

# **National Film Board**

**2004-2005  
Estimates**

**Report on  
Plans and Priorities**

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**Approved**

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**Minister of Canadian Heritage**



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## SECTION 1: MESSAGES AND PLANNING OVERVIEW

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### 1.1 MINISTER'S MESSAGE

Ministre  
du Patrimoine canadien



Minister  
of Canadian Heritage

Ottawa, Canada K1A 0M5

**T**he Canadian Heritage Portfolio, which includes the National Film Board (NFB), collaborates with partners across Canada to strengthen the connection between Canadians and to inspire a deeper understanding of our diverse communities.

**T**he NFB continues to be an instrumental and important partner in fostering access to our culture and heritage. It is through these strong partnerships that we seize the opportunities to celebrate our linguistic duality, our cultural diversity, and our inclusiveness.

**T**he NFB represents a unique centre of production of distinctive, challenging, relevant and accessible Canadian audiovisual works. This is reinforced by the key role that emerging filmmakers and innovation play at the NFB.

**T**hrough this report the National Film Board presents us with the results of their established success. It also signals to those at home and abroad that the Government of Canada and its employees take pride in strengthening and promoting our artists, athletes, languages and cultural communities.



Liza Frulla

Canada 

## 1.2 MANAGEMENT REPRESENTATION STATEMENT

I submit, for tabling in Parliament, the 2004-2005 *Report on Plans and Priorities* (RPP) for the National Film Board of Canada.

This document has been prepared based on the reporting principles and disclosure requirements contained in the *Guide to the preparation of the 2004-2005 Report on Plans and Priorities*.

- It accurately portrays the organization's plans and priorities;
- The planned spending information in this document is consistent with the directions provided in the Minister of Finance's Budget and by the TBS;
- This document is comprehensive and accurate;
- It is based on sound department information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP production.

The reporting structure on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

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Maryse Charbonneau  
Director, Administration

Date:

### 1.3 COMMISSIONER'S MESSAGE

Canadians care about their culture. They want their own voices to address and shape their vision and perspectives. The NFB works to contribute to this vision, building on 65 years of public service.

Well into three years of its Strategic Plan, the NFB's public purpose to shape and reflect Canada to Canadians and to the world remains vital. This purpose is being reflected in the boldness of our film- and media-making, our reach into communities, and in our innovative use of technologies and new talent. We continue to tackle social issues that Canadians care about; we tell stories about events and places that have made a mark; we produce on-line works for the wired generation of Canadians who have made the Internet their preferred medium of learning. We maintain creative and technical excellence through our Oscar-winning animation.

Canadians value our contribution to strengthening the social foundations of the country. As globalization intensifies, the NFB is called upon to provide Canadians with stronger voices in the world. Internationally, the NFB continues as an ambassador of Canadian values — democracy, inclusion, diversity and equality.

Our strategy is to provide diversity in content, form, treatment, promotion and distribution. In a communications environment of choice and audience fragmentation, this is how the NFB can remain relevant and connected to its audiences.

In 2004-2005, our production slate will concentrate on the renewal of the documentary form — in length, technologies and medium of communication.

The NFB is also reaching new audiences on the Internet. We produce <http://www.silenceoncourt.tv> which distributes short films, <http://www.citoyen.onf.ca> and eventually, C4C. These last two web sites will provide Canadians access to films and a forum for social issues.

Our renowned skill at producing stories for Canadians stems from the talent that the NFB nurtures, especially from filmmakers of diverse origins and Aboriginal Canadians. There is a creative case to be made for championing cultural diversity — filmmaking is at its best when it draws from the life experience of diverse teams. A recent survey conducted by the Department of Canadian Heritage notes that 13.4% of the Canadian population, or almost 4 million people, are visible minorities — a number that is expected to grow to 20% by 2016.<sup>1</sup> The survey also found that there are intergenerational challenges to address. For the NFB, the stories that flow from our linguistic duality, our diversity and our pluralistic society enrich the creative process and forge an inclusive society.

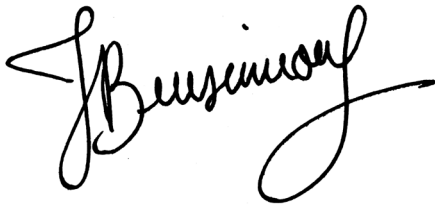
The NFB reaches Canadians on television, the Internet, in schools and in theatres, and we are constantly seeking out new networks. The NFB's primary goal is to reach many and varied

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<sup>1</sup> Canadian Heritage, "Ethnic Diversity Survey," October 7, 2003.

audiences. With this in mind, we are creating online communities and access points in public and private places such as storefront mediatheques, universities, libraries, museums, art galleries and minority-language centres. We plan to be more visible on television and also take advantage of the popularity of theatrical documentary by working, with partners, in developing a digital screen network to showcase Canadian materials.

I look forward to the NFB's ambitious course — to continue to make Canadians feel inclusive in communities across the country, to contribute to Canada's new economy and culture of lifelong learning, and to help shape the voices of the 21<sup>st</sup> century, for Canada and the world.

A handwritten signature in black ink, reading "J. Bensimon". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jacques Bensimon  
Government Film Commissioner  
and Chairperson of the National Film Board of Canada



## **1.4     RAISON D'ÊTRE OF THE NATIONAL FILM BOARD**

### **MISSION**

The NFB's mission is to produce and distribute distinctive, culturally diverse, challenging and relevant audiovisual works that provide Canada and the world with a unique Canadian perspective.

### **VISION**

The NFB is recognized as being indispensable to all Canadians as the world-renowned public producer and distributor of audiovisual works that are socially relevant and innovative.

### **Purpose of the NFB**

The NFB of the 21<sup>st</sup> century helps shape and influence the views of Canadians. Building on a 65-year record, we offer innovative audiovisual works that interpret Canada, initiate dialogue among citizens and innovate in new technologies. The NFB is a unique resource, engaging Canadians, contributing to their lifelong learning and acting as an ambassador of Canadian values.

The fundamental purpose of the NFB is to strengthen Canada's identity. Canadians are at home with the NFB's bold media-making, how it reaches into their lives and communities and how it mentors talent. This is how the NFB strengthens Canada's identity and what it contributes to the new economy and to our social foundations.

### **Benefits to Canadians and to the World**

The NFB is a publicly funded cultural institution that enjoys overwhelming support from Canadians.<sup>2</sup> The Board's point-of-view documentaries, primarily broadcast on Canadian television, explore complex, relevant social issues. Our creative animation films mix old and new media to provoke and entertain audiences at home and around the world. The NFB's educational videos and DVDs help teachers transmit Canadian values and history to students. The NFB's webseminars, webcasting and online production reach out to Canadians via the Internet.

Canadians want their voices to be heard internationally, and NFB films express our voices abroad and contribute to innovation, set standards and strengthen the creative industries of Canada's new economy.

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<sup>2</sup> According to the September 2001 Pollara survey, *Canadian Attitudes Toward Documentary Films and Videos* (prepared for the NFB), the majority of Canadians (86%) are familiar with the NFB, and 78% approve of government funding.

## **1.5 PLANNING OVERVIEW**

### **Purpose of Overview**

The purpose of this overview is to provide a context for the plans and priorities that the NFB will adopt in 2004-2005 and 2005-2006. These plans and priorities are guided by the NFB's Strategic Plan for 2002-2006. In the last two years, the NFB has laid the foundation to modernize the Board by reorganizing programs, improving procedures and introducing new policies for responsible management of public resources.

In 2004-2005, the NFB will build on this foundation — by producing bolder audiovisual works and extending our reach into Canadian communities and the world.

The NFB is funded primarily through parliamentary appropriation and some revenues from the sales of its products and royalties.

### **Expenditure Review and Government Priorities**

This document takes into account the priorities identified by the Government through the Expenditure Review Committee for program spending. As is evident in this document, particularly in strategic outcome 3, the NFB is committed to fiscal accountability and responsible management.

Our mandate is shaped by Canadians and, thus, we are guided in our priority setting by the public interest. The Board serves this public interest primarily by producing and distributing works that engage Canadians in dialogue and debate about social issues that spring from their communities and the universe that surrounds them.

In each of the strategic outcomes identified in this document, we describe how the NFB serves the public interest, the value that Canadians are receiving and how the NFB has adopted tools for greater efficiency and effectiveness.

### **A Changing Environment for Documentaries**

Around the globe, documentary production is undergoing historic pressures. A key concern among documentary filmmakers is the commercialization of production. At risk are quality and diversity, especially of point-of-view (POV) documentaries.<sup>3</sup> These types of films address important social issues, however, fewer Canadian production companies are active in POV documentaries. In fact, one of the largest private producers in Canada has restructured and will be phasing out documentaries altogether. With this gap in the market, broadcasters and independent filmmakers have expressed their support for the NFB's POV films in which "creativity, diversity and social conscience are not sacrificed

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<sup>3</sup> Kirwan Cox, Documentary Research Network, *The Filmmakers' Point of View on Documentary*, November 2002.

to economics”.<sup>4</sup> In a volatile environment, the NFB plays a stabilizing role for the industry.

The NFB has made point-of-view documentaries a priority since Canadians want to see films that contribute to a greater understanding of issues and varied perspectives.<sup>5</sup> To help meet this goal, the NFB will organize in 2004-2005 a colloquium to examine the state of documentary production and distribution in Canada. Other issues to be explored are the complexity and limitations of the funding system, declining licence fees from broadcasters, and the use of new technologies.

### **The Canadian Television Fund: New Funding Schemes**

A number of changes in Canadian television production will affect the NFB in the coming year. There will be significant policy changes in the Canadian Television Fund (CTF) for 2004-2005. Under the new system, broadcasters will be allocated funds that in turn will select projects from producers on a per-genre basis and subject to CTF approval. The full impact of this new system on the NFB will become clearer after 2004.

### **The Challenge of Reaching TV Audiences**

Increased choices for consumers have led to fragmentation of TV audiences and a crowded marketplace. New tools will be developed to measure the impact on audiences. The NFB has already used multi-platform promotion strategies and will continue to learn from this experience in order to refine its marketing.

### **The Impact of the Conversion to Digital Technologies on Production and Distribution**

The conversion of the Canadian broadcasting system to digital technologies remains a challenge. The Board works to incorporate and innovate with technological developments, in particular digital production, high-definition TV and interactive media.

In this context, the NFB takes note of the Government of Canada's mention that the Department of Canadian Heritage will undertake work in collaboration with other federal departments, agencies and stakeholders to clarify policy and objectives, identify gaps and help develop a plan for the digital transition.<sup>6</sup> This may result in the establishment of specific policies and directions that will guide the NFB.

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<sup>4</sup> Kirwan Cox, *The Filmmakers' POV on Documentary*, November 2002, page 43.

<sup>5</sup> Canadian Media Research Inc., *TV Audiences and the NFB*.

<sup>6</sup> This reference is alluded to in the recent Government Response to the Standing Committee on Canadian Heritage's Report on Broadcasting *Our Cultural Sovereignty 2<sup>nd</sup> Century of Canadian Broadcasting*

### **Partnerships on all Levels: Leveraging, Enriching Creativity and Optimizing Resources**

We will continue to form strategic partnerships with Canadian private-sector production and distribution companies and public broadcasters to co-produce, broadcast and distribute films.

On the international level, the NFB will continue to form alliances to maximize potential synergies and increase revenues.

The NFB will continue to work on initiatives with government departments such as the Department of Canadian Heritage and other agencies (Canada Council for the Arts, the CBC/Radio Canada and Telefilm Canada) to better meet public-policy objectives.

A successful example of collaboration among government agencies is SPARK, developed with the Department of Canadian Heritage, Telefilm Canada and the Canada Council for the Arts, and launched in 2003-2004. The SPARK initiative provides increased support for emerging filmmakers and mid-career professionals from culturally diverse and Aboriginal communities to improve their skills and increase access to audiences and film and video industry decision-makers. This initiative will continue in 2004-2005.

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## SECTION 2: PLANS AND PRIORITIES BY STRATEGIC OUTCOME

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The Summary identifies the NFB's strategic outcomes and the key priorities the NFB will pursue over the next three years.

STRATEGIC OUTCOME	PRIORITIES	ASSOCIATED RESOURCES \$ million	TYPE OF PRIORITY
1. Production of relevant, excellent and innovative audiovisual works that help Canadians better understand Canada and the world.	1. Make the NFB's overall program more relevant to Canadians today.  2. Place innovation at the forefront.  3. Champion cultural diversity and Aboriginal voices.	<u>Total Resources:</u> \$44,610	1. Ongoing  2. Ongoing  3. Ongoing
2. Available, accessible audiovisual works and a brand that is recognized by Canadians and international audiences.	1. Strengthen the NFB to connect with Canadians.  2. Establish mechanisms for greater access and dialogue on NFB productions.  3. Ensure that the NFB's collection is accessible and preserved for future generations.  4. Increase revenues from the exploitation of the NFB's collection and optimize sales opportunities.	<u>Total Resources:</u> \$12,000	1. Ongoing  2. Ongoing  3. Ongoing  4. Ongoing
3. An efficiently managed organization.	1. Manage resources efficiently and effectively.  2. Enhance accountability, business practices and information systems.	<u>Total Resources:</u> \$7,072	1. Ongoing  2. Ongoing

## **2.1 Strategic Outcome #1: PRODUCTION OF RELEVANT, EXCELLENT AND INNOVATIVE AUDIOVISUAL WORKS THAT HELP CANADIANS BETTER UNDERSTAND CANADA AND THE WORLD**

### **2.1.1 PLANS AND PRIORITIES**

#### **PRIORITIES**

In order for the NFB to achieve strategic outcome #1, we will

- a) Make our overall program more relevant to today's Canadians.
- b) Place innovation at the forefront.
- c) Champion cultural diversity and Aboriginal voices.

#### **PLANS**

##### **a) The NFB will make its overall program more relevant to today's Canadians by:**

- **Tackling difficult social issues**

Approximately 85% of the NFB's programming slate will examine social issues. POV documentaries will remain a priority in response to the gap in the marketplace. Examples of such films are *The Privatization of Water*, *Aboriginal Gangs*, *L'autre* (about conflict resolution between citizens outside the court system) and *Hubert Reeves, Star Teller*, about the future of life on our planet.

Some of these works are being made as international co-productions. The NFB is broadening its audience globally while examining issues of concern to Canadians. The NFB's groundbreaking international venture — the World Documentary Fund, created with the UK Film Council and the BBC — will see its first film in 2004.

International co-productions will continue to be an important source of creative and financial leveraging for the NFB, allowing us to maintain a strong international presence.

- **Encouraging public debate and participation**

Key initiatives will include eventually C4C and <http://www.citoyen.onf.ca>, web sites dedicated to creating an aware citizenry and dialogue among our disparate communities. Hosted by the NFB, with input from grass-roots communities, these sites focus on the Internet as a medium of expression.

- **Programming general-interest films about people and events that have made their mark**

An example from the English-language program includes *The Dark Years*, a landmark history series unearthing new stories about the Great Depression in Canada and its connections to our present-day social landscape. Another example is *Arctic Mission/Mission Arctique*, which follows the journey of the ship *Sedna* as it crosses the Northwest Passage from east to west. This five-film series addresses climate change in the Arctic.

- **Working in alternative drama**

As a first step in the NFB's return to alternative drama, the Board has launched <http://www.silenceoncourt.tv>, a French-language online, ongoing festival of short films. Linked with the ARTV program of the same name, this is a partnership between the NFB and CBC/Radio Canada. In 2004, an English-language version will be developed.

The NFB is also working on a provocative drama series on Aboriginal gangs in western Canada, bringing to national attention the highly charged issue of gang life in four cities. Another noteworthy example is *Plus que 24 heures*, from the French program. This unique project from emerging filmmakers is a feature film composed of eight shorter films, all covering a 24-hour period.

- **Experimenting with new forms and new technologies**

The NFB continues to lead with new technologies in documentary filmmaking. For example, *Ryan* is a mix of highly stylized animation and documentary footage.

The web site *Ties That Bind* uses footage from a film about coping with a disability. The aim of the site is to encourage the public to share stories, opinions and resources on the subject of disability, while exchanging views on the wider topic of re-investing family and community in the 21<sup>st</sup> century.

*Noël Noël*, a television special that targets the general public, combines auteur filmmaking with industrial animation production.

The NFB also continues to experiment with webseminars, webcasting and online production.

- **Involving young people as creators and initiators of NFB productions**

The NFB is reaching out into communities to engage young people as creators of media. Mobile units are being used to provide young people with the tools of film production. *Video Paradiso* is for inner-city street youth in Montreal and Quebec City, and the *Wapikoni Mobile* is for young people in Attikamekw communities in Quebec. Thus, a new generation will be able to learn to create film and video, work with new media and have a place to exhibit their work.

- **Developing virtual production**

The NFB has developed the virtual production *Hothouse*. It is an online production, meaning it is produced on, for and via the Internet.

**b) Place innovation at the forefront by:**

- **Experimenting with new forms and new technologies**

The NFB continues to foster innovation and experimentation in both form and content. This approach allows us to create new ways of telling a story and to reach different audiences.

The NFB will continue to align its technical services with current and evolving production needs, and to establish partnerships with post-production houses to exchange and/or supply services. Partnerships are possible with firms specializing in digital equipment, in conversion data and data management, with special interest in archives.

The NFB will continue its dedication to mentoring projects and master classes, to promote the art of filmmaking and ensure the transfer of skills and knowledge.

- **Using all media for creative expression**

In order to respond to the fragmentation of the communications environment, the NFB will focus on producing documentaries of different lengths: short-form for the Internet; medium-length for television and longer-form for theatrical exhibition.

- **Emphasizing research and development**

The NFB will continue its emphasis on Research & Development in 2004-2005. New and recent films that reflect hybrid forms are *Ryan*, a documentary/animation; *The Magical Life of Long Tack Sam*, an animated documentary; and *Sparky*, an animation/drama. The NFB is also active in the fields of high-definition and Sandde 3-D animation technologies. Examples of innovative and creative use of the Internet as a medium of expression include <http://www.citoyen.onf.ca> and eventually C4C.



- **Being a leader in interactive media**

The NFB continues to develop or co-develop new media content and technologies. Our initiatives in this area are of three main types: interactive productions designed specifically for the Internet; online services such as <http://www.nfb.ca>, and titles in CD-ROM and DVD formats.

c) **Champion emerging, culturally diverse and Aboriginal voices by:**

- **Identifying and working with emerging talent and with culturally diverse and Aboriginal communities**

The NFB offers a variety of programs to nurture emerging talent. The **Filmmakers Assistance Program** (FAP) and **Aide au cinéma indépendant canadien** (ACIC), for example, play an invaluable role in encouraging the next generation by providing talented young people with the means to complete their films.

Another initiative, **Momentum**, helps emerging filmmakers produce high-quality, low-budget short documentaries. Another noteworthy example, **Hothouse**, is an intensive 12-week program for young filmmakers to direct an animated film from concept to final sound-mix and video mastering.

The Board has established a strong record in encouraging artists from diverse communities. **Nouveaux Regards** and **Reel Diversity**, for example, will continue in 2004. These competitions provide visible-minority filmmakers an opportunity to create works that encourage dialogue and debate, thus helping create a galvanizing force for tolerance and understanding.

The **Cinéastes autochtones** competition, which encourages French-language Aboriginal works has been transformed into a mobile unit called “Wapikoni Mobile,” thus providing Aboriginal communities in Quebec with tools for film production and distribution.

### **2.1.2 PUBLIC INTEREST SERVED BY THESE PRIORITIES**

The priorities identified above that support the NFB’s first strategic outcome are solidly aligned with the Board’s core mandate to produce audiovisual products that engage Canadians. The NFB tackles issues about which Canadians care — health, education, poverty, Native rights, equality and the environment. Our films contribute to a strong and effective public debate on such issues. This is how and why the NFB’s production program (and the works it produces) is relevant for Canadians. This results in inclusive participation of Canadians and a stronger nation.

The NFB also serves the public interest by 1) developing technologies that benefit both public and private sectors, and 2) by nurturing new voices and existing talent. The economy of the 21st century depends on the application of new technologies and creative use of human capital. The NFB is playing its role in stimulating the Canadian audiovisual industry.

### **2.1.3 CHALLENGES AND RISKS**

#### **Financial Resources**

One of the challenges facing the NFB in this planning period continues to be financial resources. More funds are necessary to continue our vital work. Forging creative partnerships is helping the NFB stretch its financial resources, but we must ensure that such alliances are in line with the NFB's core values.

#### **The State of Point-of-View Documentaries**

The current pressures on point-of-view documentary filmmakers affect the NFB, prompting us to take a leading role in finding ways to foster these types of films.

#### **The 500-Channel Universe**

In a 500-channel universe, the NFB's strategy is to focus on creating *many* connection points with Canadians. The licensing of hundreds of specialty channels has produced a growing fragmentation in the Canadian broadcasting system. In this environment, the NFB must ensure that its products are available on all potential networks. Also, better audience measurement tools will provide valuable information on placement and promotion strategies.

#### **Integration of New Technologies in Production and Distribution**

Another ongoing challenge is the integration of new technology in our production and distribution. The Technical Innovation and Resources branch is faced with the transition to digital technologies. For example, future forecasts suggest that the NFB will be producing more and more in DVD and interactive formats.

### **2.1.4 TOTAL PLANNED SPENDING**

The NFB's planned spending on strategic outcome #1 is approximately \$44.6 million. The costs associated with implementing the actions described above (priority to make the program more relevant) are included in this amount.

### **Actual and Planned Spending**

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
	44,907	<b>44,610</b>	44,610	44,610

### **2.1.5 ASSESSING PERFORMANCE**

The performance of the NFB in meeting strategic outcome #1 will be measured using these indicators:

- Diversity of genres and subject matter in NFB productions;
- Level of audience satisfaction and interest in films (television, non-television audience and web site traffic);
- Recognition in the form of awards won at home and at foreign festivals;
- Number of innovative applications;
- Engagement of Canadians;
- Diversity on screen and behind the screen.

#### **Diversity of genres and subject matter in NFB productions**

The NFB's slate of production varies greatly in genre (animation, POV, interactive media), content, treatment and target audiences. This can be seen from a profile of the works made by the Board.

#### **Level of audience satisfaction and interest in films**

Since television remains the NFB's primary medium to reach Canadians, we have re-examined the tools we use to measure television audiences. We now have monthly data allowing us to compare the Board's reach on various television networks. Information is also available about the NFB audiences regionally, linguistically and demographically.

The NFB continues to participate in an initiative with the Canadian Television Fund, Telefilm Canada, the CRTC and the Department of Canadian Heritage on refining tools currently that measure television audience reach. As a result, beginning in 2004, we will be better able to track audience data for Canadian television shows.

The NFB has also worked with broadcasters to improve accessibility and promotion of NFB films on networks such as the CBC/Radio Canada, APTN, Vision TV and the History Channel.

The NFB measures its web site traffic on regularly visited sections such as the children's section, the film collection and new releases page and online stores. In the last few years, we have enhanced the NFB web site, recognizing the importance of the Internet as a medium of choice for young people. Our site conforms to the standards prepared by the Treasury Board Secretariat that cover content development.

### **Recognition at film festivals**

Recognition by film industry peers in Canada and abroad is also an objective measure of the competitiveness, quality and relevance of our films. The NFB continues to monitor this performance indicator.

### **Number of innovative applications**

The NFB continues to make innovations that benefit the whole industry. Beginning this year, we will track the number of such advances.

### **Engagement of Canadians**

The NFB connects with Canadians across the country in many ways: in schools, through the NFB's membership program, by interactive web sites, at community screenings, at film festivals and so on. Because there are so many contact points, however, it remains a challenge to gauge the social impact of the NFB's audiovisual works on Canadians. In 2004-2005, the NFB will focus on developing more precise tools to measure the social impact of its productions. A 2001 survey conducted for the NFB revealed that while Canadians recognize and support NFB films, they feel that our works should be more frequently available on television and better promoted. In 2004-2005, we will focus on refining measurement tools and use a case study approach to track marketing strategies and distribution networks.

### **Diversity on screen and behind the screen**

The NFB has a solid record on meeting equity targets and on developing talent and skills in under-represented communities. NFB films do mirror Canadian society and in doing so, encourage inclusiveness and a stronger social foundation of what it means to be part of Canada.

## **2.2 Strategic Outcome #2: AVAILABLE, ACCESSIBLE AUDIOVISUAL WORKS AND A BRAND THAT IS RECOGNIZED BY CANADIANS AND INTERNATIONAL AUDIENCES**

### **2.2.1 PLANS AND PRIORITIES**

The NFB will continue to increase the number of NFB productions in various distribution networks and create new networks where none exist; we will develop and diversify markets in Canada and abroad and ensure conservation of the collection.

There are four high-level priorities that follow from strategic outcome #2:

- a) Strengthen the NFB to connect with Canadians;
- b) Establish mechanisms for greater access and dialogue on NFB productions;
- c) Ensure that the NFB's collection is preserved for future generations;
- d) Increase revenues from the NFB's collection and optimize sales.

### **PLANS**

#### **a) Strengthen the NFB to connect with Canadians by:**

- **Extending the reach of production centres into communities**

The NFB will undertake outreach activities in the Yukon, Nunavut and Davis Inlet, targeting filmmaking communities and providing them with opportunities to make films that are fast and economical yet unlimited in their creative possibilities. There will be a focus on contemporary social issues.

- **Reaching Canadians online**

The future web site C4C will be one instance of how the NFB will engage citizens in leading social issues. This site will act as a community forum and will be dedicated to creating a civic culture.

- **Being more active in film communities and holding more community screenings with forums for public debate**

The NFB plans more public film screenings and panel discussions in rural communities. We firmly believe that NFB films are one way to debate issues on the national social agenda.

- **Promoting a new logo and using branding opportunities**

The NFB will continue to strengthen the NFB brand by ensuring that co-productions are better branded, that there are more branded slots on television, that there are trailers of upcoming productions and more information available about new films. These are some examples of how the NFB will increase its presence on distribution networks. The NFB's strategy continues to be to brand the NFB as a whole because of its strong

recognition factor with Canadians rather than film by film. The overall goal of a strong brand is to increase the use of NFB productions by broadcasters, educators, institutions, libraries, other markets and the general public.

As part of its branding strategy, a revitalized animated version of the NFB logo will now appear at the start of all NFB productions. This logo symbolizes a new NFB for the 21<sup>st</sup> century.

New alliances for branded television slots for the NFB continue to be sought out to reach more audiences. The NFB will continue its partnership with the Documentary Channel, which broadcasts approximately fifty hours of NFB films a year, many in NFB-branded slots. The value of this channel in creating audience loyalty is significant.

**b) Establish mechanisms for greater access and dialogue on NFB productions by:**

- **Increasing NFB presence on television**

The NFB will continue to establish mechanisms for greater access and dialogue on NFB productions so as to enable Canadians to re-establish a lasting connection with their NFB. The NFB continues to expand its presence on television with NFB films being broadcast every day.

- **Having public places right in the community**

With media convergence and Canadians able to access information using different media and networks, the NFB markets and promotes its works with the goal of reaching Canadians where they live and work. Canadians have access to NFB works on television, in schools, libraries, and universities, on the Internet and in learning centres.

A new learning centre, the Mediatheque, in Toronto, has made the NFB collection more accessible to Canadians. In addition to cinema screenings, the Mediatheque offers animation workshops and master classes. This centre, and a similar one in downtown Montreal, are public places providing interactive learning experiences to audiences of all ages.

Other connection points with Canadians include community screenings, master classes, retrospectives, museum exhibits and branded television slots.

The NFB's bilingual membership program, NFB Film Club/CinéClub ONF, will be expanded in 2004-2005. This free program provides special video discounts, invitations to premieres, master classes and workshops. The Film Club screenings in 2004-2005 will help the NFB to forge partnerships with community organizations, public libraries, film festivals, film circuits, repertory theatres and other organizations.

- **Digital distribution technology**

In 2004-2005 the NFB will be exploring the potential of developing digital distribution, or electronic cinema (e-cinema) opportunities. We hope to test this new technology on a small scale in repertory theatres, universities, science and technology centres and museums.

We are studying the feasibility of a new network to view digital content in a theatre setting, which will encourage Canadians outside urban centres to see more Canadian films and hear Canadian stories.

- **Collaborating with other agencies**

The NFB will continue to collaborate closely with other agencies of the Canadian Heritage Portfolio, including the CBC/Radio-Canada, National Archives, the Canadian Centre for Race Relations, the Canada Council for the Arts and Telefilm Canada.

**c) Ensure that the NFB's collection is preserved for future generations by:**

- **Offering greater access to its collection**

The NFB will continue to add to its online film library, CineRoute, offering greater access to Canada's audiovisual heritage. We anticipate that 5000 titles will be digitized in 2004 and 2005.

Educators can go online to the NFB Mediasphere for audio and video clips to use in the classroom. This project demands digitization, and this initiative is made possible through the Department of Canadian Heritage's Canadian Memory Fund program.

**d) Increase revenues and optimize sales by:**

- **Increasing television acquisitions**

A special focus in 2004-2005 will be to increase television sales to U.S. cable channels and develop new television markets in Central and Eastern Europe.

- **Focusing on revenues from the institutional market**

The NFB will also focus on increasing sales in the institutional market, which represents a significant source of revenue. One way to reach this goal is in acquiring works and selling them to this market. In 2004-2005, the NFB is looking to acquire Canadian and foreign documentaries and animated films in the subject areas of science, history and civilization, as well as series with youth-oriented educational content. The NFB will evaluate these works in terms of pertinence to its collection and its mandate.

- **New initiatives for the home consumer market**

At present, home consumers in Canada and the U.S. can browse and shop online for NFB videos and DVDs at <http://www.nfb.ca/store>. We plan to open up a similar Istore for Europe.

- **Expanding the educational market**

Another area for expansion is the educational sector. We plan to develop materials *not* being created by the private sector. Development and distribution of such work can be done in partnerships with provincial and territorial agencies and the private sector. One project for schools is the Mediasphere, an online resource centre for educators interested in using NFB films in the classroom.

### **2.2.2 PUBLIC INTEREST SERVED BY THESE PRIORITIES**

The priorities described below support strategic outcome #2 are directly aligned with the NFB's core mandate to produce, to promote and distribute audiovisual products to Canadians and to the world. The NFB serves the public interest by producing stories that reflect values of democracy, inclusion, diversity and equality. In the 21<sup>st</sup> century, Canadians need to be brought together more than ever, and the NFB acts as cohesive agent at home and as an ambassador of Canada's values to the world.

The NFB is also committed to ensuring that Canadians receive full value for the public investment by fully exploiting its catalogue and reinvesting revenues back into new works that engage Canadians.

### **2.2.3 CHALLENGES AND RISKS**

#### **Measuring the NFB's long-term benefits to Canadians**

The NFB maintains a relatively high profile among Canadians despite a competitive climate and audience fragmentation in broadcasting. Close to one out of four Canadians can readily identify the NFB when asked to name an organization that produces and distributes documentaries and animated shorts. Thirty-three percent of Canadians can identify the NFB logo, and 72 percent support its mission.

Canadians are informed and entertained, and their awareness and understanding of issues and history deepened through NFB films. In various surveys, Canadians express their support for Canadian perspectives on issues and for Canadian voices to be heard. They express concern that with an increasing globalization, foreign voices will dominate Canadian media.<sup>7</sup>

The capacity to measure Canadian attitudes is a challenge. The NFB continues to innovate by better tracking its own productions on television and in other markets.

#### **A volatile environment for maximizing revenues**

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<sup>7</sup> Decima Research Inc., *Attitudes Towards Canadian Media*, Prepared for the Canadian Association of Broadcasters and the Canadian Newspaper Association, November 11, 2003.



The NFB has one of the world's largest audiovisual catalogues and a celebrated stock shot library. Broadcasting licences, repackaging for specific markets and improved alliances with schools can help increase revenues. However, we work in a volatile environment that makes it difficult to forecast exact revenues. It must be repeated that core values of the NFB cannot be compromised and that the goal of maximizing revenues must be balanced with cultural and outreach goals, which are not primarily commercial in nature.

### **New distribution technologies**

The pace of technological change poses a challenge for the NFB in determining which distribution networks to use to make our films accessible. E-cinema, an alternative exhibition network, will be developed in partnership with Telefilm Canada, exhibitors and other partners.

### **Digitization of the NFB's collection**

Transferring new titles to videodisc requires extra resources. The Department of Canadian Heritage's Canadian Memory Fund program is vital to this endeavour.

The rollout of broadband technology and copyright issues continues to affect the availability of the collection.

## 2.2.4 TOTAL PLANNED SPENDING

The NFB's planned spending on this strategic outcome is approximately \$12 million. It should be noted that the costs associated with the implementation of the actions described above are included in this amount.

### Actual and Planned Spending

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
	14,100	<b>12,000</b>	12,000	12,000

## 2.2.5 ASSESSING PERFORMANCE

The NFB will assess the progress in meeting strategic outcome #2 by tracking the following:

- Market development and diversification (Canadian and foreign markets);
- Revenues;
- Access to the NFB's audiovisual holdings (film loans by partner libraries, utilization of the collection);
- Membership.

### **Market development and diversification**

Indicators are useful in assessing the degree to which NFB productions are used in different markets, by Canadian and foreign audiences. The challenge in the long term is to find the tools to measure the extent to which the NFB brand continues to communicate the Canadian experience to Canadian and foreign audiences.

### **Revenues**

The revenue generated and the numbers of transactions processed are indicators of the effectiveness of the NFB's brand and distribution strategies.

### **Access to the NFB's Audiovisual Holdings**

CineRoute provides Canadian universities and research centres with access to NFB films. According to a survey, users generally appreciate this service.

Other studies show high levels of customer satisfaction with NFB service. One area to monitor more closely in terms of measuring performance is the NFB's enhanced web site, which makes available digitized excerpts of films through the Internet.

## **Membership**

The NFB tracks membership numbers in Film Club/CinéClub ONF, an important initiative for outreach.

## **2.3 Strategic Outcome #3: AN EFFICIENTLY MANAGED ORGANIZATION**

### **2.3.1 PLANS AND PRIORITIES**

The NFB will foster the efficient and responsible management of resources. There are two high-level priorities involved:

#### **PRIORITIES**

- a) Manage resources efficiently and effectively.
- b) Enhance accountability, business practices and information systems.

#### **PLANS**

##### **a) Manage resources efficiently and effectively by:**

- Implementing systems to improve internal management of operations and delivery of services to clients;
- Leveraging resources (human, creative and financial) through partnerships;
- Minimizing administrative costs to ensure that maximum resources are provided to film production and distribution.

##### **b) Enhance accountability, business practices and information systems by**

- Continuing the integration of databases such as Synchrone for effective knowledge management, to aid in strategic planning and communications;
- Continuing to develop the Electronic Rights Management System;
- Monitoring the implementation of the NFB's Modern Comptrollership Plan;
- Reviewing and revising the NFB's performance measurement, assessment and reporting tools;
- Monitoring the implementation of the new evaluation policy and the revised internal audit policy;
- Identifying and developing best practices;

- Developing evaluation frameworks of new programs and initiatives;
- Ensuring that targets are met for equity groups.

### 2.3.2 PUBLIC INTEREST SERVED BY THESE PRIORITIES

The NFB is a public producer and distributor that is highly valued by Canadians. Its production program is citizen-centred: its works spring directly from the Canadian communities. The NFB is a public cultural institution that is committed to prudent management, transparency and accountability. The Board will continue to make effective use of technology to provide Canadians access to audiovisual works through existing or new networks, use partnerships to produce and distribute more and by continuing to provide value for public dollars invested.

### 2.3.3 CHALLENGES AND RISKS

An ongoing challenge is to seek new strategies to face cost pressures and to address related issues of copyright, sustainability and the capacity to draw in partners.

Strategic alliances and partnerships enable the NFB to attract new audiences, stretch resources and pursue common goals. At the same time, the number and scope of partnerships must be managed so that the core mandate of the NFB is respected.

### 2.3.4 TOTAL PLANNED SPENDING

The NFB's planned spending on this strategic outcome is approximately \$7 million. It should be noted that the costs associated with implementing the actions described above are included in this amount.

#### **Actual and Planned Spending**

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
	7,038	<b>7,072</b>	7,052	7,052

### **2.3.5. ASSESSING PERFORMANCE**

The main goal is to continue to strengthen the link between the NFB's use of resources and the outcomes achieved and to ensure that resources are used efficiently and effectively. Indicators include:

- Comparing resource allocation to film production and distribution with other areas;
- Improving accountability through internal and external systems, resulting in better tracking and monitoring of resources;
- Evaluations, audits and other studies.

#### **Resource allocation to film production and distribution**

Efficient management demands that the majority of resources go to filmmaking, keeping administrative costs as low as possible.

#### **Improved accountability**

The improvements to systems enable the NFB to better manage resources and strengthen the link between resources and desired outcomes. A key initiative involves the NFB's three-year action plan on Modern Comptrollership, in line with Treasury Board policy. We are committed to the Board adopting modern management practices, strengthen transparency and accountability. The Plan has been broken down into actions and required reporting on a quarterly basis. Managers will be responsible for meeting objectives and will be accountable for results in their annual performance evaluations.

#### **Evaluations, audits and other studies**

The NFB must anticipate and plan for changes to policies and programs. We are committed to undertaking evaluations and audits in line with the federal government's new policy. The NFB will continue to implement its three-year evaluation plan of various programs and policies.

Risk management and implementing a long-term audit plan should also help us meet the goal of improved accountability.

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## SECTION 3: ORGANIZATION

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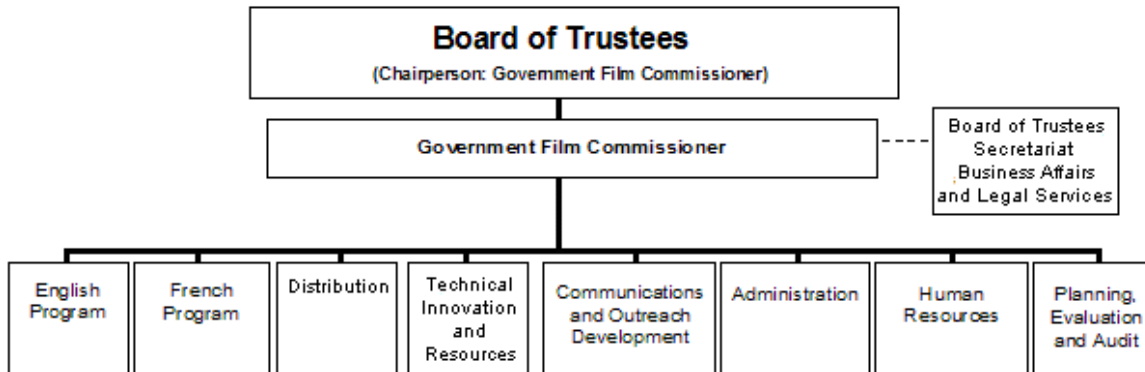
### 3.1 ORGANIZATION

#### 3.1.1 STRATEGIC OUTCOMES AND BUSINESS LINES

ONE BUSINESS LINE/ 3 SERVICE LINES	STRATEGIC OUTCOME #1	STRATEGIC OUTCOME #2	STRATEGIC OUTCOME #3	RESOURCE ALLOCATION (\$ THOUSANDS) 2004-2005
Production of distinctive and relevant AV works	Production of Distinctive and relevant AV works			\$44,610
Optimization of audiences and distribution networks		Available, accessible and valued AV works and a brand that is recognized		\$12,000
Efficient and responsible management of resources			An efficiently managed organization conducive to creativity and knowledge building	\$7,072
TOTAL				\$63,682

### 3.1.2 ACCOUNTABILITY

#### Organizational Structure



Note: The NFB reports to Parliament through the Minister of Canadian Heritage.

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#### One Business Line

**\$63,682,000**

**FTE: 500**

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## **ANNEXES**

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### **TABLES**

**TABLE 1: DEPARTMENTAL PLANNED SPENDING**

**TABLE 2: SUMMARY OF TRANSFER PAYMENTS**

**TABLE 3: SOURCE OF RESPENDABLE AND NON-RESPENDABLE REVENUE**

**TABLE 4: NET COST OF PROGRAM FOR THE ESTIMATE YEAR**

**TABLE 5: REVOLVING FUND - PROJECTED USE OF AUTHORITY**

**TABLE 6: REVOLVING FUND - STATEMENT OF CASH FLOW**



**TABLE 1: DEPARTMENTAL PLANNED SPENDING**

**Table 1: Planned Spending**

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
Budgetary Main Estimates**	72,145	<b>72,582</b>	72,562	72,562
Less: Respendable revenue	8,900	<b>8,900</b>	8,900	8,900
Total Main Estimates	63,245	<b>63,682</b>	63,662	63,662
Adjustments:				
Plus				
Supplementary Estimates:				
Various Cultural Initiatives	2,720			
Government Wide Initiatives	120			
Impact of collective agreements	82			
Evaluation and Internal Audit	78			
Less				
\$1 billion Reallocation Target	(200)			
<i>Total Adjustments</i>	<i>2,800</i>			
Net Planned Spending*	66,045	<b>63,682</b>	63,662	63,662
Plus: Cost of services received without charge	7	<b>0</b>	0	0
Net cost of program	66,052	<b>63,682</b>	63,662	63,662
<b>Full-time equivalents</b>	500	<b>500</b>	500	500

\* Reflects the best forecast of total net planned spending to the end of the fiscal year.

\*\* Includes statutory appropriation of \$10,000.

**TABLE 2: TRANSFER PAYMENTS****Table 2: Transfer Payments**

(\$ thousands)	Forecast Spending 2003-2004	<b>Planned Spending 2004-2005</b>	Planned Spending 2005-2006	Planned Spending 2006-2007
<b>Grants</b>				
Grants in support of significant film events held in Canada which are of national or international interest as determined by the Board of Trustees	10	<b>10</b>	10	10
<b>Contributions</b>				
To support non-profit organizations working in the film sector and to help promote Canadian cinematography	240	<b>240</b>	240	240
<b>Total</b>	250	<b>250</b>	250	250

**TABLE 3: RESPENDABLE REVENUE****Table 3: Respendable Revenue**

(\$ thousands)	Forecast Revenue 2003-2004	<b>Planned Revenue 2004-2005</b>	Planned Revenue 2005-2006	Planned Revenue 2006-2007
Film production services	1,500	<b>1,500</b>	1,500	1,500
Print sales	2,500	<b>2,500</b>	2,500	2,500
Rentals, royalties and miscellaneous	4,900	<b>4,900</b>	4,900	4,900
<b>Total respendable revenue</b>	8,900	<b>8,900</b>	8,900	8,900

**TABLE 4: NET COST OF PROGRAM FOR THE ESTIMATES YEAR****Table 4: Net Cost of Program for the Estimates Year**

(\$ thousands)	
<b>Planned spending</b>	<b>72,582</b>
<i>Less: Respendable revenue</i>	<b>8,900</b>
<b>2004-2005 Net Cost of Program (Total Planned Spending)</b>	<b>63,682</b>

**TABLE 5: REVOLVING FUND - PROJECTED USE OF AUTHORITY****Table 5: Revolving Fund – Projected Use of Authority**

(\$ thousands)	Forecast 2003-2004	<b>Planned 2004-2005</b>	Planned 2005-2006	Planned 2006-2007
<b>Assets</b>				
Cash	200	<b>200</b>	200	200
Accounts receivable	4,125	<b>4,125</b>	4,125	4,125
Inventories	500	<b>500</b>	500	500
Prepaid expenses	1,000	<b>1,000</b>	1,000	1,000
Equipment (net value)	10,000	<b>10,100</b>	10,200	10,300
	15,825	<b>15,925</b>	16,025	16,125
<b>Liabilities</b>				
Accounts payable	2,000	<b>2,000</b>	2,000	2,000
<b>Equity of Canada</b>	13,825	<b>13,925</b>	14,025	14,125

**TABLE 6: REVOLVING FUND - STATEMENT OF CASH FLOW****Table 6: Revolving Fund – Statement of Changes in Financial Position**

Appropriation (\$ thousands)		
Authority as at April 1, 2004		15,000
Drawdown:		
Projected balance as at April 1, 2004	13,625	
Total Estimates (net cash requirement)		
Operations	63,672	
Appropriation authority in these Estimates	(63,672)	
Changes in working capital	10	
Increase in net book value of fixed assets	200	
Projected balance as at March 31, 2005		13,835
<b>Unused authority as at March 31, 2005</b>		<b>1,165</b>

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## OTHER INFORMATION

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### LEGISLATION ADMINISTERED

*National Film Act*, R.S.C. 1985, c. N-8  
(most recently amended November 1, 1995)

### NATIONAL FILM BOARD OFFICES

Head Office: Ottawa

Operational Headquarters: Montreal

Canadian distribution

- CineRobotheque – Montreal
- Mediatheque - Toronto
- Call Centre (1 800 267-7710)
- web site ([www.nfb.ca](http://www.nfb.ca))

International distribution

- USA (New York)
- European Office (Paris)

English production centres

- Edmonton
- Halifax
- Montreal
- Toronto
- Vancouver
- Winnipeg

French production centres

- Moncton
- Montreal
- Toronto

## **RPP CONTACT LIST**

Maryse Charbonneau  
Director, Administration  
(514) 283-9050  
[m.charbonneau@nfb.ca](mailto:m.charbonneau@nfb.ca)

Audrey Doyle  
Director, Planning, Evaluation and Audit  
(514) 283-3242  
[a.doyle@nfb.ca](mailto:a.doyle@nfb.ca)