

**Newfoundland and Labrador Film  
Development Corporation**

Business Plan 2020-2023

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## Message from the Chair

As Chair of the Newfoundland and Labrador Film Development Corporation (NLFDC), I am pleased to submit the Business Plan for the next three fiscal years, 2020-23. This Plan was prepared considering the strategic directions of the provincial government and the requirements of a category two entity under the **Transparency and Accountability Act**. As Chairperson of the NLFDC, my signature indicates the Corporation's accountability for the goals and objectives detailed in this document.

All film and television projects that the NLFDC invests in through development, equity and tax credits are ultimately export projects: all require audiences beyond our shores and all require outside investments. In order to leverage this outside funding into Newfoundland and Labrador, the NLFDC's incentives are essential – but also “last-in”. Our investments are not made until any project's other commitments are secured, triggering our incentives. This makes the investments not only relatively safe financially, but also ensures that the economic activity that the NLFDC seeks is the desired outcome.

The strong economic benefit is that, in a three-to-one ratio, money is leveraged into the province and spent on local employment, goods and services. Ultimately, it is our film and television production companies that conceive, create and market the projects. As Newfoundlanders and Labradorians, we can all be proud of the many acclaimed shows that have been national and international successes: they not only tell our stories to the world, but in so doing, are an industry.

Sincerely,



Mark Sexton  
Chair, Board of Directors (NLFDC)

# Introduction

The film and television industry in Canada and internationally is strong and growing. In Canada alone, the amount of production activity in 2018-19 was approximately \$9.5 billion, according to data compiled by the Canadian Media Producers Association. For Newfoundland and Labrador, the screen industries represent an opportunity to create highly skilled, well-paying jobs in a creative industry, to bring substantial new investments into the province, and to highlight our talent and locations to the world.

# Overview

The Newfoundland and Labrador Film Development Corporation (NLFDC) was established in February 1997, under the **Corporations Act**, and the offices of the Corporation opened in the fall of that same year.

The NLFDC was created to grow the local screen industries of the province, both through the creation of local film and television productions for national and international markets, and as a destination for guest productions to shoot in Newfoundland and Labrador. The NLFDC is the first point of contact for local screen industries on a daily basis, as well as potential outside partners interested in investing in the province through various screen industry projects.

# Mandate

As a Crown corporation, the NLFDC's mandate is to promote the development of the film and video industry in the province and to promote the province's film and television products and locations nationally and internationally.

The NLFDC is the front line of the film industry to the public and, on behalf of Newfoundland and Labrador, to the nation and the world. It fields many requests and enquiries concerning Newfoundland and Labrador as a shooting location and advises local filmmakers, production companies and crew. The NLFDC provides information on

all elements of the film industry including its own programs and those of other local organizations, as well as information regarding national funders, broadcasters, and distributors.

### **Vision**

The vision of the NLFDC is of viable, healthy and stable screen industries in Newfoundland and Labrador.

### **Lines of Business**

The NLFDC is an entity that fosters and supports local screen industries. Through its six programs, the NLFDC offers local producers and outside producers/productions the support needed to help the province's production sector flourish. The NLFDC's lines of business are outlined below:

**The Equity Investment Program (EIP):** The EIP provides funding in the form of equity investment to eligible producers for the financing of productions. The NLFDC will normally provide a maximum contribution of 20 per cent of the total production budget. In order to access these funds, applicant companies must be incorporated in the province and must be owned 51 per cent or more by residents of Newfoundland and Labrador. Within the EIP, the NLFDC administers the Development Program, which may provide up to a maximum of 33 per cent of an eligible development project budget.

**Film and Video Tax Credit Program:** The Government of Newfoundland and Labrador offers a Film and Video Industry Tax Credit, which is co-administered by the NLFDC with the provincial Department of Finance. It is a fully refundable corporate income tax credit based on the amount spent on eligible Newfoundland and Labrador labour.

The tax credit has an additional feature called the "deeming provision" through which a portion of amounts paid to non-residents in leadership positions may be included in the

tax credit calculation when a qualified resident is unavailable and the non-resident serves as a mentor to a resident of the province.

**Sponsorship Program:** The NLFDC's Sponsorship Program is designed to foster and promote the development and growth of the local film and video industry. The program provides qualified individuals and organizations with funding assistance, which enables them to promote the products of the local industry. This will be achieved through three distinct sub-programs: Promotional Travel, Marketing and Distribution and Workshop Assistance.

**Professional Development:** The NLFDC has a full-time Industry Analyst who works on behalf of crew, producers and filmmakers to organize and support specific workshops, training opportunities, job placements and other projects designed to increase the local industry's capacity. The Industry Analyst also administers the deeming provision of the Film and Video Tax Credit Program (described above), which supports these efforts.

**Marketing Newfoundland and Labrador:** As the Film Commission for the province, the NLFDC supports the provincial film industry's ability to attract business through national and international marketing of the industry and the province as a location for production and post-production. The NLFDC partners with the Atlantic Canada Opportunities Agency (ACOA) and the Government of Newfoundland and Labrador to provide access for production companies to international markets.

### Primary Clients

The NLFDC's focus is the continued growth of the screen industries in Newfoundland and Labrador. To ensure this growth, the NLFDC has identified both primary and secondary clients. Both groups are vital to the growth of the industry and fulfilling the unique needs of both types of clients is crucial to achieving the mandate of the Corporation.

The NLFDC's primary clients are Newfoundland and Labrador film and television producers. The NLFDC provides advice and represents local producers at global industry

events. On behalf of these local producers, the NLFDC advocates for sustained industry growth to provincial and federal organizations. By implementing the EIP, the Film and Video Tax Credit Program, the Professional Development, and Sponsorship Program, the NLFDC seeks opportunities to create a greater industry presence.

The NLFDC's secondary clients are resident crew members and filmmakers. Both "above-the-line" (i.e., writers, directors, and producers) and "below-the-line" (i.e., technical crew) personnel and staff can benefit from the NLFDC's many professional development opportunities. Personnel are able to enrich their skills through the many different workshops facilitated by the NLFDC and its partners. These include technical workshops and classes focusing on the creative side of the screen industries.

Additionally, there are secondary clients related to marketing our industry and the province itself as an on-site location to film. These clients would include producers and location scouts both nationally and internationally who are looking to shoot a guest production in Newfoundland and Labrador and are seeking co-production opportunities with this province.

### **Employees**

The NLFDC has four staff members, of which three are female and one is male. On behalf of the province, the NLFDC administers an annual \$2 million Equity Investment Fund for both development and equity investments in film and television. Additionally, the NLFDC assesses part one and part two of tax credit applications for film and television projects, for which it makes recommendations, as co-administrator, to the provincial Department of Finance. One element of the tax credit that the NLFDC offers is the deeming provision that provides training opportunities for career enhancements for local crew persons.

### **Board of Directors**

As of September 30, 2020, the Board consisted of the following members:



### **Chairperson:**

Mark Sexton, St. John's, Branch Manager/Wealth Advisor Scotia McLeod

### **Members:**

Noreen Golfman, St. John's, Professor, Department of English, Memorial University of Newfoundland

Cheryl Stagg, Stephenville, Fred R. Stagg Law Office

Colleen Kennedy, Rocky Harbour, Gros Morne Co-op Association

Craig Goudie, Grand Falls-Windsor, Retired Teacher

Carmela Murphy, St. John's, Department of Tourism, Culture, Arts and Recreation

Cyndy Stead, Port Rexton, Project Manager

### **Budget**

The NLFDC annual budget for 2020-21 is \$4,611,000. This amount includes provincial appropriations of \$611,000 to provide for marketing, operating and program support and \$4,000,000 for funding to the Corporation for equity and other business financing assistance to telefilm companies in the Province.

### **Responsibility Areas**

The responsibility areas of the NLFDC include administering the programs such as:

1. Equity Investment Program (EIP) – Development and Equity Investment;
2. Co-administering the Film Tax Credit with provincial Department of Finance;
3. Professional Development;
4. Sponsorship Program; and
5. Marketing the Province as Film Commission for Newfoundland and Labrador.

As the sole film commission for the province, the NLFDC represents Newfoundland and Labrador externally and internally in the film development arena.

### **Horizontal Initiatives**

The Newfoundland and Labrador Film Development Corporation partners directly and indirectly with a number of departments and entities of the provincial government in order to help create the necessary film and television industry ecosystem.

These include the Department of Finance for the co-administration of the tax credit; the internationalization division of the Department of Industry, Energy and Technology for support of production company marketing efforts; the Department of Tourism, Culture, Arts and Recreation's Culture Economic Development program; Arts NL for its investment in local film festivals and the Newfoundland Independent Filmmakers Co-operative. Additionally, NLFDC partners with Memorial University, Grenfell Campus, and the College of the North Atlantic for their educational programs.

Federal and municipal government partnerships are also key to the success of the Newfoundland and Labrador film and television industry. Municipalities are the frontline for the permission of local productions to shoot in their jurisdictions and their support is vital.

Nationally, there are a number of entities including the Canada Revenue Agency and several agencies of the Department of Canadian Heritage, which are essential including, Telefilm Canada, the Canada Media Fund, the Canadian Audio-Visual Certification Office, and the National Film Board of Canada. The NLFDC relies on their partnerships for the success of the local industry.

In particular, the federal government's ACOA works closely with the Newfoundland and Labrador film and television sector in a number of ways. In 2020-23, the NLFDC will continue to collaborate with ACOA to provide an international market access program for Atlantic production companies to bring investments into our region and target specific

training initiatives. As well, over the next three years through our ACOA partnership, the NLFDC will undertake a timely industry study, which will help create a roadmap for the local industry's future.

### **Physical Location**

Newfoundland and Labrador Film Development Corporation

12 King's Bridge Road, St. John's, NL A1C 3K3

Telephone: (709) 738-3456 or toll-free: 1-877-738-3456 (within Canada)

Facsimile: (709) 739-1680

General Email: [info@nlfdc.ca](mailto:info@nlfdc.ca)

Website: [www.nlfdc.ca](http://www.nlfdc.ca)

### Strategic Issue

The priority issue of the NLFDC is a result of the uniqueness of the screen industries in Newfoundland and Labrador. With the ever-changing world of film and television and the financing, marketing and technology related to each, the NLFDC needs to be proactive in order to nurture growth. Drawing from national and international models, the NLFDC will seek out the best methods for development tailored specifically to the province. Currently, the priority issue for the NLFDC and the industry in the province is to plan for and manage the promotion of Newfoundland and Labrador as a filming location for co-productions and service productions.

NLFDC will be reporting on the same objective for the 2020-21, 2021-22, and 2022-23 fiscal years, with improvements shown year after year through its indicators.

### Promote Newfoundland and Labrador as a Destination for Film and Television Productions

#### Goal

By March 31, 2023, the NLFDC will have effectively promoted Newfoundland and Labrador as a destination for film and television productions.

#### Goal Indicator

- Conducted industry study to renew and implement best practices.
- Supported industry partners in film and television development.
- Supported industry partners in film and television production.

#### Objective 2020-2021

By March 31, 2021, the NLFDC will have supported and invested in film and television development and production.

### Indicators

- Worked with partners and industry stakeholders to develop and manage a renewed plan for international market attendance by local production companies.
- Supported the marketing of Newfoundland and Labrador as a location for film and television production and post-production.
- Supported projects in the film and television sector.

