

Operating context

The key trends in the audiovisual industry have been documented for several years. The most recent findings for Canada show that Canadians are increasingly likely to turn to digital distribution channels and connected devices to access the video content that interests them. Youth in particular use them to “consume content, create their own and share it with each other.”¹ The proliferation of content distribution platforms, rapid development of new technologies, and availability of a near-infinite array of content are some of the realities that impact the NFB’s ability to fulfil its mandate. As a result, the NFB must continually adapt and innovate in terms of how it produces, promotes and makes content accessible and discoverable to different audiences.

The global pandemic is a key external factor affecting the ability of the NFB to achieve its planned results for 2021–2022. The temporary closures of movie theatres and public and community spaces will have a direct impact on the NFB’s capacity to engage with its audiences in public spaces. The uncertainty surrounding the pandemic makes it difficult to predict the potential decline in audiences in this channel.

The steady reduction of the NFB’s distribution revenues over the years due to the erosion of traditional revenue sources such as DVD sales and broadcast licences (“trading analog dollars for digital pennies”) will be further impacted by COVID-19, in part due to cancelled industry events and fewer sales opportunities.

The need to update the organization’s aging technology infrastructure also became more urgent as a result of the pandemic. The NFB took immediate measures to implement some of the initiatives in its Investment Plan ahead of time, in order to minimize the pandemic’s impact on its production and distribution activities and allow filmmakers and NFB technical staff to resume their work, which was made possible thanks to technology facilitating remote collaboration. The institution must pursue these initiatives in 2021–2022.

Beyond these challenges, the NFB is operating within an already constrained budgetary context and is faced with additional fiscal pressures that could make it difficult to maintain financial sustainability.

¹ <https://trends.cmf-fmc.ca/research-reports/key-trends-reports-audiovisual-industry-2020/>