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## **Nordicity – back in the cultural and media policy analysis game in 2003**

**OTTAWA — February 26, 2004** — The re-launch of Nordicity at the end of 2002 has been a great success, and we are particularly pleased with our contribution to public policy in media and culture in Canada and abroad. We have won several key assignments for public sector and association clients, including the CRTC, the Department of Canadian Heritage, Telefilm Canada, BC Film, NB Film, and internationally, the Singapore Media Development Authority (MDA). It was an excellent year for us, as we quickly discovered that there was a niche for a firm like Nordicity with wide industry and business knowledge of the sector. The management consulting “majors” have largely abandoned the policy development side of the cultural and media sector.

For Canadian Heritage, we completed several assignments, most notably the assessment of barriers to growth of small and medium enterprises (SMEs) across six cultural industries – film/TV production, broadcasting, book and magazine publishing, music, new media, and art galleries. Although unique circumstances characterize each sector, we saw evidence of incredible entrepreneurship against tremendous obstacles to survival, let alone growth. At the fundamental core, the creator enterprises make do with limited access to any traditional sources of capital, and depend on assets or personal reputation from other businesses in addition to publicly supported cultural project financing (e.g. tax incentives or public equity investments).

Though each entertainment and media sector is different, governments seem to be looking for cross-industry support mechanisms. Besides the SME project, another assignment for Canadian Heritage we undertook was a review of the US entry barriers that potentially threaten the livelihood of Canadian film makers, artists, gallery dealers, and touring performers.

Similarly, for the Singapore MDA, we have established international bench marks across media to enable the MDA to review its progress toward creating and growing a cluster of media firms operating in that country.

In fact, a number of our assignments looked at the international angle for media and entertainment. Beyond the work for Singapore, we won a contract from Canadian Heritage to compare Canada's achievements in homegrown television programming in terms of audience interest versus 18 other countries. As expected, indigenous programs are at the top of the list in almost all of the countries – except Canada. In the last part of the year, we won a project from Telefilm Canada to assess Canada's competitiveness in international treaty co-productions for film and TV projects. The recent UK policy decisions against Canada in co-productions will likely hamper Canadian producers' efforts to secure international financing. However, with the appropriate policies and focus, co-productions could grow stronger as a means to generate more financing for projects in which Canadians have a significant participation.

We were in the thick of policy development as a result of the financial modeling assignment we undertook for the CRTC with respect to Trina McQueen's recommendations to stimulate TV drama production and exhibition in Canada. Our model approach was made available to all broadcasting groups to respond to the CRTC public notice as part of its policy proceeding leading to new tv policies in 2004. The international co-production assignment for Telefilm illustrated the strong linkages between domestic and foreign financing in the development of Canadian film and TV programming content.

In another competitive process, we won another Telefilm contract to profile the music industry in Canada, in light of Telefilm's new responsibilities for administrating the new Music Entrepreneur Program (MEP). This project envisages the collection of enterprise level data to

help Telefilm decide on what kind of music production companies deserve program support. Following our SME work, it is further evidence of government support for the cultural sector at the enterprise as well as the project level.

Nordicity's media and entertainment practice in 2003 also included the economic profiling of the entire film and television sector; we were co-authors for the seventh year of the annual CFTPA/APFTQ profile. As well, last year was the inauguration of the documentary film sector profile, which we completed for the Documentary Organization of Canada (DOC), formerly the Independent Film Caucus.

We look forward to an active engagement in the cultural and media sector in 2004.

Nordicity Group Ltd. ([www.nordicity.com](http://www.nordicity.com)) is the pre-eminent, independent, Canadian consulting firm specializing in policy analysis, business strategy, and process improvement for clients in the communications and cultural sectors. Nordicity Group Ltd. helps organizations transform their business through sound strategic decisions, shrewd investments, and effective change processes.

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