

DOCUMENTARY ORGANIZATION OF CANADA  
DOCUMENTARISTES DU CANADA

# Philanthropic Funding for Documentaries in Canada

## Towards an Industry-wide Strategy

PREPARED BY MARIA DE ROSA AND MARILYN BURGESS • SEPTEMBER 2015



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DOCUMENTARISTES DU CANADA

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The Documentary Organization of Canada/ l'Association des documentaristes du Canada (DOC) is the collective voice of independent documentary filmmakers across Canada. DOC is a national non-profit arts service association representing over 650 directors, producers and craftspeople in the documentary community, from all provinces and regions of our nation. DOC advocates on behalf of its members to foster an environment conducive to documentary production and strives to strengthen the sector within the broader film production industry.

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## PREFACE

For over 30 years, the Documentary Organization of Canada (DOC) has been a constant in the ever-changing industry of Canadian documentary film. When DOC got underway back in the late '80s (known then as the Canadian Independent Film Caucus), it was with the intention of bringing change to the broadcast milieu: to inspire commissioning editors to program more documentaries on Canadian television.

Thanks to the efforts of some of our members in those early days and an openness on the part of the broadcasters, documentary production in Canada flourished. Making documentaries became a viable way to make one's living. Canada emerged as a world leader in the realm of documentary filmmaking and fiscal support through various government programs became the envy of those in other countries.

But with technological advances and the resultant profound and widespread transformation in the global media environment, change was inevitable. The impact was already apparent when DOC issued the fifth edition of *Getting Real*, its biannual overview of the Canadian documentary production sector in June 2013. It showed a decrease of more than \$100 million in documentary production volume between 2008/09 and 2010/11. The ensuing four years have left the documentary sector caught between two opposing certainties: there has never been a greater public appetite for documentary and the task of funding documentary in Canada has never been more challenging.

Survival of any organism is contingent on adaptability and on the building of new partnerships and collaborations. While Canadian documentary filmmakers have increasingly struggled to fund their projects, they have had to watch as their colleagues in other countries develop partnerships with the philanthropic sector. These partnerships have led to new sources of funding, new audience outreach opportunities and—sometimes—profound social change.

It would be difficult to find two sectors with more shared common purpose than those of philanthropy and documentary. As De Rosa and Burgess make evident in their report, this terrain remains surprisingly undeveloped in Canada despite the considerable benefit it would offer to all parties. This is where DOC, as advocate and supporter of Canadian documentary, can continue to play a leading role in shaping the documentary production environment in this country. The good news is that the timing has never been better to embark on this exploration.

By nature documentary filmmakers are innovators, problem-solvers, visionaries and strong communicators with much to contribute to the social fabric as well as to the philanthropic sector. Whether it's the inspiring story of the struggle for female equality in India depicted in Elisa Paloschi's *Driving with Selvi*, or the story of surviving the residential school system in Laura Rietveld's *Okpik's Dream*, or sustainable development off British Columbia's Northwest Coast in Charles Wilkinson's *Haida Gwaii: On the Edge of the World*, DOC members are already creating films focusing on many of the same core issues as Canadian philanthropic foundations.

From the perspective of the philanthropic sector, there is a new generation taking the reins seeking new tools to convey their message and new indicators to measure the impact of their work. What is missing in Canada is the connection between these two universes.

At its core, *Philanthropic Funding for Documentaries in Canada: Towards an Industry-wide Strategy* is about connectivity and shared interests. In order for documentary to thrive once again in this country it is imperative that we explore new terrain, find innovative partnerships and discover the common purpose that drives our work.

To this end, as this report points out, there are inroads being made in Canada by Inspirit Foundation, Hot Docs and others both within the documentary sector as well as in other creative disciplines. Earlier this year a group of funding agencies joined a collaborative effort spearheaded by the Metcalf Foundation to make the first steps towards creating a shared charitable platform. Jurists are slowly but surely passing into law easements that remove some of the remaining legal hurdles related to charitable giving in Canada.

At DOC, our hope is that this report - including the information presented and the actions proposed - can act as a rallying point for all interested parties to join us in working towards a new paradigm that makes philanthropic support for documentary in Canada, not only a possibility, but a given.

**Pepita Ferrari**

Interim Executive Director

Executive Summary

## EXECUTIVE SUMMARY

OKPIK'S *DREAM*. PHOTO BY KATARINA SOUKUP,  
COURTESY OF CATBIRD PRODUCTIONS.



## KEY TRENDS

The Canadian philanthropic sector, including grantmaking foundations, corporate and individual donors, represents an untapped resource for the documentary community. By recent estimates, there are approximately 10,500 private and public foundations in Canada.<sup>1</sup> These held combined assets of \$55B and made \$4.6B in grants in 2013.<sup>2</sup>

The philanthropic sector continues to evolve. Funder affinity groups and giving circles reflect the growing tendency to pool knowledge and resources to support social causes. Social finance and the civic tech movement also point to an evolving philanthropic sector.<sup>3</sup> Increasingly, charitable foundations are measuring the impact of their charitable giving. Trends show that in the future, foundations are likely to become even more proactive in their grantmaking. All combined, these trends present opportunities for documentary filmmakers.

## LESSONS LEARNED

This study examined initiatives drawn from Australia, the United Kingdom and the United States. This non-exhaustive review included the following: BRITDOC and Good Pitch; the Documentary Australia Foundation (DAF); the Fledgling Fund; JustFilms; the Chicago Media Project; the International Documentary Association's Fiscal Sponsorship program; and Impact Partners.

The goal of this examination was to gain a better understanding of the characteristics of these initiatives and how they might be applied to the Canadian context. The study puts forward the following valuable lessons learned:

- There is a need to sensitize the philanthropic sector to the benefits of supporting documentaries.
- Documentary films that are likely to achieve social impact through their distribution, promotion, and outreach strategy are best positioned to attract support from the philanthropic sector.
- Considerable time and resources are required to attract philanthropic funding particularly as managing relationships is key to successfully engaging the philanthropic sector.
- Pooling resources through funder affinity groups or giving circles is a strategy that can minimize the risks to philanthropic funders.
- The development of tools to measure the impact of socially oriented documentaries is a priority.

In addition to lessons learned, the study finds that initiatives in other jurisdictions benefit from more flexible tax regulations, particularly the ability to provide grants to non-charities. There is a lack of similar flexibility under the *Income Tax Act (ITA)* in Canada. Equally important to consider is the impact that any assistance obtained from the charitable sector for production financing would have on the value of tax credits that could be accessed for a production.

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1 "The Fundraiser's Field Guide to Spotting Foundations," Imagine Canada website: <http://www.imaginecanada.ca/blog/fundraisers-field-guide-spotting-foundations>; and "Canadian Foundation Facts," Philanthropic Foundations Canada website: <http://pfc.ca/canadian-foundation-facts/>.

2 "Canadian Foundation Facts," Philanthropic Foundations Canada website: <http://pfc.ca/canadian-foundation-facts/>.

3 "Looking Back, Looking Forward in 2015," *President's Blog*, Philanthropic Foundations Canada, see also *Technology Enabled Social Innovation: Selected Articles from the Technology Innovation Management Review*, McConnell Family Foundation website: <http://www.mcconnellfoundation.ca/en/resources/publication/technology-enabled-social-innovation-selected-articles-from-the/>.



## TOWARDS AN INDUSTRY-WIDE STRATEGY

Compared to other jurisdictions examined for this report, Canada is behind in leveraging funding from the philanthropic sector in support of the production, outreach and distribution of documentaries. Our study finds, however, that an initiative unique to Canada could be implemented to support documentaries that aim to effect social change. However, establishing the philanthropic sector as an enduring partner to the documentary community requires a long-term and industry-wide strategy. What is needed is a virtuous circle: a recurring cycle of events, each one increasing the beneficial effect of the next, for the benefit of the greater goal. With this in mind, we propose the following action plan.

### ACTION 1: BUILD AWARENESS IN THE PHILANTHROPIC SECTOR ABOUT THE BENEFITS OF SUPPORTING DOCUMENTARY FILMS

There is a pressing need to build awareness amongst philanthropists and philanthropic organizations about the value of supporting documentary films. In this regard, the Hot Docs Canadian International Documentary Festival (Hot Docs) and the Inspirit Foundation are building inroads with the philanthropic sector. Industry associations such as DOC and the Canadian Media Production Association can support this work with their own initiatives to raise awareness of how documentaries effect social change.

### ACTION 2: DEVELOP IMPACT PRODUCING SKILLS OF FILMMAKERS

The philanthropic sector's interest in documentaries is in their potential impact to support their goals to effect social change. Strengthening the infrastructure needed to support this field requires skills building in impact producing.

### ACTION 3: FLEXIBILITY IN THE FUNDING MODEL FOR SOCIAL ISSUE DOCUMENTARIES

Our interviews revealed a number of areas where the Canadian funding model for documentaries could be improved to encourage greater philanthropic support in the financial structures of documentaries. For example, ensuring that expenses relating to impact campaigns are eligible for funding, and allowing philanthropic funding to 'trigger' public funding for documentaries. Inspiration could be drawn from Screen Australia, which recognizes philanthropic funding. It is also noted that some flexibility exists in this regard in the Canada Media Fund's English-language POV program, which may recognize philanthropic funding in the financial structure of a documentary.

### ACTION 4: DEVELOP STRONG TOOLS TO MEASURE IMPACT CAMPAIGNS

A funding model involving the philanthropic sector will require a new approach to measuring impact. In addition to measures currently being employed in the industry, such as size of audience and economic impact, new impact evaluation tools will be needed to measure the success and impact of outreach campaigns. These new measures will need to be aligned with the interests of the philanthropic sector. Of note is the work that has been undertaken by the Hot Docs Canadian International Documentary Festival ("Hot Docs").<sup>4</sup>

### ACTION 5: CREATE A GOOD PITCH<sup>2</sup> IN CANADA

Created by BRITDOC, Good Pitch events bring together documentary filmmakers with philanthropic organizations and individuals to forge coalitions to increase the funding and social impact of documentaries. Good Pitch<sup>2</sup> ("Good Pitch Squared") is a program of satellite events run by regional organizations around the world with the involvement of BRITDOC.

A new Good Pitch<sup>2</sup> event in Canada would have the benefit of bringing everyone in the eco-system together to fuel the development of solutions regarding philanthropic funding for documentaries identified in this study.

### ACTION 6: CREATE A PILOT INITIATIVE WITH THE PHILANTHROPIC SECTOR

With support from the philanthropic sector, DOC could consider using its charitable status to create a charitable fund to support impact campaigns.

### ACTION 7: A ROLE FOR DOC AS AN ADVOCATE OF THE INDUSTRY-WIDE STRATEGY

DOC can play a strong role as a convenor and advocate for the industry-wide strategy recommended in this study. As a next step, DOC could convene a forum to discuss a strategy with the industry.

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<sup>4</sup> Patricia Finnerman, Story Matters, *Documentary Impact: Social Change Through Storytelling*, Hot Docs, 2014.

# INTRODUCTION

## 1. PREAMBLE

By many accounts, we are in a golden age of documentaries. Their capacity to illuminate the human experience, provoke dialogue and inspire people to take action in advancing social change explains their popularity with audiences.

A report commissioned by the Documentary Organization of Canada (DOC) in 2014, *Growing the Pie: Alternative Financing and Canadian Documentary*<sup>5</sup> found that support from charitable organizations represents a small component of funding for Canadian documentary films. The question this study asks is: how might strategic partnerships between Canada's philanthropic sector and the documentary sector be developed to encourage greater philanthropic participation in the financing of Canadian documentaries, specifically, their promotion and distribution? Within this context, DOC, which represents independent documentary filmmakers across the country, commissioned this study.

Innovative initiatives have been introduced in the United States, Britain and Australia to engage the philanthropic sector<sup>6</sup> in supporting the production and dissemination of documentaries. There are important lessons to be learned from these efforts for the Canadian documentary sector, particularly the development of new forms of partnerships and collaboration. Communications MDR was therefore engaged with a mandate to:

1. Examine existing successful initiatives and models that bring together the philanthropic and documentary sectors to support the production, promotion and distribution of documentaries.
2. Develop a better understanding of Canada's philanthropic sector aimed at identifying new opportunities to support promotion, audience engagement and distribution of Canadian documentaries and to develop new markets.
3. Propose concrete models and initiatives that could be implemented to attract new support from the philanthropic sector for promotion, audience engagement and distribution of Canadian documentaries in existing and new markets.

The following report presents the findings of this study.

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<sup>5</sup> Tracey Friesen, *Growing the Pie*, Documentary Organization of Canada, May 2013.

<sup>6</sup> For the purposes of this study, the philanthropic sector is understood to mean corporate, public and private foundations and individuals.

## 2. APPROACH AND METHODOLOGY

The consultants conducted an international and national review of literature on existing models and initiatives. Appendix 1 provides a selected bibliography of the documents, reports and articles examined for this study. Key stakeholders were interviewed to better understand the challenges and opportunities for collaboration and partnership afforded by the philanthropic sector. A total of 25 informant interviews were conducted. Appendix 2 contains a list of those interviewed.

The initiatives reviewed in this report represent a range of approaches to engaging the philanthropic sector in supporting documentary production, promotion, engagement and distribution.

## 3. STRUCTURE OF THIS REPORT

This report is divided into the following four sections:

- **Section A** provides a big picture view of the Canadian philanthropic sector identifying the key trends that are helping to shape the future evolution of this sector;
- **Section B** presents an analysis of pioneering initiatives that leverage support from the philanthropic sector for the production, promotion, outreach and distribution of documentaries;
- **Section C** identifies the lessons learned of relevance for the Canadian documentary sector;
- **Section D** concludes with future directions for consideration.

Arctic Defenders

## SECTION A

ARCTIC DEFENDERS. PHOTO BY ALEX SALTER,  
COURTESY OF UNIKAAT STUDIOS & JOHN WALKER PRODUCTIONS.





# UNDERSTANDING THE CANADIAN PHILANTHROPIC SECTOR: KEY TRENDS

## 1. PREAMBLE

This section begins with a brief overview of the Canadian philanthropic sector focusing primarily on grantmaking Canadian foundations, individual and corporate philanthropy. We then identify the key trends that are impacting the sector. This “big picture” view of the philanthropic sector provides contextual information on the potential role that the sector could play in supporting the documentary community in the future.

## 2. A BRIEF PROFILE OF CANADIAN FOUNDATIONS

### 2.1 DEFINING CHARACTERISTICS

By recent estimates there are approximately 10,500 private and public foundations in Canada.<sup>7</sup> Almost evenly divided between private and public foundations, their number has grown significantly over the past twenty years. The number of private foundations grew by 76% from 1994 to 2014, and currently stands at over 5,300. The number of public foundations increased by 69% to over 5,100. According to the most recently available data, in 2013 Canadian public and private foundations held combined assets of \$55B and made \$4.6B in grants.<sup>8</sup>

A study by Philanthropic Foundations of Canada profiles the top grantmaking and community foundations in Canada.<sup>9</sup> These foundations account for about a quarter (27%) of foundations. However in terms of their financial importance, they account for 63% of total foundation assets and 42% of the value of foundation gifts to qualified donees.<sup>10</sup>

Grantmaking foundations function in many instances as long-term supporters and partners of charities. Their institutional status enables them “to act strategically and for the long term in ways that most individual Canadian donors cannot, even if the billions of dollars contributed annually by Canadians outstrips the contributions of foundations.”<sup>11</sup> Figure 1 provides a breakdown of the 150 largest Canadian grantmaking foundations as measured by the value of assets.

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7 “The Fundraiser’s Field Guide to Spotting Foundations,” Imagine Canada website: <http://www.imaginecanada.ca/blog/fundraisers-field-guide-spotting-foundations>; and “Canadian Foundation Facts,” Philanthropic Foundations Canada website: <http://pfc.ca/canadian-foundation-facts/>.

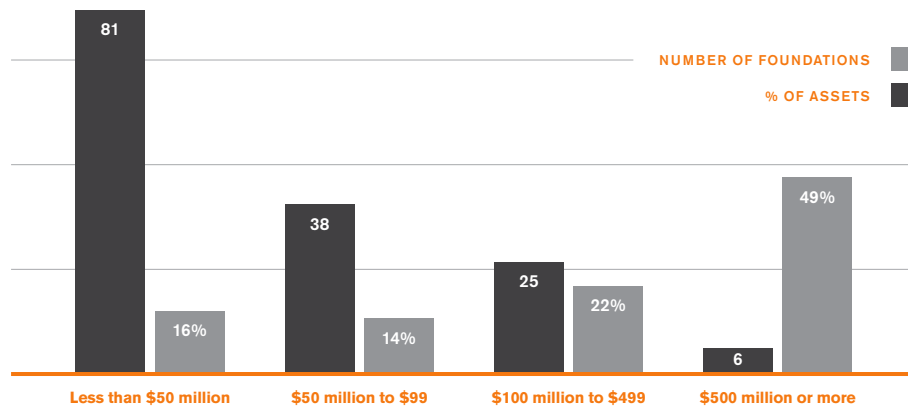
8 “Canadian Foundation Facts,” Philanthropic Foundations Canada website: <http://pfc.ca/canadian-foundation-facts/>.

9 Philanthropic Foundations Canada, *Assets and Giving Trends of Canadian Foundations*, September 2014. [http://pfc.ca/wp-content/uploads/2014/12/Assets\\_giving\\_trends\\_sept2014\\_web.pdf](http://pfc.ca/wp-content/uploads/2014/12/Assets_giving_trends_sept2014_web.pdf)

10 *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 1. Qualified donees are defined on the Canada Revenue Agency website: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/qfddns-eng.html>.

11 *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 1.

**FIGURE 1:** Asset Size of Largest Canadian Grantmaking Foundations (2012)<sup>12</sup>

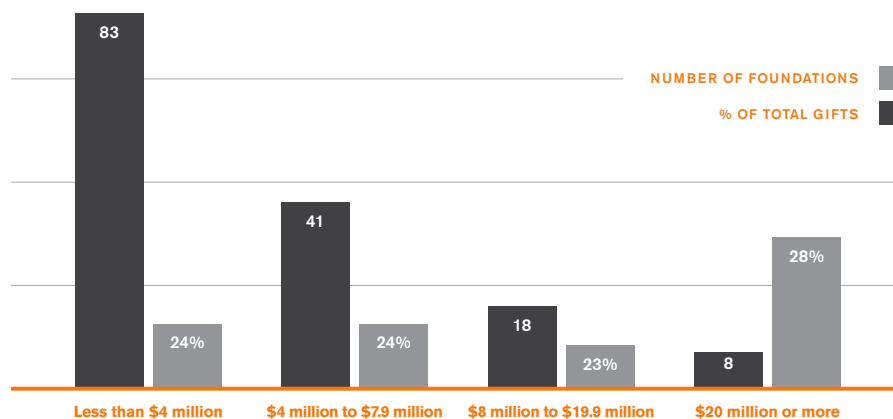


## 2.2 GRANTMAKING PRACTICES: ONE SIZE DOESN'T FIT ALL

Canadian foundations are remarkably diverse in terms of their history, asset size, geographic scope, field of interest, and mission. Most foundations are established by people with a passion for a particular cause. These donors shape the focus of their foundation's work. Grantmaking practices vary significantly from one foundation to another and those appropriate for one foundation may not be suitable for another.

The largest grantmaking foundations distribute their support widely. In terms of the size of grants, it is worth noting that an examination of giving trends shows that in 2012, 28% of all private Canadian foundations gave gifts of \$20 million or more. (See Figure 2)

**FIGURE 2:** Distribution of Top Grantmaking Foundations and Value of Gifts by Category of Size of Gift (2012)<sup>13</sup>



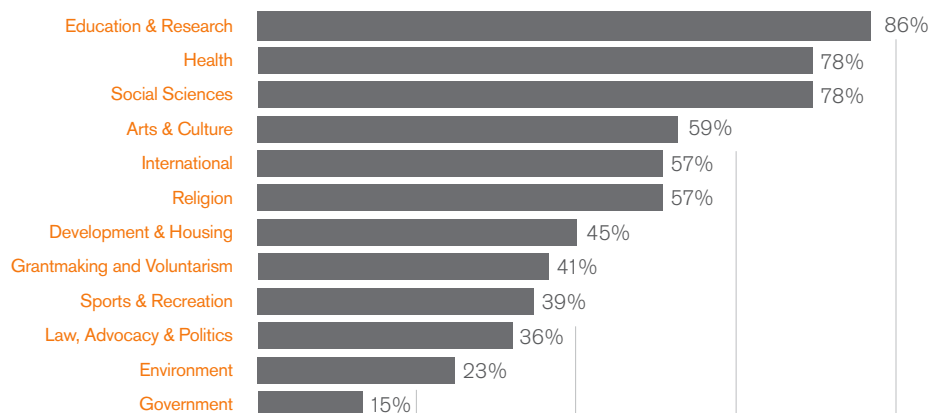
In 2011, the vast majority of top gift foundations (as measured by the total value of grants) made grants in the areas of education and research (86%), health (78%), and social services (78%). Over half made grants in the areas of arts and culture (59%), international (57%) and religion (57%).<sup>14</sup> (See Figure 3.)

<sup>12</sup> *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 3.

<sup>13</sup> *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 9

<sup>14</sup> *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 13

**FIGURE 3: Funding Areas by Grantmaking Foundations<sup>15</sup>**



A more comprehensive understanding of grantmaking foundations in Canada has been identified as a priority and research is being undertaken by a number of associations such as the Philanthropic Foundations Canada and Community Foundations of Canada. These two associations act as voices for the grantmaking foundation sector.

### 3. KEY TRENDS

#### 3.1 A MORE IMPORTANT ROLE FOR FOUNDATIONS IN THE FUTURE

Foundations are slated to play a more important and more visible role in the future. Some observers predict that Canada will witness an intergenerational transfer of wealth in the next 20 years that could amount to \$1 trillion.<sup>16</sup> It is expected that a fraction of this could be directed towards philanthropy resulting in the creation of many new and larger foundations. Changes to federal tax laws since 2006, including the most recent changes announced in Budget 2015, are designed to make it easier for Canadians to transfer wealth from a variety of assets to the charitable sector.<sup>17</sup> The generation that is inheriting this wealth will have a different attitude towards giving.

Rather than simply writing cheques, the emerging generation of philanthropists will seek to be directly involved and to make a difference.<sup>18</sup> The impact of Canadian millennials on philanthropy in particular, with their engagement in networked and more direct philanthropy, will have a measurable affect on the sector as a whole. As individual foundations take on the role of convenors and advocates, more public awareness of foundations and philanthropy will be generated.

<sup>15</sup> *Assets and Giving Trends of Canadian Foundations*, Op. Cit., page 13

<sup>16</sup> *World of Charity on the Cusp of Change*, Philanthropic Foundations Canada, May 20, 2004, as cited in Susan Andrews, *E-Concrete Solutions Profiles and Trends of Canadian Philanthropic, Environmental and Land Donors: Presentation to the Land Trust Alliance of B.C.*, Environment Canada's Ecological Gifts Program, 2005.

<sup>17</sup> *Reaching Out: Charitable Giving Guide for Donors*, PWC, 2008. See also Janet McFarland, "Charities expect donations to rise in wake of proposed tax changes," *The Globe and Mail*, April 22, 2015.

Last updated Wednesday, Apr. 22 2015, 7:53 PM EDT <https://www.pwc.com/ca/en/tax/publications/charitable-giving-guide-1208-en.pdf>

<sup>18</sup> "World of Charity on the Cusp of Change," Philanthropic Foundations Canada, May 20, 2004, as cited in *Profiles and Trends* Op. Cit.



### 3.2 THE RISE OF SOCIAL INVESTING

Entrepreneurs and venture capitalists are entering the field of Canadian philanthropy bringing with them new ideas. For example, they are applying some of the techniques that contributed to their success in business to their philanthropy. These individuals are often more hands-on and outcome-oriented with their investments in socially oriented ventures.

With a focus on achieving impact, social investors may use equity or loans either as an alternative to or in addition to grants. In the United States and Europe, social investing is considered to be more dynamic than in Canada, with new associations and foundations and new types of enterprises being created. "Collective impact investing" refers to groups of social investors who come together to invest in seed funding, much like angel networks in the private sector. One example of this is Impact Partners. Social investments are highly valued by some organizations, particularly those who wish to develop or scale up operations.

Foundations who make social investments appreciate the ability to re-invest their returns on investments. Although social investments may typically deliver below market returns and/or involve higher risks typically assumed by venture capital, those who make them believe they are justified because of their returns in the form of social impacts.<sup>19</sup> In Canada, it is expected that more foundations will participate in social investing and that recent changes proposed in Budget 2015 could accelerate this trend.<sup>20</sup>

Canadian corporations are also shifting their approach to philanthropic giving, replacing the term itself with newer concepts such as "community investment," "corporate citizenship" and "corporate and social responsibility."<sup>21</sup> Corporations are said to be looking for long-term partnerships, and are eager to share their expertise, services and skills in addition to providing money. In this way, they resemble other investors such as social entrepreneurs and social venture capitalists.<sup>22</sup>

19 Lucy Bernholz with Edward Skloot and Barry Varela, *Disrupting Philanthropy: Technology and the Future of the Social Sector*, Centre for Strategic Philosophy and Civil Society, Sanford School of Public Policy, Duke University, 2010, as cited on the *President's Blog*, Philanthropic Foundations Canada, Op. Cit. See also Janet McFarland, Op. Cit.

20 *Assets and Giving Trends of Canadian Foundations*, Op. Cit; *Budget 2015* provides for exempting donations involving private shares and real estate from capital gains tax; and provides charities with more flexibility to diversify their investments. Source : <http://www.budget.gc.ca/2015/docs/plan/ch4-2-eng.html>. See also Janet McFarland, "Charities expect donations to rise in wake of tax changes," *Globe and Mail*, April 22, 2015.

21 *Philanthropic Trends Quarterly*, Issue 4, Winter, 2011, page 2.

22 *Philanthropic Trends Quarterly*, Issue 4, Winter, 2011, page 6.

### 3.3 GREATER EMPHASIS ON MEASURING IMPACT

With an increasingly crowded philanthropic marketplace, organizations seeking funding from foundations must make a compelling case for giving. Since the 1990s, there has been a shift in donor behaviour – from one characterized as simply giving to an institution because of loyalty and trust in that institution, to one focused on giving to a specific project and initiative and more recently, to a focus on the impact that the gift will make.<sup>23</sup> (See Figure 4 on the following page.) This represents, “a shift from the old charity model of organizational eligibility to a new model which focuses on impact to the community.”<sup>24</sup>

In this environment, donors want detailed accounts of how their money is spent, with increased emphasis on social return, performance metrics and scalability. Julia Unwin, a UK expert on philanthropy, defines a foundation's philosophy towards the impact or outcome of their giving as “systems change,” bringing with it a focus on key decision makers who can effect that change. Grants might be awarded for evidence-based and policy relevant research, for example. Or grants may be given to charities that are campaigning or advocating public policy change in a particular field of interest. A study conducted by the Association of Fundraising Professionals recommends that charities focus on being successful at fulfilling their mandate to drive donor giving.<sup>25</sup>

FIGURE 4: Trends in Shifts in Donor Behaviour<sup>26</sup>



Groups like the Harmony Institute and the Lear Center's Media Impact Project are demonstrating quantitatively that documentary film can effect change in perceptions, behaviour and even public policy. It is predicted that “impact measurement” and “social impact analysis” as a professional field will continue to grow in the future. It is thought that in the future foundations might start to share metrics and performance analyses the way impact investors and others do so presently in the social economy.

### 3.4 TECHNOLOGY AND THE RISE OF THE “CIVIC TECH” MOVEMENT

Crowdfunding is one example of the powerful impact that technology has had on philanthropy. There exist today approximately 1,250 crowdfunding platforms globally.<sup>27</sup> The new generation of donors are digital-savvy, and their giving has become linked to online social activity. Crowdfunding, or peer-to-peer giving, capitalizes on individuals' expanded social media networks, allowing people to pool their philanthropic efforts.

<sup>23</sup> *Philanthropic Trends Quarterly*, Issue 3, Fall, 2011.

<sup>24</sup> *Social Innovation, Societal Change and Canadian's Grant-Making Foundations*, October 2014.  
[http://www.pfc.ca/conference2014/wp-content/uploads/Fontan\\_SSHRC\\_Challenging-Conversation.pdf](http://www.pfc.ca/conference2014/wp-content/uploads/Fontan_SSHRC_Challenging-Conversation.pdf)

<sup>25</sup> *What Canadian Donors Want – 2013 Survey Final Report*, Association of Fundraising Professionals, December 9, 2013, page 7.

<sup>26</sup> *Philanthropic Trends Quarterly*, Issue 3, Fall, 2011, page 2.

<sup>27</sup> Canada Media Fund website: [http://crowdfunding.cmf-fmc.ca/facts\\_and\\_stats](http://crowdfunding.cmf-fmc.ca/facts_and_stats).

The rise of mobile technology has facilitated interaction between citizens and governments, giving birth to the notion of the “civic tech” movement, which is said to represent new forms of public citizen engagement and to offer new opportunities for philanthropy.<sup>28</sup>

### 3.5 FUNDER AFFINITY GROUPS AND GIVING CIRCLES

Typically, funder affinity groups are organized around specific topics or causes such as the Social Justice Philanthropy Collaborative, Philanthropy for Active Civic Engagement, Neighborhood Funders Group, and the Literacy Funders Network. Affinity groups may also be organized around a targeted constituency or community, usually perceived as underserved. Examples include: Association of Black Foundation Executives, Native Americans in Philanthropy, Hispanics in Philanthropy, Asian Americans/Pacific Islanders in Philanthropy, Jewish Funders Network, and Women’s Funding Network.

The key activities supported by these affinity groups include conferences, research and professional development. In some cases, funder affinity groups may participate in collaborative funding.

Giving circles are a membership-based approach to collaborative giving. In “giving circles” individuals pool their resources to support a selected number of non-profit organizations with grants and advice. Giving circles may be informally or formally constituted. Their dual purpose is to provide grants that create social value while also fostering better-informed, engaged and generous donors.<sup>29</sup>

The vast majority of giving circles are said to operate in the United States and Canada. Examples of high-profile giving circles include the Social Ventures Partners Network, with 27 “chapters” in the United States and Canada, and the Awesome Foundation for the Arts and Science, with 54 “chapters” in North America. One study suggests that giving circles are one way to engage “those who have historically been on the margins of philanthropy, providing a means for enhancing participation.”<sup>30</sup>

## 4. INDIVIDUAL AND CORPORATE GIVING

In addition to charitable foundations, gifts by Canadians are said to have grown in both quantity and scope over the past couple of decades. According to Statistics Canada data, 84% of Canadians made a charitable donation in 2010. Canadians gave \$12.8 billion to charitable or not-for-profit organizations in 2013, 14% more than in 2010.<sup>31</sup> The average annual value of individual donations in 2013 was \$531, up from \$446 in 2010.

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28 *Philanthropy and Social Economy: Blueprint 2014*, Foundation Centre, 2014, page 5.

29 Rob John, “Virtuous Circles: New Expressions of Collective Philanthropy in Asia,” *Entrepreneurial Social Finance in Asia: Working Paper No. 3*, Asia Centre for Social Entrepreneurship and Philanthropy, National University of Singapore, 2014.

30 Witte, D. 2012. *Women’s Leadership in Philanthropy: An Analysis of Six Giving Circles*. Dissertation submitted in partial fulfillment of the degree of Doctor of Philosophy in the Leadership and Change Program. Yellow Springs, OH: Antioch University.

31 *Caring Canadians, Involved Canadians: Tables Report 2010*, Statistics Canada, Catalogue No 89-649-X. 2013 General Social Survey – Giving, Volunteering and Participating, Statistics Canada, as cited in Andy Levy-Ajzenkopf, “Giving, Volunteering and Participating: Latest survey results from Statistics Canada,” *Charity Village*, April 8, 2015.

Older Canadians (those who were 55 or older in 2013) accounted for 34% of the total giving population in 2013 and contributed 47% of all donated dollars.<sup>32</sup> The bias towards older Canadians in philanthropic giving suggests the need to better engage younger Canadians in philanthropic giving.

The motivations most often mentioned by those who donate are compassion for those in need and a personal belief in a cause (over 90% of donors). Over two-thirds of donors give to causes that affect someone close to them.<sup>33</sup> Statistics Canada data shows that religiously motivated giving accounted for 41% of all donations in 2013.<sup>34</sup>

In general, higher value gifts are said to be planned, not spontaneous. Older Canadians have also been shown to be motivated by a desire to leave a legacy.<sup>35</sup>

For their part, Canadian corporations made charitable gifts totaling \$2.3 billion in 2009, an increase of almost 600% over 1990. In 2009, approximately 76% of businesses made cash donations.<sup>36</sup>

## 5. SUMMARY OBSERVATIONS

The Canadian philanthropic sector, including grantmaking foundations, corporate and individual donors, represents an untapped resource for the documentary community.

In 2013, a survey conducted by DOC of its members found that filmmakers had obtained support for their documentary films from US charities such as the Fledgling Fund, the Annie E. Casey Foundation, the Schumacher Foundation, Cinereach and the Tribeca Film Institute.<sup>37</sup>

Trends show that in the future, foundations are likely to become more proactive in their grantmaking. Funder affinity groups and giving circles reflect the growing tendency to pool resources to support social causes. The rise of the civic tech movement and social finance also point to an evolving philanthropic sector.<sup>38</sup> Increasingly, foundations are measuring the impact of their charitable giving.

All combined, these trends present opportunities for documentary filmmakers making documentaries that support social change. It is timely to build new partnerships and collaborations with the philanthropic sector given the natural alliance between the social causes supported by this sector and the films that are agents of social change.

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32 2013 General Social Survey – Giving, Volunteering and Participating, Statistics Canada, as cited in Andy Levy-Ajzenkopf, "Giving, Volunteering and Participating: Latest survey results from Statistics Canada," *Charity Village*, April 8, 2015. See also Mark Rovner, *Sea Change Strategies, The Next Generation of Canadian Giving: The Charitable Habits of Generations X, Y, Baby Boomers and Civics*, Blackbaud and HJC, September 2013. See also *Canadian Social Trends*, Statistics Canada, Catalogue No. 11-008, page 23.

33 Source: 2000 National Survey of Giving, Volunteering and Participating, Statistics Canada, Aug 2001, cited in *Profiles and Trends of Canadian Philanthropic, Environmental and Land Donors*.

34 2013 General Social Survey – Giving, Volunteering and Participating, Statistics Canada, as cited in Andy Levy-Ajzenkopf, "Giving, Volunteering and Participating: Latest survey results from Statistics Canada," *Charity Village*, April 8, 2015.

35 2000 National Survey of Giving, Volunteering and Participating, Statistics Canada, Aug 2001, cited in *Profiles and Trends of Canadian Philanthropic, Environmental and Land Donors*, Op. Cit.

36 Cansim Table 380-14, Statistics Canada, as cited in Steven Ayer, *Corporate Giving in Canada: The Latest Data, Trends and Implications*, Imagine Canada, 2010.

37 *Growing the Pie*, Op. Cit., page 43.

38 "Looking Back, Looking Forward in 2015," *President's Blog*, Philanthropic Foundations Canada, see also *Technology Enabled Social Innovation: Selected Articles from the Technology Innovation Management Review*, McConnell Family Foundation, 2012.

Journal

## SECTION B

JENNIFER BAICHWAL.  
COURTESY OF MERCURY FILMS.





# PHILANTHROPIC FUNDING FOR DOCUMENTARIES: AN ANALYSIS OF PIONEERING INITIATIVES

## 1. PREAMBLE

This section presents an analysis of pioneering initiatives that are supported by the philanthropic sector for the production, promotion, outreach campaigns and distribution of documentaries. This non-exhaustive list includes the following: BRITDOC and Good Pitch; the Documentary Australia Foundation (DAF); the Fledgling Fund; JustFilms; the Chicago Media Project; the International Documentary Association's Fiscal Sponsorship program; and Impact Partners.

## 2. OVERVIEW OF INITIATIVES

### 2.1. BRITDOC (UNITED KINGDOM)

#### **History and Legal Status**

BRITDOC works with the philanthropic sector and filmmakers to support the production, distribution and impact campaigns of documentary films. A unique aspect of BRITDOC is that they support films from around the world. Created in 2005 as a not-for-profit organization funded by Channel 4 to support feature length documentaries, BRITDOC has supported 160 films and has evolved to be supported by a range of strategic partners – some fifty philanthropic organizations and individuals in the UK and around the world.

BRITDOC emerged as a direct result of the diminished role that broadcasters were playing in commissioning independent documentary films. Documentary film was in a period of transition characterized by decreased investment by the television broadcast sector and changing channels of distribution.

The need to find new sources of funding for independent documentary films was the main impetus for creating BRITDOC, which has a mandate to protect, enable and develop independent voices and to disseminate the most important stories of our time. The organizers of BRITDOC understood early on that it was not enough to simply fund films. The conditions in which filmmakers work also needed to be improved. This led to the creation of BRITDOC as a non-profit devoted to the development of distribution activities, impact campaigns and eventually, the creation of the Good Pitch program discussed below.

Incorporation as a registered charity came later, in a second period of growth and consolidation. One of the challenges BRITDOC faced was to convince their government of the charitable nature of activities supporting and enabling filmmakers. BRITDOC broke constitutional ground in the UK as the first film organization to be assigned a charitable status. Today BRITDOC operates through three corporate structures: a UK non-profit, a registered charity in the UK and a registered charity in the US, allowing it to access funding from the philanthropic sector from around the world.

## How BRITDOC Works

Figure 5 provides an overview of the ways in which BRITDOC supports the production and distribution of documentaries.

BRITDOC today receives support from foundations, brands and non-governmental organizations in Britain and abroad. A total of 50 supporters from around the world, including Ford Foundation, Bertha Foundation, Channel 4 and other foundations, brands and individual philanthropists partner with and support BRITDOC to achieve its mission. BRITDOC manages film funds on behalf of its partners, such as Bertha Foundation. In response to growing demand from individual philanthropists and family foundations, BRITDOC created the Circle Fund – a new funders group and registered charity.

Through its charitable funding programs, BRITDOC makes grants available for the development and production of documentary films. Based in London, BRITDOC's funding is directed globally. Grantees include filmmakers in Zimbabwe, Hungary, India, Denmark, the UK, Canada, China and the U.S. BRITDOC does not own the films it supports but provides grants that are recoupable. In its agreements with filmmakers, BRITDOC retains some creative control over the productions it funds.

While the Channel 4 BRITDOC Fund no longer exists, Channel 4 continues to have a 'first look' right of refusal on all films funded by BRITDOC. Links to BRITDOC's producer agreements are provided in Appendix 4.

BRITDOC also creates tools, conducts impact producer labs, facilitates broadcaster access, and promotes documentary through the Impact Award. Through the Good Pitch program and its online tools, the lessons learned from BRITDOC are shared with the international community.

**FIGURE 5:** How BRITDOC Works

BRITDOC supports great filmmakers and their films, brokers new partnerships, builds new business models, shares new knowledge and develops new audiences.

FUNDING SUPPORT	INITIATIVES	TOOLS
<ul style="list-style-type: none"> <li>• BRITDOC works in partnership with foundations and philanthropists to administer the following funds aimed at feature-length docs: <ul style="list-style-type: none"> <li>• Bertha BRITDOC Journalism Fund</li> <li>• Bertha BRITDOC Connect Fund (support to European outreach and engagement campaigns)</li> <li>• BRITDOC Circle Fund</li> <li>• Channel 4 BRITDOC Fund (60 films supported - no longer active)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Good Pitch <ul style="list-style-type: none"> <li>• A global programme aimed at bringing filmmakers together with philanthropists and social change makers to fund documentaries and forge coalitions and campaigns around them.</li> </ul> </li> <li>• Good Pitch<sup>2</sup> <ul style="list-style-type: none"> <li>• International editions led by local organizations</li> </ul> </li> <li>• Impact Award</li> <li>• Doc Academy (Online educational platform)</li> </ul>	<ul style="list-style-type: none"> <li>• Impact Field Guide and Toolkit</li> <li>• Impact Producer Labs</li> <li>• Impact Reports</li> <li>• First look deal with Channel 4</li> </ul>

## 2.2 THE GOOD PITCH PROGRAM (UNITED KINGDOM AND INTERNATIONAL)

Good Pitch is a BRITDOC project in partnership with Ford Foundation and the Sundance Institute Documentary Film Program. Good Pitch was launched by BRITDOC in 2008 with the aim of enhancing the financing, promotion, distribution and social impact of documentaries. The program takes the classic model of the pitching forum to bring together documentary filmmakers with foundations, non-governmental organizations (NGOs) philanthropists, corporate sponsors and media to attract investment and forge coalitions around outreach campaigns. The program also offers professional development aimed at filmmakers and impact producers.

Following the first Good Pitch event created by BRITDOC, a number of partners recommended that the program be brought to the US, where philanthropic giving to film was more established. Today, the Good Pitch program is taking place in cities in the US, Europe and other parts of the world, including India and Australia. It is described as a highly strategic program to not only empower the filmmaking community but also affect all the organizations who already do work with film or might do.

Since 2011 BRITDOC has received support from the Ford Foundation/JustFilms, enabling the organization to grow Good Pitch into a global program. With increasing demand from around the world, the Good Pitch<sup>2</sup> program has been developed to help other organizations host their own Good Pitch<sup>2</sup> events.

Organizations who want to produce Good Pitch<sup>2</sup> are invited to attend a flagship event and shadow the BRITDOC production team through filmmaker training as well as the live event, in order to fully evaluate the model, assess the fiscal commitment and decide if it is appropriate for their community. Over twelve months, the BRITDOC team works closely with the host organizations to transfer knowledge, share the production toolkit, provide advice on film selection as well as connections to potential participants. Good Pitch<sup>2</sup> events have been hosted in Johannesburg, Buenos Aires, the Hague, Taipei, Mumbai and Sydney.

**FIGURE 6:** How Good Pitch Works

Good Pitch brings together documentary filmmakers with foundations, NGOs, and philanthropists to attract investment and forge coalitions.

GOOD PITCH	GOOD PITCH <sup>2</sup>	TOOLS
<ul style="list-style-type: none"> <li>• An annual “flagship” event produced or co-produced by BRITDOC</li> <li>• A one-day, invitation only pitch session bringing together 6 to 8 filmmaking teams with philanthropists and social change makers to fund documentaries and forge coalitions and campaigns around them</li> <li>• Editions in London, New York, Washington DC, San Francisco, Toronto and Chicago.</li> </ul>	<ul style="list-style-type: none"> <li>• International program aimed at building the capacity of local organizations to host their own Good Pitch</li> <li>• Editions in Australia, Argentina, India, Mexico, South Africa, the Netherlands and Taiwan.</li> </ul>	<ul style="list-style-type: none"> <li>• Mentorship and professional development of filmmaking teams</li> <li>• Impact Producer Labs</li> <li>• Transfer of knowledge to would-be producers of Good Pitch<sup>2</sup>, advice and networks.</li> </ul>



### 2.3. DOCUMENTARY AUSTRALIA FOUNDATION (AUSTRALIA)

#### **History and Legal Status**

The Documentary Australia Foundation (DAF) launched in 2006 and was inspired by the belief that there is a natural alliance between the documentary and philanthropic sectors. DAF raises funds for production, builds bridges between the film and philanthropic sectors, and measures the impact achieved by films through their distribution and outreach campaigns. To date, DAF has received \$6 million dollars in donations and facilitated funding for the development, production and outreach of 200 documentaries. A further \$2.3 million was raised through Good Pitch<sup>2</sup> Australia 2013 to support seven documentaries.

DAF is endorsed as a Deductible Gift Recipient under Australia's income tax legislation. This allows it to receive charitable donations and issue tax-deductible receipts. Australian tax law requires DAF to use the funds it collects to further its charitable purposes, which includes supporting the production of documentary films, without regard for the charitable status of the recipient film that DAF funds.

DAF spent many years promoting documentary film projects to the philanthropic sector, honing its operating model. DAF also created tools and resources to educate the philanthropic sector about documentaries, and to support fundraising efforts of filmmakers. At the time of DAF's creation, many charities specifically excluded film from their funding and the educational efforts of DAF were directed at changing these perceptions. These efforts have been fundamental to the fundraising success of DAF and DAF filmmakers.

#### **How DAF Works**

DAF acts as a re-granter, or fiscal sponsor, flowing charitable donations targeted to specific films, providing filmmakers with a means of raising and tax-receiving charitable donations for their productions.

As can be seen in Figure 7 below, films wishing to access philanthropic donations must first apply and be approved for philanthropic funding from DAF. DAF selects films suitable for philanthropic funding and promotes them on its website.

DAF encourages filmmakers to seek out philanthropic donations on their own and provides tools and resources on its website. Filmmakers also have the opportunity to crowdfund from DAF's website.

DAF receives charitable donations, which are deposited to its "Public Fund" as required by Australian tax law, and issues tax

deductible receipts to donors. Donors may indicate where they wish their donation to be applied, either to a specific film or to DAF's general operations. Donations targeting specific films are then re-granted by DAF to the intended recipients. DAF charges a fee for its service, which is prorated to the amounts raised by each film.

In a small number of cases (2 to 3 films per year), DAF may be able to source donations for a film. In these cases, DAF acts like an Executive Producer, getting more involved in the fundraising for a film, and taking a higher fee for its services

DAF's involvement in the films themselves is limited to approving films – which must be Australian and a good fit for philanthropic support, flowing donations and issuing tax receipts. DAF does not get involved in any creative or editorial decisions. A link to DAF's Terms and Conditions is included in Appendix 4.

DAF also leads a number of innovative initiatives to further its mission, including the successful Good Pitch<sup>2</sup> Australia program.

**FIGURE 7:** How the Documentary Australia Foundation Works

Documentary Australian Foundation (DAF) makes it possible for philanthropists to tax-effectively collaborate with filmmakers to tell stories that can truly change lives.

FISCAL SPONSORSHIP	EXECUTIVE PRODUCER	INITIATIVES
<ul style="list-style-type: none"> <li>Films suitable for philanthropic support are submitted to and approved by DAF</li> <li>Filmmakers raise funds from philanthropists</li> <li>DAF issues tax receipts and provides grants to filmmakers</li> <li>DAF takes a fee on all donations raised (5-7%)</li> </ul>	<ul style="list-style-type: none"> <li>DAF executive produces a small number of films (2 to 3 per year) where there is a clear and identified fit with donor priorities</li> <li>DAF takes a fee (15%) on donations it raises</li> </ul>	<ul style="list-style-type: none"> <li>Good Pitch<sup>2</sup> Australia</li> <li>Thematic program areas that unite the philanthropic, not-for-profit and filmmaking sectors</li> <li>Impact measurement</li> </ul>

### Good Pitch<sup>2</sup> Australia

In 2012, the organization took on the creation of the first Good Pitch<sup>2</sup> program in Australia co-hosted with Shark Island Productions. By all accounts, Good Pitch<sup>2</sup> Australia was the most successful of the Good Pitch<sup>2</sup> events worldwide, attracting \$2.3 million in philanthropic funding for seven pre-selected documentary films in a single day.

DAF is committed to the importance of protecting independent voices and nurturing independent documentaries. One consideration is whether DAF should become more proactive and hands on, supporting fewer films to ensure that they deliver the impact anticipated by donors and investors. In this regard, it is developing thematic program areas with the goal of uniting the philanthropic, not-for-profit and filmmaking sectors around shared causes.

DAF is also measuring its impact. An interesting initiative in this regard is a screening program aimed at educating donors on the value of documentaries. DAF's related activities include professional development workshops for filmmakers, donor education seminars and evaluation programs to measure impact of films.

A positive development resulting from DAF's success and its lobbying efforts, combined with those of other industry associations, has been the recognition by national funder Screen Australia of philanthropic giving as a form of marketplace attachment in the financing structures of documentary films.

## 2.4 THE FLEDGLING FUND (US)

### History and Legal Status

The Fledgling Fund is a private foundation that is unique amongst the initiatives examined as it primarily supports the design and execution of outreach and audience engagement campaigns for social issue documentary films, including connecting these with organizations that can use film to advance their own work.

Fledgling Fund's founder Diana Barrett began by supporting *Born into Brothels*, by Zana Briski and Ross Kaufman, the 2004 documentary which won an Academy Award and successfully raised funding for a Calcutta boarding school. The Fledgling Fund was founded the following year, in 2005, to support documentaries for social justice. Since then, six of The Fledgling Fund's grant recipients have received an Academy Award for Best Documentary: *Inocente* (2013); *Saving Face* (2012); *Music by Prudence* (2010); *The Cove* (2009); *Freeheld* (2007); and *Born into Brothels* (2004).

The success of the Fledgling Fund can be attributed at least in part to its focus on audience engagement, and the quality of the encounter between the film and its audience, to effect social change. To optimize the impact of a film, engagement campaigns involve filmmakers in strategic communications and outreach work, building partnerships with other organizations well before the launch of a film. Strategic communications and outreach leverage a film's availability through distribution channels to create greater awareness. Audience engagement involves calls to action at screenings and working with partners to leverage audience interest in doing something about the issues presented in a film.

### How the Fledgling Fund Works

The Fledgling Fund refers to itself as working more in a venture capital mode than as a grantor or charity.<sup>39</sup> In achieving audience engagement and impact, the Fund supports production, strategic outreach and audience engagement campaigns. Since its inception in 2005, nearly \$12 million has been distributed to more than 330 creative media projects from an endowment of around \$15 million.<sup>40</sup>

An important part of what the Fledgling Fund does is to share what it learns with the documentary sector, through "field building" initiatives and tools. The organization works to:

- Raise the profile of social issue documentary films
- Provide platforms to test and deepen audience engagement ideas
- Foster connections among diverse stakeholders
- Build outreach and audience engagement skills
- Assess and communicate a documentary film's impact on individuals, communities, corporations and policymakers.

Through its activities, the Fund aims to increase the capacity of filmmakers to achieve greater social change. The Fledgling Fund was an early investor in Sparkwise, an online dashboard technology that supports impact analysis to tell the story of social documentary films.

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39 Ann McQueen, "The Fledgling Fund: Inspiring a Better World Through Film," *Animating Democracy: Arts for Change Funder Portraits*, Animating Democracy, January 2015.

40 Ann McQueen, Op. Cit.

**FIGURE 8:** How the Fledgling Fund Works

The Fledgling Fund is a private foundation driven by the belief that film can inspire a better world.

GRANT MAKER	INITIATIVES	TOOLS
<ul style="list-style-type: none"> <li>• \$15 million endowment</li> <li>• Provides grants to filmmakers for: <ul style="list-style-type: none"> <li>• Film Projects</li> <li>• Strategic Outreach and audience engagement campaigns</li> <li>• Support for community-based organizations that are committed to the issues raised in the film</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Engagement Lab <ul style="list-style-type: none"> <li>• Documentary impact incubator</li> </ul> </li> <li>• Support for panels, convening, audience engagement initiatives</li> <li>• Support for thematic residencies</li> </ul>	<ul style="list-style-type: none"> <li>• Sparkwise - impact assessment tool</li> <li>• Research papers</li> <li>• Case Studies</li> <li>• Provider Directory</li> <li>• Online resources on impact campaigns</li> </ul>

## 2.5 JUSTFILMS (US)

### History and Legal Status

The Ford Foundation has a long history of supporting filmmakers making social justice films. In 2011, the Foundation launched a five-year, \$50 million initiative to support filmmakers whose works address urgent social issues. The JustFilms initiative has been investing \$10 million per year to support filmmakers around the world with a focus on funding documentaries on social issues and helping them reach and engage audiences.

Funding is based on a three-pronged strategy: 1) fund content; 2) fund field infrastructure, sustainability and leadership (for example, networking and innovations in distribution), and 3) fund impact (research and reporting on best practices to achieve impact). Funds for content grants are allocated based on artistic excellence and the potential for achieving strategic impact.

JustFilms also partners with other organizations, for example, providing funds for re-granting and other initiatives through the Sundance Institute, Tribeca Film Institute, and BRITDOC Foundation – to support Good Pitch and Good Pitch<sup>2</sup>.

Figure 9 provides a summary overview of JustFilms' activities.

**FIGURE 9:** How JustFilms Works

JustFilms empowers and funds film and digital storytellers in support of social justice and meaningful change.

GRANT MAKER	PARTNERSHIPS
<ul style="list-style-type: none"> <li>• \$50 million for five years (with a five-year renewal in 2016)</li> <li>• Support for: <ul style="list-style-type: none"> <li>• Content</li> <li>• Field Infrastructure, Sustainability and Leadership</li> <li>• Impact</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Sundance Institute</li> <li>• Tribeca Film Institute</li> <li>• BRITDOC Foundation</li> </ul>

## 2.6 THE CHICAGO MEDIA PROJECT (US)

### History and Legal Status

The Chicago Media Project (CMP) is a member-based philanthropic organization, a giving circle of social investors, whose goal is to foster a community of support for social impact documentary work. The CMP came together around the Good Pitch event in Chicago in 2013. Amongst the reasons behind the creation of CMP was the evaporation of investigative journalism and the growth of impact documentaries.

The CMP is a public charity, which is eligible to receive tax-deductible charitable contributions. Philanthropic members receive a number of “benefits” in exchange for their membership donations (which range from \$1,000 to \$10,000). These benefits include Big Table dinners where donors learn about documentaries in production, and screenings of films embarking on outreach campaigns.

The CMP provides direct support for documentaries through grants and equity investments. The CMP Invest/Impact Equity Fund is a limited membership equity investment fund, open to CMP members for investments once a year.

Member donations support filmmakers through the CMP’s Leg Up Fund, which provides seed grants of \$5,000. The goal is to cultivate projects in their early stages that will lead to larger grants later on. In the process, members discover and nurture new projects.

The Chicago Media Project produces Good Pitch Chicago in partnership with BRITDOC, with support from major US foundations, academic and industry partners. The very structure of CMP assures that it has the relationships with the donor community to successfully produce Good Pitch Chicago.

The CMP also offers impact producing workshops, and film screenings for potential donors (Homegrown in Chicago).

Figure 10 provides an overview of how the CMP operates.

**FIGURE 10:** How the Chicago Media Project Works

The Chicago Media Project brings mediamakers together with engaged citizens to support the creation and distribution of media that will trigger social change.

MEMBER DONORS	FUNDING SUPPORT	INITIATIVES
<ul style="list-style-type: none"><li>• A member-based philanthropic organization</li><li>• Members donate money to join the organization</li><li>• Member donations go towards grants and Good Pitch</li><li>• Members have the opportunity to participate in a limited membership equity investment fund</li></ul>	<ul style="list-style-type: none"><li>• CMP Leg Up Fund</li><li>• CMP Invest/Impact Equity Fund</li></ul>	<ul style="list-style-type: none"><li>• High value donor education and engagement events</li><li>• Good Pitch Chicago</li><li>• Impact Producer Labs</li><li>• Thematic support to outreach and distribution through The Justice Initiative</li></ul>

## 2.7 THE INTERNATIONAL DOCUMENTARY ASSOCIATION'S FISCAL SPONSORSHIP PROGRAM (US)

### History and Legal Status

The International Documentary Association (IDA) is a US registered charity with the purpose to build and serve the needs of documentary culture. One of the vehicles through which it achieves its goals is the IDA's fiscal sponsorship program. Since 1998, the program has helped hundreds of independent documentaries to attract over \$6 million in philanthropic donations and grants.

IDA acts as a "fiscal sponsor" by re-granting funds it receives to documentary films that are qualified to be in their Fiscal Sponsorship program. Fiscal sponsorship is governed by a contractual relationship between the IDA and film projects that lack tax-exempt status but that have been established to further the charitable mission and purposes of the sponsoring nonprofit, IDA. Through its contractual relationship, the IDA maintains control over the production to ensure it maintains alignment with its charitable purpose.<sup>41</sup> Fiscal sponsorship is a formal arrangement in which the IDA, which is a public charity, agrees to sponsor a project that furthers its mission, for the purpose of fundraising through grants and donations.<sup>8</sup> This allows filmmakers to seek grants and solicit tax-deductible donations for their documentary, with the oversight, support and endorsement of IDA.

Fiscal sponsorship is a well-established model of not-for-profit funding in the arts and media in the US. The model of sponsorship the IDA practices is often referred to as a "pre-approved grant" relationship model. Much like the DAF model discussed above, after entering into an agreement with a sponsoring organization, fiscally sponsored projects are able to seek grants and solicit tax-deductible donations to be made to the sponsor in support of the project. IDA receives the grants directly and then disperses the funding to the filmmakers.

As can be seen in Figure 11, the IDA provides support to documentaries through its grantmaking program, the *Pare Lorentz Documentary Fund*. The IDA promotes documentaries through its awards and screening programs. It supports the industry through its *Documentary Magazine* and the *Getting Real Conference*, which had its first edition in 2014.

**FIGURE 11:** How the International Documentary Association Works

The International Documentary Association (IDA) is dedicated to building and serving the needs of a thriving documentary culture.

FISCAL SPONSORSHIP	FUNDING SUPPORT	INITIATIVES
<ul style="list-style-type: none"><li>• Fiscal Sponsorship Program<ul style="list-style-type: none"><li>• IDA selects films for support from amongst applicants</li><li>• Non-US filmmakers are eligible to apply</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Pare Lorentz Documentary Fund</li></ul>	<ul style="list-style-type: none"><li>• Awards</li><li>• Screenings</li><li>• <i>Documentary Magazine</i></li><li>• Getting Real Conference 2014</li></ul>

<sup>41</sup> A more detailed discussion can be found in *Growing the Pie*, Op. Cit., pages 61 – 62.

## 2.8 IMPACT PARTNERS (US)

### History and Legal Status

Impact Partners seeks to promote social change through film. Since its inception in 2007, Impact Partners has been involved in the financing of over 60 films, including: *The Cove*, which won the 2010 Academy Award for Best Documentary Feature; *The Garden*, which was nominated for an Academy Award for Documentary Feature in 2009; *Hell and Back Again*, which won the Documentary Grand Jury Prize and Cinematography Award at the 2011 Sundance Film Festival, and was nominated for an Academy Award for Documentary Feature in 2012; and *How to Survive a Plague*, which was nominated for an Academy Award for Documentary Feature in 2013.

The goal of Impact Partners is to provide investors and philanthropists with the opportunity to participate in financing documentaries and independent films. By bringing together a group of investors to finance films, Impact Partners increases investment opportunities in documentary films. It reduces the risk to investors by pre-selecting and presenting a wide range of films for would-be investors to choose from, and by spreading the capital commitments for each film among the investor pool.

Impact Partners selects films for investment based on an assessment of the team and expected social impact. Films selected also include those where much of the financing is already in place and where some distribution territories remain unexploited. Impact Partners negotiates a first tier recoupment position for its investment. The company takes a portfolio approach to its investments, financing approximately 10 new films per year.<sup>42</sup>

Impact Partners believes it plays an important role in ensuring that passionate documentarists with great stories to tell have the financing to produce and distribute their films. As stated by Executive Director Dan Gogan, "What drives most filmmakers, and especially documentary filmmakers, is their deep passion to tell a story. It's not about money or about a career for many filmmakers — it's about the story... When we finance films at Impact Partners, we start from the point of passion — do we think this could be a great film? And if the answer is yes, then we quickly move to the most practical question: what is the revenue that we can project for the project?"<sup>43</sup>

### FIGURE 12: How Impact Partners Works

Impact Partners is committed to financing independent documentary cinema that addresses pressing social issues.

INVESTMENT FACILITATOR
<ul style="list-style-type: none"><li>• Selects films for presentation to investors and philanthropists</li><li>• Provides opportunities for investors who may not know documentary film</li><li>• Manages risks by distributing investments across a portfolio of films</li><li>• Seeks return on investment</li></ul>

42 Tracey Friesen, *Canadian Media Impact Research Report*, Inspirit Foundation, August 1, 2014, page 8.

43 Scott Macaulay, "Dan Gogan on Big Art, Little Debt," in *Filmmaker Magazine*, February 5, 2010.

### 3. SUMMARY OBSERVATIONS

Successful initiatives have been established in Australia, the United Kingdom and the United States that are leveraging funding from the philanthropic sector in support of the production, promotion, outreach and distribution of documentaries. These initiatives illustrate the type of funding that can be accessed when the natural alliances that can and should be built between the philanthropic sector and documentaries intended to advance social change are promoted and championed. A host of funding tools are being applied including grants, fiscal sponsorship, and equity investments as well as tool kits and training aimed at filmmakers and impact producers.

While the tax regulations differ from one jurisdiction to another, there are lessons learned for the Canadian context that are worth considering.

BRITDOC has been an inspiration to countries around the world via its Good Pitch program. It has educated funders about the importance and specific interests of philanthropic funding in the financing of documentaries. It is a tangible example of the way foundations, non-profits and filmmakers can partner together for greater impact. Good Pitch effectively brings the whole ecosystem together in a very focused way.

The DAF initiative was initially supported by an individual philanthropist and is now a firmly anchored player in the funding structure for documentaries in Australia. It provides evidence that it is possible to develop new funding initiatives to support documentaries by reaching out to the philanthropic sector. DAF does not replace other sources of funding but it has the potential to significantly complement them.

It is worth noting that of the initiatives examined, only the Fledgling Fund provides support solely for the promotion, outreach and distribution of documentaries. The Fledgling Fund is one example of how support to the promotion/distribution/outreach component of the value chain can be successful. Sophisticated tools have been developed to leverage traditional distribution with strategic communications and partnerships to foster, track and cause social change through outreach campaigns.

JustFilms represents what is possible when a private foundation makes a dedicated commitment to supporting documentary films over a long-term period. The extent to which this is possible in Canada depends on the willingness of foundations to provide support for documentaries, the different tax regulations and treatment of tax incentives.

The Chicago Media Project is a giving circle. Impact Partners on the other hand, is a social investor.

Canadian documentaries are eligible for fiscal sponsorship by some American foundations and charities, such as the IDA.

# Orbit

## SECTION C

RIVIÈRES PERDUES. PHOTO BY ANDREW EMOND,  
COURTESY OF CATBIRD PRODUCTIONS.





# LESSONS LEARNED FOR THE CANADIAN CONTEXT

## 1. PREAMBLE

This section identifies the lessons learned for the Canadian context.

## 2. LESSONS LEARNED

### 2.1 POSITIONING DOCUMENTARY FILM AS A TOOL FOR SOCIAL CHANGE

The impetus for the establishment of initiatives such as the Documentary Australia Foundation (DAF) and BRITDOC was the desire to seek out alternative sources of funding for documentaries as well as to increase and broaden the audience for documentaries. These initiatives exist within the larger context of a movement devoted to “impact” filmmaking. Impact filmmaking positions documentary films within concerted, planned strategies designed to enhance their outreach, impact and engagement. Impact documentaries drive social change, including “perceivable shifts in behaviours, beliefs and values within groups, systems or communities, as well as legislative or policy shifts in governments, organizations or institutions.”<sup>44</sup>

The Good Pitch program created by BRITDOC has been described as a “movement” that brings together documentary filmmakers, mission-driven funders and organizations who use film for social change.<sup>45</sup> A study conducted by BRITDOC found that through the almost 20 flagship events that have taken place in cities around the world, over 135 documentary films have been presented to well over 2500 organizations, attracting nearly \$15.7M in funding.<sup>46</sup>

By leveraging a film’s distribution across multiple platforms, the approach to audience engagement developed by the Fledgling Fund creates a groundswell of awareness about the film and social action conducted in partnership with the charitable and not-for-profit sector leading to social change.

**“...It seems intuitive and logical that a well-made documentary especially one with a compelling narrative and well-crafted out-reach plan would serve as a catalyst to change minds...”**

*– Assessing Creative Media’s Impact, the Fledgling Fund*

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<sup>44</sup> *Documentary Impact: Social Impact Through Storytelling*, Op. Cit.

<sup>45</sup> Tracey Friesen, *Good Pitch<sup>2</sup> Canada 2016: Feasibility Research Report*, Story Money Media, August 2014, page 2.

<sup>46</sup> *Good Pitch<sup>2</sup> Canada 2016: Feasibility Research Report*, Op. Cit.

In Canada, foundations do not as a rule seek out or engage with independent documentary films to help them further their missions.<sup>47</sup> A few exceptions exist, such as the Inspirit Foundation, which has in the last few years commissioned several studies exploring ways to foster relationships between the philanthropic sector and independent documentary filmmakers whose documentaries could help further their missions. In a presentation made to a conference hosted by Philanthropic Foundations Canada in 2014, the Inspirit Foundation championed the power of documentaries to effect social change through outreach campaigns conducted in partnership with foundations, NGOs and other change makers.<sup>48</sup> Making inroads with the Canadian philanthropic sector requires making the case for how documentaries can advance their work.

## 2.2 DEVOTING CONSIDERABLE TIME AND RESOURCES

Successful initiatives such as DAF and BRITDOC required the devotion of considerable time and resources before achieving an optimal level of operation.

The establishment of an organization such as the Documentary Australia Foundation in Canada would require dedicated effort and sufficient start-up funding. DAF could not have been created had it not been for a dedicated champion and philanthropist who supported its establishment with operating funding, and a strong Board of Directors drawn from the business and philanthropic sectors.

## 2.3 SENSITIZING THE PHILANTHROPIC SECTOR TO THE BENEFITS OF SUPPORTING DOCUMENTARIES

In many of the initiatives examined for this report, the greatest challenge has been the need to educate the philanthropic sector on the value of supporting documentaries to further their causes.

In the case of BRITDOC, for example, in spite of their many successes, the organization continues to identify a great need to sensitize the philanthropic sector to the value of supporting independent documentary films. There is a need to encourage foundations to rethink their funding structures, much like the Ford Foundation did through JustFilms. BRITDOC is currently working to encourage

major foundations in Europe to do the same. This is critical to the long-term sustainability of BRITDOC and to ensuring future support from the sector for documentaries. It is instructive to note that the first philanthropic funding for BRITDOC came from major US foundations, including the Ford Foundation.

**“It’s like turning an oil tanker around. ....It’s going to take years. ...Civil society is not going to know anything about [social issue stories] anymore because they are disappearing from our newspapers and our TV screens, and [we have to] step in and play a role ....or we are going to end up with an uninformed, uneducated civil society.”**

– Interview

Interviewees stressed the importance of sensitizing the philanthropic sector about the benefits of supporting documentary films, particularly outreach campaigns, to further their missions. Interest from the philanthropic sector is said to be low in Canada as compared to other jurisdictions, making it difficult to establish philanthropic funds for documentaries.

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<sup>47</sup> *Growing the Pie*, Op. Cit.

<sup>48</sup> *Canadian Media Impact Research Report*, Op. Cit

Introducing funding in Canada aimed at social issue documentaries that could attract foundation grants was said to be timely. However, to be successful, it was recognized that the case for funding must first be made to the philanthropic sector.

**“There are many of foundations ...[but] they are not as aware of documentary as they could be.”**

- Interview

Our interviews reveal that with a few exceptions, Canadian foundations are generally seen as conservative in their approach to giving. A positive development is that the upcoming generation of foundation leaders have great facility with media tools and are interested in deploying content across media platforms.

## 2.4 THE STRATEGY OF POOLING RESOURCES

One of the challenges in partnering with the philanthropic sector is meeting the differing needs and requirements of philanthropic organizations. Some of the initiatives examined in this study are pooling resources from various foundations with a shared interest in an area of activity. DAF, for example, is reaching out to philanthropists interested in Aboriginal and youth issues. The BRITDOC Circle Fund is another example of pooled funds, supported by a group of individual funders.

**“These programs provide a structure that unites the philanthropic, the filmmaking and the non-profit sectors.”**

- Interview

Some interviewees suggested that what is needed in Canada is a group of five to six charitable foundations pooling their resources to support documentary films.

## 2.5 THE MANAGEMENT OF RELATIONSHIPS

Our study finds that a key success factor with the initiatives reviewed is the development and maintenance of solid relationships with donors, particularly as regards the management of expectations. Many donors are not familiar with documentaries or with filmmaking. They may not know how to assess a film project or read a film budget. They may not be interested in supporting documentary films for their artistic contribution. However, most philanthropists care passionately about the issues the documentaries touch on and this is what drives and motivates them. The management of relationships with the philanthropic sector also involves teaching filmmakers how to manage relationships with philanthropists themselves.

**“There is an enormous amount of human management... You are always navigating the human highway.”**

- Interview

## 2.6 MEASURING IMPACT IS A PRIORITY

Being able to demonstrate the impact that a donation has had on an issue or a community is fundamental to building a long-term relationship with philanthropic funders. Any new initiative in Canada would need to measure and demonstrate the impact of documentaries.

**“It’s important to make the case to foundations on how documentary films are driving change.”**

- Interview

A number of organizations have published their impact studies, which provide lessons learned and best practices on what makes a successful outreach campaign.<sup>49</sup>

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<sup>49</sup> *Documentary Impact: Social Impact Through Storytelling*, Op. Cit.

### 3. CHALLENGES WITH CANADIAN TAX REGULATIONS

#### 3.1 TAX REGULATIONS

Compared to other jurisdictions, interviewees noted that Canada's rules regarding charitable giving, as prescribed by the *Income Tax Act* (ITA), are less flexible than those in the jurisdictions examined for this report. In the case of Canadian regulations, a number of challenges were identified from the vantage point of a grantmaking foundation as well as the organizations that may be receiving such grants.

**“We must exercise caution as the charitable laws in Canada are more strict than in the US. There are six possible types of fiscal sponsorship allowed in the US. In Canada the only allowable model is where the charitable organization has full control over the activity.”**

- Interview

#### Grantmaking

One of the key restrictions affecting Canadian charitable grant makers that is not the case in other jurisdictions examined for this report is the imperative to make donations only to other “qualified donees”. Under the *Income Tax Act* qualified donees are organizations that can issue official donation receipts for gifts they receive from individuals and corporations. They include other charities and national arts service organisations

(e.g., DOC), registered Canadian municipalities, and other public funding bodies acting on behalf of the government. They do not include individuals or non-profit corporations that do not have a registered charitable number. The findings of this study show that this limitation is unique and does not extend to the initiatives examined in other jurisdictions, all of which make donations to individual filmmakers for the production and/or distribution and outreach campaigns of their films.

A charitable organization in Canada cannot use its charitable status to direct charitable donations to unincorporated projects or non-profits that do not have charitable status under the ITA. Doing so can result in the loss of an organization's charitable registration.<sup>50</sup> Some lawyers specialized in this area have argued that Canada's tax laws are out of step with how Canadians want to make a difference in their communities and interviewees noted in general terms of the lack of success to date in lobbying the government to bring changes to the ITA.<sup>51</sup> The challenge for Canadian charities is in finding a means to provide funds to donees that do not have charitable status themselves in a manner that is acceptable under the law.

#### Film Production Tax Credits

A further limitation on grantmaking by the charitable sector is the impact it could have on the availability of federal or provincial tax credits towards production financing. Tax credits can represent a significant portion of a film's production budget and many filmmakers rely on tax credits to close their financing. Tax credits are calculated “net” of assistance (for example, grants, subsidies, forgivable loans, services or other tax credits), which means that any assistance obtained by filmmakers in the financing of their film reduces the amount eligible for a tax credit. A charitable gift could be considered “assistance” for the purposes of provincial or federal tax credits, which means it would reduce the value of tax credit obtainable by the production.<sup>52</sup>

50 Source: CRA Website: <http://www.cra-arc.gc.ca/chrts-gvng/chrts/prtng/menu-eng.html>

51 This point was discussed in interviews.

52 The CPTC guidelines state that, “the tax credit will not exceed 15% of the total cost of production net of assistance. The total cost of production will be reduced by any assistance received, as defined in paragraph 12(1)(x) of the Income Tax Act [i.e. a grant, subsidy, forgivable loan, deduction from tax, allowance or any other form of assistance]. Source: *CPTC Program Guidelines*, <http://www.pch.gc.ca/eng/1332443014216/1332443541505#a7> and Income Tax Act, <http://laws-lois.justice.gc.ca/eng/acts/l-3.3/page-7.html>. See also *Growing the Pie*, Op. Cit., page 47.

### **Ability to Engage in Political Activity**

Canadian charities are restricted in terms of the amount of resources that they can put towards political work, whether their own or that of their donees. Interviews revealed that most Canadian charitable foundations would be cautious about contributing funding to impact campaigns if they felt there was political activity involved. In this respect, there appears to be a lack of clarity around what constitutes political work and a need to educate the philanthropic sector about documentaries.

### **Complex and Restrictive Investment Rules**

Under the current ITA, Canadian charities must only make prudent investments and the rules governing these are said to be complex.<sup>53</sup> From this perspective it would be difficult for a Canadian charity to invest its charitable funds in a film project.

## **4. SUMMARY OBSERVATIONS**

This study has allowed us to identify a number of lessons learned. First, a natural alliance exists between philanthropic sector and documentaries that aim to effect social change. The positioning of documentaries as instruments of social change is an area that requires much work in Canada.

A second lesson learned is that attracting the philanthropic sector to documentaries requires a significant and sustained level of time and resources, which cannot be accomplished by a single organization or individual.

A third lesson is the need to sensitize the philanthropic sector to the role that documentaries can play in furthering its goals.

A fourth lesson learned is the strategic pooling of resources via giving circles and affinity groups. This has the potential of increasing the resources available for documentaries.

A fifth lesson learned is the importance of managing relationships arising from partnerships with the philanthropic sector.

Finally, the sixth lesson is the need to measure the impact that documentaries make in terms of social change. Evidence of impact is a priority for the philanthropic sector and an impressive body of research has been built from which filmmakers can draw.

In addition to the lessons learned there are a number of challenges to consider associated with Canadian tax regulations.

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<sup>53</sup> Interviews with legal counsel. See also <http://www.educaloi.qc.ca/en/capsules/rules-registered-charities-must-follow>, and <http://www.carters.ca/pub/bulletin/charity/2010/chylb192.htm>.

Project

## SECTION D

PHOTO BY NATHAN SHIELDS,  
COURTESY OF THE PEOPLE'S PICTURE COMPANY.



## PHILANTHROPIC FUNDING FOR DOCUMENTARIES: POTENTIAL FUTURE DIRECTIONS

### 1. TOWARDS AN INDUSTRY-WIDE STRATEGY

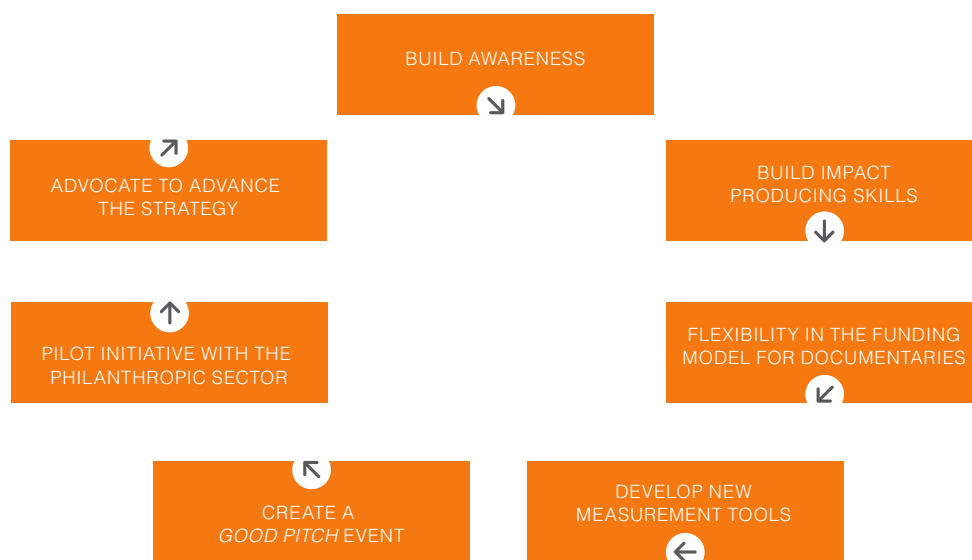
Compared to other jurisdictions, namely, Australia, the United Kingdom and the United States, Canada is behind in leveraging funding from the philanthropic sector in support of documentaries. An initiative unique to Canada could be implemented taking into consideration Canadian tax regulations.

It is important to explain that the type of documentary envisioned for support is one that is intended to be used to support social change. In this context, much work has been done on successful impact filmmaking and associated impact campaign strategies. The Fledgling Fund is a leader in this regard strategically focusing its support to documentaries for outreach and distribution.

Within this larger context, the establishment of an initiative in Canada that would envision the philanthropic sector as an enduring partner to the documentary community requires an industry wide strategy. What is needed in Canada is a “virtuous circle”. The concept of a virtuous circle used in other contexts is defined as a recurring cycle of events, each one increasing the beneficial effect of the next, for the benefit of the greater goal, whether it be increased productivity, exports or growth. Each component affects the others and adoption and improvement of each drives the success of the other.

Figure 13 presents our proposal for a virtuous circle in Canada that could break new ground in creating a funding model for documentary production and distribution that leverages new resources from the philanthropic sector.

**FIGURE 13:** Towards a Virtuous Circle of Support from the Philanthropic Sector





## 2. ACTION PLAN TO “JUMPSTART” THE VIRTUOUS CIRCLE

### ACTION 1: BUILD AWARENESS IN THE PHILANTHROPIC SECTOR ABOUT THE BENEFITS OF SUPPORTING DOCUMENTARY FILMS

Our study shows that there is a pressing need to build awareness in the philanthropic sector on the value of supporting documentary films. There is a need to build trust and credibility with this community. Hot Docs and the Inspirit Foundation are building significant inroads with the philanthropic sector. Industry associations such as DOC and the Canadian Media Production Association can support this work with their own initiatives to raise awareness of how documentaries effect social change.

### ACTION 2: BUILD IMPACT PRODUCING SKILLS OF FILMMAKERS

Documentary filmmakers would benefit from professional development opportunities such as workshops on how to reach out to and engage philanthropic donors. DOC Toronto has developed opportunities in this regard and DOC's other chapters could follow suit. There is already an impressive body of research and tools in this area that organizations such as DOC and its chapters could draw from to further develop these opportunities.

Inspiration could also be drawn from the impact producing workshops being offered by the Chicago Media Project and others held in the context of Good Pitch events. These are intended to grow the population of experienced impact producers, thereby strengthening the infrastructure needed to support this field.

### ACTION 3: FLEXIBILITY IN THE FUNDING MODEL FOR SOCIAL ISSUE DOCUMENTARIES

In the course of our interviews, a number of suggestions were made on how to improve the Canadian funding model to encourage greater philanthropic support in the financial structures of documentaries.

Telefilm Canada and the Canada Media Fund may need to introduce increased flexibility in their guidelines to recognize support from the philanthropic sector in the financing structure of a production. For example, a grant from a foundation could be accepted in lieu of financing from a broadcaster to “trigger” access to funding. A positive development in this regard is Screen Australia’s modification of its policies to allow support from the philanthropic sector to be recognized as “market interest” in some of its funds. In Canada, the Canada Media Fund’s English Language POV program provides flexibility in its rules requiring financing from a third party, such that these may include philanthropic organizations.

In order to build a strong community of impact filmmakers and producers, expenses associated with impact campaigns should be made eligible for funding where this is not already the case through programs that support development, production and marketing of documentaries.

In addition to these policies, funders could consider the special needs and value to society of supporting social issue documentaries.

### ACTION 4: DEVELOP STRONG TOOLS TO MEASURE IMPACT CAMPAIGNS

A funding model involving the philanthropic sector will require a new approach to measuring impact. In addition to measures currently being employed in the industry, such as size of audience and economic impact, new impact evaluation tools will be needed to measure the success and impact of outreach campaigns. These new measures will need to be aligned with the interests of the philanthropic sector, without which it will be difficult to attract its support.

Examples of measurement tools and approaches to measure social impact include those developed by organizations such as the Fledgling Fund and BRITDOC. These organizations have developed toolkits for use by filmmakers in evaluating and measuring their impact. In addition, the Harmony Institute (HI) has developed a multi-disciplinary approach to measuring the impact of entertainment media, to identify indicators of how, why, and when media messages trigger individual social change. The work of HI extends to product and tool development, including a web application, *StoryPilot*, for use by filmmakers. In Canada, one example of work in this area is a report commissioned by Hot Docs on the impact of selected documentaries.<sup>54</sup>

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<sup>54</sup> See for example, *Documentary Impact: Social Impact Through Storytelling*, Op. Cit.

## ACTION 5: CREATE A GOOD PITCH<sup>2</sup> IN CANADA

As each of the elements of the virtuous circle are being implemented, work could also be undertaken on a new Good Pitch<sup>2</sup> for Canada that would seek support for production and impact campaigns for Canadian documentaries. Bringing everyone in the eco-system together could fuel the development of solutions regarding philanthropic funding. Inspirit Foundation commissioned a feasibility study toward the creation of a Good Pitch<sup>2</sup> event in Canada that could provide a starting point.<sup>55</sup>

The last Good Pitch held in 2009 in Canada was hosted by Hot Docs as a flagship event in partnership with BRITDOC. This event could take place again after significant inroads have been made in building relationships with the philanthropic sector.

## ACTION 6: CREATE A PILOT INITIATIVE WITH THE PHILANTHROPIC SECTOR

With support from the philanthropic sector, DOC could consider using its charitable status to create a fund to support impact campaigns.

Of the initiatives examined for this report, a number endorse film projects as part of their charitable undertakings, assisting them with their own fundraising and providing charitable tax receipts. It is worth noting that in the past, DOC has looked to this approach to create an initiative that would provide support to Canadian documentaries with resources obtained from the philanthropic sector. However, such models are still in their infancy in Canada.

Tides Canada is perhaps the best known example of this type of initiative in Canada, having pioneered a shared "governance and administrative platform." Tides Canada Initiatives provides governance, oversight and compliance reporting to projects on its platform for the delivery of projects aligned to Tides' charitable purpose. Amongst the services it provides is charitable receipting. Tides Canada Initiatives is said to conform to the ITA's requirements for using intermediaries in the conducting of its charitable work.

In theory, a Canadian charitable organization could provide support for Canadian documentaries through a similar mechanism. For example, a charity might be able to engage the services of a documentary producer to conduct an impact campaign, provided that the campaign was furthering the charity's mission. Clear agreements would need to be created outlining each party's responsibilities and assigning the direction and control of the project to the charity. Assigning direction and control could entail a licensing agreement between the filmmaker and the charity.

As pointed out in our interviews, such a model has not been tested in Canada and would involve significant risk with no guarantee of success, either in obtaining charitable status under the ITA or in attracting philanthropic funding.

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<sup>55</sup> *Good Pitch<sup>2</sup> Canada 2016: Feasibility Research Report*, Op. Cit.

#### ACTION 7: A ROLE FOR DOC AS AN ADVOCATE OF THE INDUSTRY-WIDE STRATEGY

There is a strong role to be played by DOC as a convenor and advocate for the industry-wide strategy recommended in this study. There is a need for an organization such as DOC to educate funders, regulators and lawmakers and the philanthropic sector about the benefits of working with documentary filmmakers to achieve greater social impact.

As a next course of action, DOC could convene a gathering of interested parties to discuss a strategy of how to build the relationship between the documentary and philanthropic sectors that would benefit all.





# APPENDICES

ARCTIC DEFENDERS. PHOTO BY ALEX SALTER,  
COURTESY OF UNIKAAT STUDIOS & JOHN WALKER PRODUCTIONS.



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## APPENDIX 2: LIST OF INTERVIEWS

Rahul K. Bhardwaj, President & CEO, Toronto Community Foundation

Stephane Cardin, VP Industry and Public Affairs, CMF

Jerome Dufour, Director General of Marketing and Communications, National Film Board of Canada

Leah Eustace, Principal and Managing Partner, Goodworks

Pepita Ferrari, Chair, DOC

Beadie Finzie, Foundation Director, BRITDOC

Tracey Friesen, Consultant

Mitzi Goldman, CEO, Documentary Australia Foundation

Elisabeth Gomery, Partner, Philanthropica.ca

Brett Hendrie, Executive Director, Hot Docs

Robin Jackson, Former Executive Director of the Canadian Independent Film and Video Fund

Michael Jones, Program Director, Metcalfe Foundation

Jane Marsland, Consultant

Margaret Mason, Partner-Charities + Tax Exempt Organizations, Bull Housser

Elizabeth McIsaac, President, Maytree Foundation

Susan McKinnon, co-founder, Documentary Australia Foundation

Ross McMillan, President and CEO, Tides Canada Initiatives

Susan Manwaring, Partner and National Chair-Charities and Not-for-Profit Group, Miller Thomsom LLP

Robin Mirsky-Daniels, Executive Director, Rogers Group of Funds

Andrea Nemtin, President & CEO, Inspirit Foundation

Hilary Pearson, President & CEO, Philanthropic Foundations Canada

Michel Pradier, Director-Project Financing, Telefilm Canada

Cathy Taylor, Executive Director, Ontario Not For Profit Network

Jillian Witt, Jillian Witt Consulting

Leslie Wright, Managing Partner, Novita Interpares Limited

## APPENDIX 3: GLOSSARY OF TERMS

**Civic tech movement:** creatively solving civic problems using information technology, web and mobile apps to spur civic engagement and participation in social development.

**Fiscal sponsorship:** the practice where registered charitable organizations offer their legal and tax-exempt status to other organisations or individuals. Typically used for fundraising purposes, and governed by a fee-based contractual arrangement.

**Grantmaking foundations:** Grantmaking foundations are private or public foundations that maintain active, on-going grantmaking programs supporting unrelated charities on a discretionary basis.

**Impact campaign:** also called outreach campaign, impact campaigns are strategic campaigns for community engagement and outreach, designed to meet social objectives.

**Impact producer:** A producer who designs and executes a campaign that may include distribution, communications, outreach, engagement and marketing to maximize the impact of a film.

**Private foundations:** Private foundation are those where half or more of the foundation's funding comes from a person or group of persons who control the charity in some way. Private foundations can allocate their spending to making gifts to qualified donees or carrying out their own charitable activities.

**Public foundations:** Public foundations must spend the equivalent of more than half of their annual income on making gifts to qualified donees.

**Social finance:** refers to the investment practices of venture philanthropists and impact investors, whose depth of engagement with the organizations they invest in mirrors private sector practices. Social finance is one tool among many being used by foundations to achieve their objectives.

### SOURCES:

Canada Revenue Agency website: <http://www.cra-arc.gc.ca/menu-eng.html>.

Finneran, Patricia, Story Matters, Documentary Impact: Social Change Through Storytelling, Hot Docs, 2014.

Knight Foundation website: <http://www.knightfoundation.org>.

Philanthropic Foundations Canada, Assets and Giving Trends of Canadian Foundations, September 2014.

Social Innovation Generation Knowledge Hub website: <http://www.sigeneration.ca>.

Wikipedia: <https://www.wikipedia.org>.

## APPENDIX 4: ADDITIONAL RESOURCES

### CANADA REVENUE AGENCY RESOURCES

#### **Guidance on Qualified Donees**

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/qlfddns-eng.html>.

#### **Arts Activities and Charitable Registration Guidance, Reference number CG-018, Issued December 14, 2012**

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/rts-ctvts-eng.html>.

#### **Using an Intermediary to Carry out a Charity's Activities within Canada, Guidance Reference number CG-004, Issued June 20, 2011**

<http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/ntrmdry-eng.html>.

### DOCUMENTARY AUSTRALIA FOUNDATION RESOURCES

#### **DAF Terms and Conditions**

<https://www.documentaryaustralia.com.au/page/1102/terms-conditions>.

### BRITDOC RESOURCES

#### **Bertha BRITDOC, Journalism Fund, Conditions of Funding: Development/Production/Post production funding**

<https://britdoc.org/static/core/pdf/bbjournofunconditions.pdf>

#### **BRITDOC Sample Filmmaker Agreement**

<https://britdoc.org/static/core/pdf/bertha-britdoc-journalism-fund-q-sample.pdf>

#### **Bertha BRITDOC Connect Fund, Conditions of Funding:**

<https://britdoc.org/static/core/pdf/bbconnectfundconditions.pdf>

#### **BRITDOC Foundation Conditions of Funding**

[http://britdoc.org/real\\_funds/britdoc-fund/conditions](http://britdoc.org/real_funds/britdoc-fund/conditions).





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