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Canada Periodical Fund Business Innovation

Application Guide
2015-2016

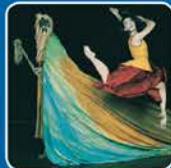


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Section A Canada Periodical Fund

A.1 Overview

The Canada Periodical Fund (CPF) provides financial support to Canadian print magazines, non-daily newspapers and digital periodicals to enable them to overcome market disadvantages.

Note: Underlined words are defined in [section F of the Applicant's Guide](#) or linked to a form.

A.2 Objective

Ensure Canadians have access to diverse Canadian content in printed magazines, printed non-daily newspapers and digital periodicals.

A.3 Program components

The CPF delivers its financial support through three components:

- **Aid to Publishers** provides funding to eligible Canadian print magazines and non-daily newspapers.
- **Business Innovation** offers support for projects to eligible small and mid-sized print [magazine](#) and [digital periodical](#) publishing firms.
- **Collective Initiatives** funds projects for organizations designed to increase the overall sustainability of the Canadian magazine and non-daily newspaper industries.

This guide covers only the Business Innovation component. More information about the [Aid to Publishers](#) and the [Collective Initiatives](#) components is available at www.pch.gc.ca/cpf.

A.4 How to contact us

Canada Periodical Fund
Business Innovation
Department of Canadian Heritage
25 Eddy Street, 25-8-U
Gatineau, Quebec
K1A 0M5

Telephone: 1 866-811-0055 (toll free in Canada)

TTY: 1 888-997-3123 (toll free in Canada)

Fax: 819-994-3154

Email: fcg-cpf@pch.gc.ca

Website: www.pch.gc.ca/cpf

Section B Business Innovation Component

B.1 Overview

The Business Innovation (BI) component offers support for projects to eligible small and mid-sized print [magazine](#) and [digital periodical](#) publishing firms. This component encourages innovation to adapt to changing market conditions and contributes to the diversity of content sought by Canadian readers.

The BI component will invest in projects that will increase the periodical's circulation, advertising revenue or visibility, that will strengthen the financial viability, or support business and professional development of eligible Canadian small and mid-sized periodical publishing firms.

B.2 Objectives

The overall objectives of the BI component are to:

- support innovation and the use of new technologies;
- strengthen the financial viability of Canadian small and mid-sized print magazines and digital periodicals;
- increase access to the market by Canadian small and mid-sized circulation print magazines and digital periodicals;
- encourage the development of the next generation of Canadian periodical publishing professionals;
- enhance the diversity of titles and [Canadian editorial content](#) available to readers and advertisers.

B.3 What's new?

The format of the Business Innovation Applicant's Guide, 2015-2016, has been changed in order to reduce the number of pages and provide a more user friendly experience. Previous versions of the guide included separate sections for criteria specific to print magazines and digital periodicals. These two sections have been combined and distinct criteria for each of the sub-components have been highlighted accordingly. In addition, the definitions that were no longer required have been removed.

Section C General Requirements for Print Magazines and Digital Periodicals

Projects are considered if they explore new technologies or business models, or if they are new initiatives not previously undertaken by the applicant.

The BI component will invest in projects that are well researched with activities that clearly demonstrate realistic objectives and measurable expected outcomes. The projects must be detailed and specific in terms of timeframe, activities, products, and costs, and be supported by a business plan, marketing plan or market research.

If none of these documents are available, the BI component will consider market research or the development of a business or marketing plan as a first project.

Applications submitted for 2015-2016 to the BI for Digital Periodicals sub-component will be considered even if these documents are not available. Digital periodicals are part of an emerging field. As such, Canadian Heritage accepts that they may not have a business plan, marketing plan or market research available.

C.1 Expected outcomes

The expected outcomes of the project must adhere to the objective of the CPF and at least one of the objectives of the BI component.

C.2 Funding levels

CPF funding can represent up to 75% of the total eligible costs of the project up to a maximum of \$25,000 per periodical per [fiscal year](#).

The maximum amount is established as follows:

- \$10,000 for a business plan;
- \$15,000 for a marketing plan or market research;
- \$25,000 for all other types of activities.

The maximum Canadian government contribution (federal, provincial, territorial and municipal), will not exceed 75% of the total costs of the project.

Note: Recipients may not receive funding from this component for the same type of project for more than two consecutive years. For business plans, marketing plans or market research, funding will be available for updates no sooner than every four years.

C.3 Project assessment

Each application will undergo review and assessment to ensure compliance with program requirements and government policies, and to ensure consistency and transparency of the process and best use of public funds. All project proposals will be evaluated on merit. Meeting the eligibility criteria does not guarantee project funding.

Note:

- Any projects started prior to approval by Canadian Heritage are undertaken at the applicant's risk.
- Projects with a maximum duration of 12 months are favoured.

C.4 Application deadline

There is no deadline to submit an application to the BI for Print Magazines and Digital Periodicals components of the Canada Periodical Fund. It is recommended that applications be submitted at least four months prior to the project start date.

C.5 Sub-components

Funding is available to:

- [Print Magazines](#) – This sub-component provides funding to magazines available in print, that may also exist in digital format, for example, website or mobile application.
- [Digital Periodicals](#) – This sub-component provides funding to magazines available in digital-only format.

Section D Eligibility Criteria

D.1 Publishing firms

Print Magazines and Digital Periodicals: Common Criteria

A publishing firm and its [affiliated companies](#) must:

- a) be in operation throughout the application process and until project completion;
- b) be majority [owned and controlled by Canadians](#);
- c) be private-sector entities, including corporations, not-for-profit organizations, partnerships and sole proprietorships;
- d) have their principal place of business in Canada;
- e) have a total average circulation per issue for all print magazines published that does not exceed 45,000 copies during the twelve (12) month reporting period ([as declared in Part G4.1 of the Appendix A1](#));

Digital Periodicals Only

- f) If the applicant does not publish print magazines: have a maximum total revenue for the digital only periodical applied for that does not exceed \$500,000 ([as declared in section H9 of the Application Form - Appendix A2](#));

D.1.2 Publications

Print Magazines and Digital Periodicals: Common Criteria

All Publications Must:

- a) be edited, designed, assembled, and published in Canada and have completed at least one uninterrupted full twelve-month publishing cycle prior to the application;
- b) be published at the time of application, throughout the application process, and until completion of an approved project;
- c) contain an average of at least 80% [Canadian editorial content](#) in the issues published during the reporting period;
- d) contain an average of at most 70% [advertising](#) in all the issues published during the reporting period. Advertising content will be calculated as a percentage of total pages published. Refer to [Appendix A1, Part E20](#) for calculation;

Print Magazines and Digital Periodicals: Distinct Criteria

Print Magazines Only	Digital Periodicals Only
e) be printed and appear in consecutively numbered or dated issues published under a common title, at a frequency of between 2 and 56 issues every year, including special issues ;	f) maintain a regular publishing or update schedule of not less than twice a year;
g) have at least 50% paid or request circulation ;	h) contain editorial content that is primarily original (over 50%);
<p>i) For paid circulation magazine subscriptions must be sold at either one of the following prices:</p> <ol style="list-style-type: none"> 1. at a minimum average subscription price of \$12 per year; or 2. at a minimum average subscription price of \$1 per copy <p>And</p> <ol style="list-style-type: none"> 1. single copies and newsstand copies must be sold at a minimum average single-copy price of \$1 per copy. 2. the prices must appear on the cover or in the masthead of the magazine. 	j) present a clearly displayed masthead or equivalent and have a URL address specific to the publication;
k) Have an average circulation of no less than 250 and of no more than 45,000 copies per issue. See Appendix A1 .	l) maintain an editorial function where the editor is named and present editorial content from more than one person;
	m) have a publishing revenue stream for the periodical, for example, subscription revenues, advertising sales, donations;
	n) Maintain one of the following types of circulation over six months: <ol style="list-style-type: none"> 1. Paid subscription service: maintain an average of 500 subscribers. 2. E-mail based service: maintain an average of 2,000 registered email recipient.

	3. Open access service: maintain an average of 5,000 unique monthly visitors .
	o) NOT be available in print.

**Exceptions for Print Magazines and Digital Periodicals
(Canadian Editorial Content)**

p) [Ethnocultural periodicals](#) are required to contain an average of at least 50% [Canadian editorial content](#) in the issues published during the reporting period;

**Exceptions for Print Magazines
(Paid Circulation and Request Circulation)**

q) [Aboriginal](#), [ethnocultural](#), [official-language minority](#) and [gay, lesbian, bisexual, or transgendered \(GLBT\)](#) magazines are not required to maintain either 50% [paid](#) or [request circulation](#). Refer to [Appendix A1, Part F](#). for calculation.

D.1.3 Ineligible periodicals

Ineligible periodicals include:

- a) [newspapers](#) (daily or non-daily), loose leaf-magazines, free print magazines, digital periodicals published by daily newspaper publishers, book publishers and/or broadcasters;
- b) [newsletters](#);
- c) magazines or digital periodicals produced by or for an organization that primarily reports on the activities or promotes the interests of the organization, where the main business is not periodical publishing;
- d) magazines or digital periodicals produced under contract by a non-Canadian organization on behalf of a Canadian client, or produced under contract by a Canadian organization for a non-Canadian client;
- e) magazines or digital periodicals produced by or for an organization providing goods or services where the main goal of the magazine is to enhance or promote the sales of such goods and services;
- f) [professional association periodicals](#);
- g) magazines or digital periodicals produced by or for a government, a Crown corporation or a government agency;
- h) magazines or digital periodicals whose editorial content is primarily reproduced or repeated from current or previous issues of the same magazine or of other publications;
- i) magazines or digital periodicals with editorial content that is made up of more than 50% of the following, singly or in combination: [listings](#), catalogues, magalogues, directories, guides, financial reports, schedules, calendars, timetables, comic books, cartoons, puzzles, games and horoscopes; and
- j) magazines or digital periodicals that contain [offensive content](#) in the opinion of Canadian Heritage.

k) digital periodicals which are also published in a print version.

D.1.4 Projects and eligible expenses

Eligible expenses must be directly associated with the project and can be of cash and/or [in-kind](#) value. Any and all expenses that are not directly associated with the project are not considered eligible, including ongoing operating and production costs. It also includes ineligible expenses such as hospitality costs and incentive prizes for use in contests, sweepstakes, draws or subscription drives. All costs associated with travel, including accommodation and per diem, must follow the [Treasury Board Secretariat approved allowances](#).

Priority will be given to projects that demonstrate one or more of the following:

- promote and increase access to Canadian history content, especially those related to the Road to 2017: <http://canada150.gc.ca/eng/1344275520795/1344275731901>

Note: Please write “HISTORY” in capital letters next to the title of your project in Box 1 of Appendix B1-B2. All elements/activities related to history must be clearly identified in the Project description in Box 3 of Appendix B1-B2.

The following is a list of examples and is by no means exhaustive.

Project Category	Eligible Expenses
<ul style="list-style-type: none"> • Promotional activities, such as trade shows or special events. 	<ul style="list-style-type: none"> • Costs associated with the production of promotional materials, consultant fees, salaries, travel costs (economy class), venue rental, booth rental, etc. Note: hospitality costs and incentive prizes are not eligible.
<ul style="list-style-type: none"> • Advertising (including e-marketing). 	<ul style="list-style-type: none"> • Costs associated with purchasing print, radio, television, online ads and costs associated with direct mail marketing, newsstand display, etc.
<ul style="list-style-type: none"> • The development of a business plan, market plan or market research, such as reader surveys. 	<ul style="list-style-type: none"> • Salaries, consultant fees, etc.
<ul style="list-style-type: none"> • Website updates, rebranding or redesign. 	<ul style="list-style-type: none"> • Costs related to the creation and enhancement of the website, specialized software, consultant fees, or salaries, etc.
<ul style="list-style-type: none"> • Increasing mobile access to content. 	<ul style="list-style-type: none"> • Specialized software, consultant fees, salaries, fees associated with the launch of a mobile application, etc.

<ul style="list-style-type: none"> Capacity building including custom built software and professional development. 	<ul style="list-style-type: none"> Registration fees for conferences, courses, training, consultant fees, salaries, specialized software purchases, etc.
<ul style="list-style-type: none"> Digitization. 	<ul style="list-style-type: none"> Specialized software, consultant fees, salaries, etc.
<ul style="list-style-type: none"> Magazine redesign or rebranding; 	<ul style="list-style-type: none"> Consultant fees, specialized software, design, etc.
<ul style="list-style-type: none"> Special issues, special interest publications, new print and digital content offerings; 	<ul style="list-style-type: none"> Freelancers, salaries, specialized software, design, etc.
<ul style="list-style-type: none"> E-Commerce. 	<ul style="list-style-type: none"> Addition of e-commerce such as, a paywall, online subscriptions, purchasing of back issues, sales of associated products, etc.
<ul style="list-style-type: none"> General 	<ul style="list-style-type: none"> Overhead costs related to the project, for example, long distance telephone charges, fax, photocopying, couriers, accountant fees, and other expenses, up to 10% of total eligible expenses.

Note: A salary that is paid to an individual who is working directly on the project must be considered as a cash expense. The amount should be pro-rated to the time the employee actually spends on the project. Any such claims of salaries and time must be verifiable by an auditor. It is strongly recommended that recipients expecting to claim salaries implement a system to track these costs, such as keeping detailed timesheets. Donated time is considered an in-kind expense.

D.2 Application process

D.2.1 Deadline

It is recommended to submit your application at least four months prior to the project start date. Any projects started prior to approval by Canadian Heritage are undertaken at the applicant's risk.

D.2.2 Application to more than one CPF component

Publishing firms may apply to the Aid to Publishers and the Business Innovation components, and if successful, receive financial support from both during the same fiscal year.

D.2.3 Application instructions

Read the Applicant's Guide carefully, including the [definitions](#) to ensure that you meet the publishing firm and magazine eligibility criteria.

Verify that the application form, project proposal, and relevant documents are fully completed, and ensure that the application form bears the applicant's original signature.

Keep a copy of the package for your records.

An application missing required information or supporting documents may result in the project not being further considered for funding.

Should you have any questions, do not hesitate to [contact a BI representative](#) for assistance.

D.2.4 Documents required for your application

Application form

- Application form – CPF BI for print magazines – [Appendix A1](#) or digital periodicals – [Appendix A2](#).

This signed form is part of a complete file and is required by the program to officially open a request for funding file.

Project information

Other forms to be completed and tools available on the CPF website:

- a) Project proposal for print magazines – [Appendix B1](#) or digital periodicals [Appendix B2](#);
- b) Detailed expenses and revenues of the project and amount requested from the CPF [Appendices C](#) and [D](#). For projects overlapping two fiscal years, provide the information by fiscal year.

Other required documents

Print Magazines Only	Digital Periodicals Only
<p>a) <u>Business plan, marketing plan or market research</u></p> <p>The BI component will invest in projects that are well researched with activities that clearly demonstrate realistic objectives and measurable expected outcomes. The projects must be detailed and specific in terms of timeframe, activities, products, and costs, and be supported by a business plan, marketing plan or market research.</p> <p>If none of these documents are available, the BI component will consider market research or the development of a business or marketing plan as a first project.</p>	<p>b) <u>Full unrestricted access to the Digital Periodical and a detailed explanation of methodology used to calculate Canadian content in Digital Periodicals</u></p> <p>Digital Periodicals must be made fully accessible to the program in order to determine eligibility. In addition, Digital Periodicals must provide the program with a clear explanation of how you arrived at the percentage of Canadian content reported in Section E.19 of Appendix A2.</p>
<p>c) <u>Marked up copy of the print magazine</u></p> <p>How to mark up content in an issue: Using the last regular issue of the financial year, applicants must identify with a BLACK MARKER, the type of content on each page using the following codes:</p> <p>C – Canadian editorial content F – Foreign editorial content A – Advertising N – Non-revenue pages</p> <p>Calculate the number of pages for each type of content by rounding off to the nearest whole number. Enter the result for each type of content in section E of the BI - Application Form – Appendix A1.</p>	<p>d) <u>Financial statements of the publishing firm</u></p> <p>The applicant must submit financial information of the magazine and the complete financial statements for the two most recent years of the publishing firm at the highest level available, covering the reporting period indicated in section D1 of the BI Application Form. The financial statements required must be at one of the following levels:</p> <ol style="list-style-type: none"> Audited; review engagement report; notice to reader; or internally prepared financial report

<p>e) <u>Financial statements of the publishing firm</u></p> <p>The applicant must submit financial information of the magazine and the complete financial statements for the two most recent years of the publishing firm at the highest level available, covering the reporting period indicated in section D1 of the BI Application Form. The financial statements required must be at one of the following levels:</p> <ul style="list-style-type: none"> a) Audited; b) review engagement report; c) notice to reader; or d) internally prepared financial report 	
<p>f) <u>Circulation information</u></p> <p>Print magazines must provide documents, such as a circulation report or printing invoices. These documents must support the circulation information indicated in section E1 and cover the reporting period declared in section D2 of the BI Application Form – Appendix A1. Compilation or summary reports in lieu of circulation reports are not accepted.</p> <p>The Canada Periodical Fund accepts reports from the following audit circulation boards:</p> <ul style="list-style-type: none"> ▪ Canadian Circulations Audit Board, a division of BPA Worldwide ▪ Alliance for Audited Media ▪ Canadian Community Newspapers Association / Canadian Media Circulation Audit 	

Note: The CPF reserves the right to request additional information and/or clarification at any time.

Readership information

Digital periodicals must submit one of the following to support circulation levels declared in [Part G](#) of the application form:

Business model	Circulation measured	Supporting document
Paid subscription service	Average number of paid subscribers over six months.	Declaration in Part G2 of Appendix A2 . Applicants must retain a copy of their subscribers list for five years should the program conduct an audit.
Email-based service	An average number of registered email recipients over six months.	Declaration in Part G4 of Appendix A2 . Applicants must retain a copy of the email recipients list for five years should the program conduct an audit.
Open-access service	An average number of unique monthly visitors over six months.	A valid report from a Web auditing tool such as Google Analytics (free), Web Trends, a circulation board or other deemed acceptable by the program. It is necessary to ensure that the total readership does not count internal Internet Protocol addresses or bot/spider traffic. Canadian Heritage reserves the right to refuse a report that is deemed unacceptable.

Section E Program and Department of Canadian Heritage Provisions

E.1 Additional information and successful applications

The CPF reserves the right to request additional information or clarifications at any time. If your application is successful, you will receive full details about the conditions of your funding, and may be asked to sign an agreement requiring you to fulfill those conditions.

E.2 Changes to a publishing firm or a periodical

Applicants and recipients must immediately inform the CPF if one or more of the following changes occur:

- name of publishing firm;
- title of periodical;
- periodical ceases publishing or changes to digital format;
- insolvency - Assignment in Bankruptcy;
- sale of periodical or publishing firm: should shares or assets of the periodical or the publishing firm be sold, merged or by any other means transferred, leading to a change of control of the specific firm or of the specific periodical, the following applies;
 - the Department must be advised before the transaction is finalized, to determine whether the periodical and new owner remain eligible;
 - if applicable, it is the entire responsibility of the parties to agree on the value of the assets to be sold, which includes any financial type of support received from the Department;
 - the current owner must send a copy of the sale contract to the Department. The contract must specify the intention of both parties vis-à-vis the financial support;
 - if applicable, the publishing firms must sign an Assignment and Assumption Agreement, and the new owner must submit proof that it is Canadian owned and controlled. Otherwise, it will cease to be eligible to the CPF;

All or part of the financial support will have to be reimbursed, if the recipient ceases to be eligible during any part of 2015-2016.

E.3 Acknowledgement of funding

All funding recipients must publicly acknowledge, in English and in French, the financial support received from the Government of Canada in all communication materials and promotional activities related to the funding agreement, such as advertising, promotional and program materials, public announcements, speeches, websites, social media, etc. The Department's requirements for public acknowledgement of financial assistance were updated in 2014 and are now part of the funding agreements.

The Department's [Guide on the Public Acknowledgement of Financial Assistance](#) will assist funding recipients in complying with the requirements described in the funding agreement.

E.4 Minister's discretion and decisions

The eligibility criteria and guidelines of the CPF do not restrict the discretionary power of the Minister of Canadian Heritage. Decisions of the Minister regarding the eligibility and the funding of applicants are final.

E.5 Evaluation of the program

The Department will conduct periodic evaluations of the CPF. During an evaluation, recipients must make available any records, documents, or other information that may be required to perform the evaluation.

E.6 Audits of projects

Canadian Heritage conducts audits on a sample of successful applications each year; the Department will assume the audit cost. In such cases, recipients must make available any records, documents, or other information that may be required to perform the audit. Recipients must retain for at least five years supporting documents related to the information provided in all application forms.

A recipient found to have submitted false or unsupported information may be required to repay the full amount of the financial support received, and may be declared ineligible from the CPF for the next two [fiscal years](#) or more.

E.7 Disclosure of information to the Government of Canada

By applying to the CPF, applicants authorize the Department of Canadian Heritage to disclose any information received in applications within the Government of Canada or to outside entities for the following purposes: to reach a decision on an application; to administer and monitor the implementation of the project; and/or to evaluate the results of the project and this program after project completion.

The disclosure of any information received in an application may also be used to reach a decision on any other applications by the applicant for financial support under any other Canadian Heritage program. Data may also be transferred to Statistics Canada for statistical purposes.

E.8 Information that could be made public

When funding is approved, the amount awarded for each of your periodicals, the purpose for which the funds are granted, and the name of the recipient, are considered public information. This information may be disclosed without consulting the recipient and may be listed on the CPF website or disclosed in public documents produced by Canadian Heritage.

E.9 Access to Information requests

If an access to information request is received regarding an application for financial support or any other document in the Department's possession containing information about a publishing firm, the information provided to the Department will be treated in accordance with the *Access to Information Act* and the *Privacy Act*.

E.10 Protection of personal information

Your personal information is protected under the *Privacy Act*. Only information needed for operating the CPF and measuring its results will be requested. The collection and use of personal information for this program is authorized by the *Department of Canadian Heritage Act* and is required for your participation.

E.11 Official languages

Should funding be approved, the applicant must ensure that communications with and services to the public are provided in both official languages of Canada in accordance with the spirit and intent of the [*Official Languages Act*](#).

Section F Definitions

Underlined words in this guide are defined in this section.

Aboriginal periodical

A periodical that is primarily targeted to and concerned with and serving First Nations, Inuit or Métis peoples and communities.

Advertising

Includes: paid advertising, contra or in-kind advertisements and advertorials.

Does not include: charitable; public service; house advertisements; the masthead; or other non-revenue pages.

Affiliated companies

For the CPF, companies will be considered affiliated if:

- one or more employees, officers or directors of a company, during their mandate, control the management and/or policies of another company;
- the periodicals are owned and controlled by the same company; or
- the company owns and controls at least 51% of the voting shares or assets of the other companies.

Articles of Incorporation

The Articles of Incorporation are a legal document filed with a provincial or territorial government, or the federal government, which sets out a corporation's purpose and regulations.

Business Number

A Business Number (BN) is a unique 9-digit number assigned by the Canada Revenue Agency. A sole proprietor, partnership, corporation, trust or other organization must enter their BN on the application form in part B, "Publishing Firm Information" Line B3. For additional details, see www.cra-arc.gc.ca/tx/bsnss/tpcs/bn-ne/menu-eng.html.

Canadian editorial content

Editorial content (text and images) created or translated by a Canadian citizen or a permanent resident of Canada within the meaning of the *Immigration and Refugee Protection Act*. Translated editorial content by a citizen or a permanent resident of Canada within the meaning of this *Act* will be considered Canadian content if the editorial content is translated into one of the two official languages. Note: translation does not modify the nature of the editorial content.

Canadian ownership and control

An eligible publisher or periodical must be majority owned and controlled by a Canadian. For the program, "Canadian" means:

- a) a Canadian citizen;
- b) a permanent resident within the meaning of the *Immigration and Refugee Protection Act*;

- c) a Canadian corporation (see below);
- d) a partnership, trust or joint venture in which a person or any combination of persons referred to in a), b) or c), beneficially owns and controls, directly or indirectly, interests representing in value at least 51% of the total value of the assets of the partnership, trust or joint venture, as the case may be, and of which the president or other presiding officer, and more than half of the directors or other similar officers are persons referred to in a) or b) above; or
- e) a not-for-profit organization in which at least 51% of its members and directors are persons referred to in a) or b) above.

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

A “**Canadian corporation**” is one that meets the following criteria:

- a) a corporation that is incorporated under the laws of Canada, a province or a territory;
- b) a corporation whose principal place of business is in Canada;
- c) a corporation whose president or other presiding officer, and more than half of the directors or other similar officers are Canadian citizens or permanent residents within the meaning of the *Immigration and Refugee Protection Act*;
- d) a corporation, in the case of a corporation with share capital, of which Canadians beneficially own and control, other than by way of shares held only as security, directly or indirectly, in the aggregate at least 51% of all the issued and outstanding voting shares representing more than half of the votes; and
- e) a corporation, in the case of a corporation without share capital, of which Canadians beneficially own and control, directly or indirectly, interests representing in value at least 51% of the total value of the assets.

As an exception to the requirement for both Canadian ownership and Canadian control, publishing firms that are owned by Canadians and have operated in Canada as a publisher of periodicals for at least thirty years will not be found ineligible only for the reason that they are not Canadian-controlled.

Circulation report

A circulation report issued by an accepted audit circulation board that reports on the volume of circulation by source, circulation type by breakout, locations of distribution, and selling price for a magazine during a specific period.

Complementary circulation

The number of copies distributed free of charge.

Consumer periodical

A periodical aimed at the public, of two types:

- General interest: dealing with broad topics likely to be of interest to anyone, such as news, general history, and entertainment.
- Special interest: dealing with niche topics, such as hobbies, cooking, sports or countless others. This is the most common type of periodical.

Controlled circulation

The number of copies distributed free of charge on a regular basis to consumers selected by the publisher.

Cost of goods sold

This is the value of the opening stock plus all purchases less the value of the closing stock.

Digital periodical

A digital periodical is defined as primarily text, photography, and illustrated editorial content delivered through a website, download or email that is published on a regularly scheduled basis under a common title and governed by an editorial function (editor).

Editorial content

The space in a periodical, excluding advertising and non-revenue pages, which consists of text, photographs, graphics, and illustrations. For additional information, see the definition of Canadian editorial content.

Editorial function/edited in Canada

The commissioning of editorial material and artwork; directing writers, illustrators and photographers regarding the final form of the material; and laying out, copy editing and proofreading, and otherwise preparing the contents for publication; must be done in Canada.

Ethnocultural periodical

A periodical that primarily serves, or is primarily concerned with, a commonly recognized specific cultural or racially distinct community or specific linguistic group using other than Canada's official languages. An ethnocultural periodical may be published in any language.

Farm periodical

A periodical aimed at the farming industry, including animal farming.

Financial year (of the publishing firm)

Refers to the publishing firm's financial year consisting of an accounting period of 12 consecutive months.

Fiscal year (of the Government)

Refers to the federal government fiscal year, which starts on April 1 of a given year and ends on March 31 of the following year.

Foreign editorial content

Editorial content (text and images) created or translated by a person who is not a Canadian citizen or a permanent resident of Canada within the meaning of the *Immigration and Refugee Protection Act*. If the creator or translator is unknown, or if the citizenship cannot be determined, the editorial content is deemed foreign.

GLBT periodical

A periodical that primarily serves or is primarily concerned with the gay, lesbian, bisexual, or transgendered communities.

International Standard Serial Number (ISSN)

An internationally agreed upon standard number that uniquely identified a publication. It is assigned by the ISSN Network.

In-kind contribution

The contribution by an individual, business or organization of materials, goods, services or time to the project, which would otherwise be a necessarily incurred expense. In-kind costs are not funded by the program although they are calculated in the total eligible costs of the project. To be eligible, the in-kind contribution must be essential to the project's success, and otherwise would be purchased and paid for by the applicant. The applicant must also indicate the fair market value: for example, if the applicant has an arrangement whereby it normally has access to a preferred rate for goods or services, fair market value is that preferred rate, not a standard rate.

Note:

- Canadian Heritage reserves the right to limit the amount claimed as in-kind contribution and/or obtain independent appraisals to determine the value of in-kind contributions.
- A salary that is paid to an individual who is working directly on the project must be considered as a cash contribution.

Listings

A series of words, numbers, paragraphs, photos, or other items, which may include descriptions, opinions or analysis. Examples: stock listings, sports scores and standings, television listings, product descriptions and restaurant descriptions. Adding star rating or other indicators to descriptive text does not constitute opinion or analysis.

Magazine

A print magazine is commonly recognized as a magazine, that is paginated and bound, appears in consecutively numbered or dated issues, is published under a common title at regular intervals and may possess an International Standard Serial Number (ISSN).

Masthead

The section of a periodical which lists information on the staff, the publisher, the editorial board, and provides contact information.

Newsletter (for print magazines)

A print magazine scoring six or more points on the following scale is a newsletter and is not eligible under the BI Component.

Specifications		Points
1.	No cover page – the articles start immediately	2
2.	Unbound	2
3.	Fewer than 20 pages	2
4.	No table of contents	1
5.	Does not list authors	1
6.	No full masthead	1
7.	No regular editorial columns or letters to the editor	1
8.	Part of a continued series (volumes)	1
	Total	/11

Newspaper (for print magazines)

A print magazine scoring six or more points on the following scale is a newspaper and is not eligible to the BI component.

Specifications		Points
1.	Broadsheet format, tabloid format or outsized (larger than 8-1/2 x 11 inches)	2
2.	Unbound	3
3.	Printed on any type of newsprint	1
4.	Identified as a newspaper (daily or non-daily)	1
5.	Cover subdivided (articles, boxed photos)	1
6.	Advertising on front cover	1
7.	Divided into detachable regular sections, such as news, analysis, entertainment, sports	1
	Total	/10

Non-revenue pages

All pages other than [advertising pages](#), contra or in-kind or editorial. They can include self-promotional pages, pages donated to local charities or businesses, delivery of in-kind services, etc. Blank pages are considered to be non-revenue pages.

Offensive content

Periodicals or projects that, in the opinion of the Department of Canadian Heritage, contain or promote any of the following:

- material that is hate propaganda, obscene or child pornography, or any other illegal material, as defined in the *Criminal Code*;
- pornography or other material having significant sexual content unless it can be demonstrated that there is an overriding educational or other similar purpose;

- material that contains excessive or gratuitous violence;
- material that is denigrating to an identifiable group; or
- any other similarly offensive material.

Official-language minority periodical

A periodical that is published in English or French in a region of Canada where the language and content of the periodical primarily serves and is concerned with an official-language minority community for example, a French-language community outside of Quebec or an English-language community in Quebec.

Paid circulation

Copies of a magazine sold through subscriptions, single-copies/newsstand sales and sponsored copies.

Professional association periodical

- A periodical which meets **all** the following conditions:
- is directly owned by an association;
- membership in the association is necessary to maintain a professional status which is recognized by a federal or provincial statute; and
- membership in the association includes paying professional dues which are deductible under subparagraph 8(1)(i) (i) of the *Income Tax Act*.

Registered email recipient

Person to whom an email message is sent directly and has previously agreed to be contacted to receive the content.

Regularly scheduled basis

Is published in accordance to an established publishing calendar.

Religious periodical

A periodical that is primarily religious in purpose and content.

Request circulation (eligible copies)

Non-paid eligible copies of magazines that are individually addressed to recipients who have directly requested them from a publishing firm using written, telephone, email or fax request. Applicants under direct request circulation must always provide 12-month circulation reports from an audit circulation board accepted by the CPF.

Scholarly journal

A periodical, aimed at specialists, which presents results of research in a specific field for disseminating knowledge.

Special issue

A special issue:

- is published within the regular publishing cycle;
- focuses on a specific theme or topic;
- has a title and an International Standard Serial Number (ISSN) common to the host periodical; and
- has its cost included in the subscription cost of the regular publishing cycle.

Sponsored circulation

Copies purchased by a sponsor for distribution to targeted consumers to increase its business relationship with the consumers.

Subscriber

An individual who has knowingly paid or undertaken to pay for a subscription to a periodical, to be delivered over a specified period.

Trade periodical

A periodical that is targeted to workers in a particular field of employment, usually using [request circulation](#). Also known as a business, business-to-business or professional periodical.

Unique monthly visitor

Visitor of a website for which the number of visits of the same site, for 30 days, is counted only once. Sites often calculate unique visitors based on the Internet Protocol address information.