

# Program Guidelines

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The TELUS Fund is made possible by the success of the Optik TV service now reaching more than 1 Million TELUS TV customers in British Columbia, Alberta and Quebec. The Fund is an independently governed, not-for-profit corporation certified by the Canadian Radio-television and Telecommunications Commission (the Commission) as a Canadian Independent Production Fund<sup>i</sup>. Since launching in 2013, the Fund has allocated over \$21M to more than 100 projects.

The TELUS Fund has full discretion in the administration of its programs, and the application of these program guidelines to ensure funding is provided to those projects aligned with the Fund's mandate. In all questions of interpretation of these program guidelines, the Fund's interpretation shall prevail. These guidelines are subject to change, without notice. Please consult the [TELUS Fund website](#) to access documentation and subscribe to receive the latest news.

## 1. HEALTH AND WELLNESS MANDATE

The mandate of the TELUS Fund is to finance exceptional content that promotes the well-being of Canadians. We are looking for stories with the potential to entertain, engage and enlighten the health choices of Canadians. The Fund uses a broad definition of health that encompasses physical, mental and emotional well-being. [Funded projects](#) to date are as diverse as the determinants of healthy Canadians, which range from lifestyle and environment to culture and services.<sup>ii</sup> The health subject area will usually feature prominently in the central storyline of the content but may also be subtle within sub-plots, the setting, or within the promotion campaign.

## 2. ELIGIBLE APPLICANTS

The Fund will receive submissions from companies that are:

- primarily in the business of producing professional media content,
- for-profit taxable corporations (within the meaning of Canada's Income Tax Act),
- headquartered in Canada,
- Canadian-controlled (Sections 26 to 28 of the Investment Canada Act), and
- Owners of sufficient copyright permissions<sup>iii</sup> to create and exploit the content.

## 3. ELIGIBLE CONTENT

Content financed by the Fund must ultimately be owned and controlled by Canadians and include a significant contribution from the Canadian independent production sector<sup>iv</sup>.

### PROGRAMMING

**More than 90%** of financing from the Fund is allocated to the creation and promotion of Programming intended for viewing from beginning to end without significant end-user interaction or customization. Scripted and unscripted are eligible provided the Programming meets the Commission's definition of eligible program categories<sup>v</sup> (except for news, reporting and actualities, and sports).

## NON-PROGRAMMING

**Up to \$500,000** is available each year to create and promote Non-Programming that is story-driven, interactive and customizable by the user. Non-Programming includes for example videogames, complex websites, mobile applications, curriculum, and eBooks. Priority within this limited amount is given to Non-Programming that enhances the viewing experience of funded Programming.

Non-Programming expenditures and financing must be tracked and reported separately from Programming.

## **4. MINIMUM SUPPORT REQUIREMENTS**

The TELUS Fund does not commission content. Positive funding decisions rely heavily on the level of demand for the content as demonstrated by support from:

- Expert Organizations,
- Third-Party Financiers, and
- Distribution Platforms.

**At all stages of financing**, Applicants must meet the following Minimum Support Requirements<sup>vi</sup>. In those cases where the Applicant is requesting financing for both Programming and Non-Programming components, each component must individually achieve the Minimum Support Requirements to be eligible for consideration.

### EXPERT ORGANIZATIONS

Story-driven content is a powerful medium with the potential to engage our emotions, create empathy, and convey knowledge in entertaining ways. The involvement of distinguished Expert Organizations ensures health choices are not negatively impacted by content that causes gratuitous offence to some viewers, presents editorial bias, or promotes unverified research.

Applicants must demonstrate written support from at least one Expert Organization. The Expert Organization must be a not for profit organization, headquartered in Canada, that is nationally recognized for their expertise and activities in the health subject area of the project. This letter of support must:

- explain how the content demonstrates innovation in the field,
- describe how the content will improve quality of life and transform outcomes,
- commit expertise to ensuring the highest standard of accuracy, integrity, fairness and comprehensiveness in the treatment of the subject matter, and
- commit resources to increasing discoverability of the content within their network.

In those rare health subjects where no such national organization exists, the Applicant may submit a combination of letters from expert individuals, provincial and regional organizations from across the country active in the subject area of the project. Together these letters should present a national perspective on the subject area.

### THIRD PARTY FINANCIERS

Diverse financial sources willing to share in the risk are a strong indication of demand for the content to be created. Applicants must include letters committing cash financing from third party sources unrelated to the Applicant of at least 10% of the budget.

Third party sources may include, but are not limited to Expert Organizations, Distribution Platforms, provincial and federal organizations, public and private funding agencies, crowdfunding campaigns, private investments, and sponsors.

Production company investments, in-kind services, deferred fees, and forecast provincial and federal tax credits do not meet this minimum requirement.

#### DISTRIBUTION PLATFORMS

Priority will be given to submissions providing the greatest opportunity for Canadians to discover health and wellness content on multiple platforms. Applicants must include at least one deal memo from a Canadian or foreign owned Distribution Platform in the business of making large volumes of comparable content directly available to Canadians. Sales agents do not meet this requirement.

The Distribution Platform may be for example:

- a broadcast channel<sup>vii</sup> who has licensed a television series for transmission in Canada,
- a Canadian distributor who has guaranteed a minimum theatrical release for a film,
- a YouTube channel owner with many Canadian subscribers who has licensed a web series for streaming, or
- an alternative digital platform<sup>viii</sup> who has licensed a documentary series for their on-demand channel.

The deal memo must:

- outline the terms of transmission including license fees, exclusivity, and territories,
- provide analytics from comparable content relevant to the subject matter,
- confirm the level and nature of their commitment to the launch campaign,
- forecast realistic and measurable success objectives for the content, and
- commit to providing detailed reporting on measurable success objectives.

In those rare situations where there is no identifiable Distribution Platform from whom to obtain written support and self-distribution is proposed, the Applicant must demonstrate a successful track record of reaching Canadians with a large volume of comparable content.

## **5. STAGES OF FINANCING**

TELUS Fund financing is available to develop, produce and increase the discoverability of health and wellness content in Canada.

#### DEVELOPMENT FUNDING

Development funding is available to secure the project team, subject matter experts and financial sources; undertake further research on the subject matter and target audience; advance the creative materials; prepare pitch materials, create a trailer or pilot episode to aid in obtaining support; develop marketing and impact strategies; and prepare detailed implementation plans.

#### PRODUCTION FUNDING

Production funding is available for fully developed, production-ready proposals to create, promote, and drive audience reach, engagement and impact. Content budgets must include allowances for:

- close captioning<sup>ix</sup> and described video,
- data collection tools sufficient to track and report on measures of success for 24 months,
- a launch campaign extending for at least 6 months which includes for example marketing, publicity and promotion expertise; promotion elements, images, electronic press kits; a basic website; digital marketing activities (e.g. online advertising, permission marketing, social media, data collection); and paid advertising.

#### DISCOVERABILITY FUNDING

Discoverability funding is also available for exceptional health and wellness content that is already publicly available and has achieved measured success in reaching, engaging and impacting Canadians. This funding is intended to continue driving viewership, renew and refresh the programming, and maintain the audience's experience in Canada.

#### **6. TELUS FUND FINANCING**

There are no per project maximums for Production and Discoverability Funding. Applicants are encouraged to request only what they need to achieve measured success. At the development stage, Applicants may request up to \$75,000 or 75% of the development budget, whichever is less. [Appendix A](#) serves as a guide for Applicants in requesting an amount that is aligned with the Evaluation Criteria used by the Board of Directors to render funding decisions.

The Fund is a not for profit organization with a mission to provide funding to Canadian content programming deemed to be in the public interest. Financing is in the form of a recoupable advance similar in nature to an unsecured, non-interest bearing, forgivable loan. The Fund acquires no right, equity interest or profit participation in the actual production. The recoupable advance is not subject to HST/GST and many provincial and federal tax credit programs have determined financing from the Fund to be akin to a grant or subsidy reducing the eligible tax credit.

#### **7. QUESTIONS?**

Answers to frequently asked questions are available [on the Fund's website](#). You may also contact us at [info@telusfund.ca](mailto:info@telusfund.ca)

## APPENDIX A

Eligible applications are assessed individually and in comparison to each other according to three Evaluation Criteria:

1. Health and Wellness Innovation
2. Reach and Measured Success
3. Project Team's Track Record of Success

These criteria are not intended to restrict your creativity or limit the full discretion of the Board of Directors. They are provided as a guide to help you in making a successful submission. Successful submissions typically achieve medium to high alignment in all criteria.

1. Health and Wellness Innovation		
	Low alignment and unlikely to receive TELUS Fund financing	High alignment and strong potential to receive >\$300k and/or 75% of the budget
Target audience impacted by health issue	- Less than 500k Canadians	- More than 3M Canadians
Reach and influence of Expert Organization	- Individual experts, local or regional organizations; small networks of influence	- Nationally recognized organizations; marquee experts; large networks of demonstrated influence
Level of support from Expert Organization(s)	- No commitment of expertise or resources to support success	- Resources and expertise committed to support success objectives
Demonstrated alignment with the TELUS Fund's mandate	- Expert Organization does not explain how the content will promote the well-being of Canadians	- Experts in area explain how the content demonstrates innovation in the field, and how the content will promote the well-being of Canadians
Underlying research of distinguished subject matter experts	- Limited evidence confirming health issue and positive results from storytelling in this area - Highly debatable alternatives	- Published research confirming the health issue - Demonstrated positive impact of storytelling in subject area
Content is an original and fresh approach in subject area	- High volume of content already exists in the health area - No research undertaken on comparable content or impact	- Content presents novel solutions; use of innovative information and technology - Research undertaken demonstrates positive impact of storytelling in this area

## 2. Reach and Measured Success

	Low alignment and unlikely to receive TELUS Fund financing	High alignment and strong potential to receive >\$300k and/or 75% of the budget
Content plans	<ul style="list-style-type: none"> <li>- One-off broadcast hour</li> <li>- Topical, short shelf life</li> </ul>	<ul style="list-style-type: none"> <li>- Television series renewal</li> <li>- Multiple episodes of programming Evergreen, long shelf life</li> </ul>
Level of third-party financing support	<ul style="list-style-type: none"> <li>- &lt;=10% financing from third parties</li> </ul>	<ul style="list-style-type: none"> <li>- Third parties sharing in &gt;50% of the financial risk</li> </ul>
Diversity of financial structure	<ul style="list-style-type: none"> <li>- Request to the Fund is &gt;49%</li> <li>- Other sources of financing unconfirmed</li> </ul>	<ul style="list-style-type: none"> <li>- Request to the Fund is &lt;35%</li> <li>- Other sources of financing confirmed</li> </ul>
Reach and track record of confirmed Distribution Platforms	<ul style="list-style-type: none"> <li>- Less than 20k subscribers, average episode views, or total 2+ Average Minute Audience</li> <li>- No track record in reaching audience with comparable content</li> <li>- Local community reach</li> <li>- Single platform</li> </ul>	<ul style="list-style-type: none"> <li>- National reach to English and French viewing audiences</li> <li>- Average 4M total 2+ Average Minute Audience with comparable content</li> <li>- More than 1M subscribers</li> <li>- Average of 150k views of comparable content</li> <li>- Multiple platforms</li> </ul>
Level of support from Distribution Platforms	<ul style="list-style-type: none"> <li>- No cash financing from platform</li> <li>- No marketing commitment</li> </ul>	<ul style="list-style-type: none"> <li>- Financing from platform is &gt;20%</li> <li>- Guaranteed marketing expenditures</li> </ul>
Marketable attachments	<ul style="list-style-type: none"> <li>- No recognizable attachments</li> </ul>	<ul style="list-style-type: none"> <li>- Television series with strong brand recognition</li> <li>- Nationally recognized Expert Organization</li> <li>- Support from key influencers and celebrity talent</li> </ul>
Marketing expertise	<ul style="list-style-type: none"> <li>- None confirmed</li> </ul>	<ul style="list-style-type: none"> <li>- Marketing research already undertaken, and experts involved in completing the application form</li> </ul>
Marketing resources allocated	<ul style="list-style-type: none"> <li>- Success depends on festival invitations, word of mouth, and earned media</li> <li>- Less than 3% of budget set aside for unit publicity and audience building</li> </ul>	<ul style="list-style-type: none"> <li>- At least \$50k and 10% of budget for publicity, digital marketing and paid advertising and promotion assets</li> <li>- Launch campaign extends over a 12-month period</li> </ul>

## 3. Track record of Success

Experience of Team	<ul style="list-style-type: none"> <li>- New or emerging team with no demonstrated track record of success with comparable content</li> </ul>	<ul style="list-style-type: none"> <li>- Established team with solid track record of success with content of similar size and scope</li> </ul>
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- i [Broadcasting Regulatory Policy CRTC 2016-343](#)
  - ii [What Makes Canadians Healthy or Unhealthy](#)
  - iii Copyright clearances for exploitation worldwide on multiple platforms and devices for a period of at least 24 months from first transmission of Programming in Canada or launch of Non-Programming (whichever occurs last).
  - iv Programming must earn a minimum of 6 out of 10 points on the [Canadian Audiovisual Certification Office \(CAVCO\)](#) scale, or be certified by Telefilm Canada as an [official international co-production](#), or be certified as an international co-venture in collaboration with non-treaty international partners according to [the Commission's requirements](#). Non-Programming must include Canadians in key roles and spend at least 75% of the budget on Canadian costs.
  - v [Link to the Commission's definition of eligible program categories](#) NOT including news, reporting and actualities, or sports.
  - vi The Fund in its sole discretion may consider, on a case by case basis, waiving or delaying receipt of letters of commitment from Third Party Financiers or deal memos with Distribution Platforms, particularly at the development stages. The Fund's decision making will be strongly influenced by the written support obtained from nationally recognized Expert Organizations confirming the alignment of the content to the Health and Wellness Innovation criteria found in Appendix A.
  - vii Canadians access Programming via hundreds of **broadcast channels** delivered on a linear schedule through a cable, satellite, internet protocol television, or antenna-based system. Provided the channel is accessible by Canadians, the Distribution Platform may include for example Canadian or foreign owned networks; local, regional, affiliated broadcasters; educational broadcasters; Category A services and Canadian or foreign owned discretionary services operating in Canada.
  - viii Canadians access content via hundreds of **Alternative Digital Platforms** delivered through the internet, smart phones, and wearable devices. Provided the Alternative Digital Platform is accessible by Canadians, the Distribution Platform may include for example: On-demand channels; Pay per view channels; Over the top services; Influencers on social media platforms; Multi-Channel Networks; Websites; custom applications; game consoles, and virtual reality platforms.
  - ix The quality standards are set out in Quality standards for English-language closed captioning, [Broadcasting Regulatory Policy CRTC 2012-362](#), 5 July 2012.