TITLES

Minimum ratio required:

- Company's ratio: (No. 8d + No. 8h)(No. 19a)
 - **MEETS CRITERIA** yes

E. BUSINESS PLAN

For instructions on preparing a business plan, please refer to the "Business Plan Preparation Guide" found at the BPIDP website at http://www.pch.gc.ca/culture/cult_ind/bpidp-padie/pubs/busplan2.htm.

22. DESCRIPTION AND OBJECTIVES OF THE COMPANY **■ HISTORY ■ PUBLISHING SPECIALIZATION** AWARDS **■ IN-HOUSE OPERATIONS (EXCLUDING SUBCONTRACTING)** Writing / creation Direct sales (i.e. retail or mail order) ∃ Editing Distribution Layout and design Other (specify: Printing and binding Marketing **■ SUMMARY OF PAST ACTIVITY** (the stage of the business cycle that the company is presently in, e.g. introduction, growth, maturity, decline)

.e. expansion in	co-publishing, translation, purcl	nase of rights, etc.)	
	CES ACTION PLAN	acontativas ata)	
e. ninng or aur	inistrative personnel, sales repr	esentatives, etc.)	
ENERAL MARK			
	TING STRATEGY direct marketing, distribution, e	export activity, etc.)	
		export activity, etc.)	
e.g. setting-up o	direct marketing, distribution, e		
e.g. setting-up o	direct marketing, distribution, e		
e.g. setting-up o	direct marketing, distribution, e		
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e.g. setting-up o	direct marketing, distribution, e		

International marketing strategy for eligible titles and corresponding budget
National and international marketing strategies for non-eligible titles and corresponding budgets
FINANCIAL SITUATION Profit or loss forecast
Areas targeted for improvement, including financial ratios
Fixed-asset projects

		stments etc)			
	ECAST et profits, inves	stments, etc.	.)			
		stments, etc.	.)			
		stments, etc.	.)			
		stments, etc.	.)			
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		stments, etc.	.)			
		stments, etc.	.)			
NANCIAL FORI		stments, etc.	.)			

25. FORECASTED USE OF THE REQUESTED FINANCIAL ASSISTANCE AND EXPECTED RESULTS

(A publisher must allocate 20% of the contribution to eligible domestic marketing activities as defined on page 9 of the Applicant's Guide.)

AID TO PUBLISHERS Forecasted use	3		
	_		
	_		
Expected results			

F. REPORT ON THE UTILIZATION OF FINANCIAL ASSISTANCE RECEIVED UNDER THE BPIDP AID TO PUBLISHERS COMPONENT

Amount awarded under the BPIDP Aid to Publishers componen	nt for 1999–2000 \$
Please identify how this money was invested:	
Production	\$
Marketing	\$
Distribution	\$
Assets	\$
Company financing	\$
Other (specify :)	\$
Please provide a detailed description of the specific activities fo of the results.	or which the funds were used and an evaluation
-	

G. REPORT ON THE UTILIZATION OF FINANCIAL ASSISTANCE RECEIVED FOR NATIONAL MARKETING ASSISTANCE UNDER THE BPIDP AID TO PUBLISHERS COMPONENT

Amount awarded under the BPIDP Aid to Publishers component for 1999–2000	\$
Amount awarded for national marketing assistance for 1999 – 2000 (20%)	\$
Please provide a detailed description of the specific activities for which the national marketing asswere used and an evaluation of the results. When describing the use of the funds, please refer teligible national marketing expenditures found on page 9 of the <i>Applicant's Guide</i> .	sistance funds o the list of

H. WARRANTIES AND AGREEMENTS

Applicants to the Book Publishing Industry Development Program (BPIDP)

- 1) attest that they have read the BPIDP *Applicant's Guide* and that they agree to the terms and conditions set forth therein;
- 2) attest that all statements made in this questionnaire and any attached supplementary information are true;
- will provide any information requested concerning the use and purposes for which any funds received under the BPIDP are expended;
- 4) will provide copies of all relevant agreements and arrangements, and such additional information and documentation that may be useful to the Department of Canadian Heritage in determining the ownership and control of the applicant's business;
- 5) agree that the Department, its agents or contractors, may audit any books and records that may be relevant to the verification of any statement or representation made in the application questionnaire or in accounting for the use of received funds, and shall promptly pay any sum that any audit reveals has been received by them as overpayment or to which they are not entitled under the terms of the BPIDP;
- 6) recognize that no member of the House of Commons shall be admitted to any share or any benefit arising from any funds received under the BPIDP;
- 7) will reimburse the whole, or a portion of any contribution as the Minister may consider appropriate, of any amount received by them under the BPIDP, if, prior to or within twelve (12) months from the date of receipt of such amount:
 - they become bankrupt, are placed in receivership, make an assignment for the benefit of creditors, cease to carry on business in the regular course, or are the subject of an application for winding up or dissolution; or
 - they cease to carry on book publishing as their principal activity;
- 8) will reimburse the total contribution received from the program if, in the twenty-four (24) months following disbursement of funds, the firm ceases to satisfy the terms and conditions of the BPIDP in accordance with its definition of a Canadian-owned and -controlled firm;
- 9) authorize the Department of Canadian Heritage to provide to, and exchange with, the Association for the Export of Canadian Books (AECB) any and all information, including this application form and inter-firm comparison study, for the purposes of this application and the administration of the BPIDP. I understand that this authorization shall extend to any and all information which is communicated to the Department of Canadian Heritage under any other programs administered by the Department, whether prior to or after this application;
- 10) attest that all shareholders or members have been informed of the intention to submit this application and have agreed to the submission of the information concerning them;
- 11) attest that all authors or organization personnel have been informed of the intention to submit this application and have agreed to the submission of the information concerning them;
- 12) will acknowledge the financial support of the Government of Canada in all eligible titles published in the year in which a BPIDP contribution is received as prescribed in the section entitled "Obligations" in the BPIDP *Applicant's Guide.*

Made this	day of	, 20	$\underline{}$, as witnessed, under the signature of the duly authorized office	:
Signature of au	uthorized officer		Witness	
Name			Title	

DECLARATION OF PAID-UP ROYALTIES

	or in default of any royalty payments due to authors, or their not between the applicant and authors or their representatives.
Made this day of, 20	, as witnessed, under the signature of the duly authorized officer.
Signature of authorized officer	Witness
Name	Title
CERTIFICATION BY INDEPENDENT	LICENSED ACCOUNTANT
As a note to the financial statements or in a s royalty liabilities were verified on a sample ba	eparate letter, the independent accountant must certify that the isis and that:
the calculation of royalties earned by authors; and	ors is consistent with the contract between the company and the
payments have been issued on time.	
APPLICATIONS AND INQUIRIES	
This request for financial assistance must be s	ent to the following mailing address before September 1, 2000:
The Book Publishing Industry Development Program (BPIDP) Department of Canadian Heritage 15 Eddy Street, 4th floor Hull, Quebec KIAOM5	
Telephone: (819) 997-4944 Fax: (819) 997-4169	

E-mail: bpidp_padie@pch.gc.ca
Internet: http://www.pch.gc.ca/bpidp

