



# Measuring Success

## Telefilm's Success Index

### General Overview

September 2014

CONTROLLED DISTRIBUTION

# Purpose of this document

This document is destined for international agencies with the purpose of sustaining a continued constructive conversation on the subject of measuring success for the film industry.

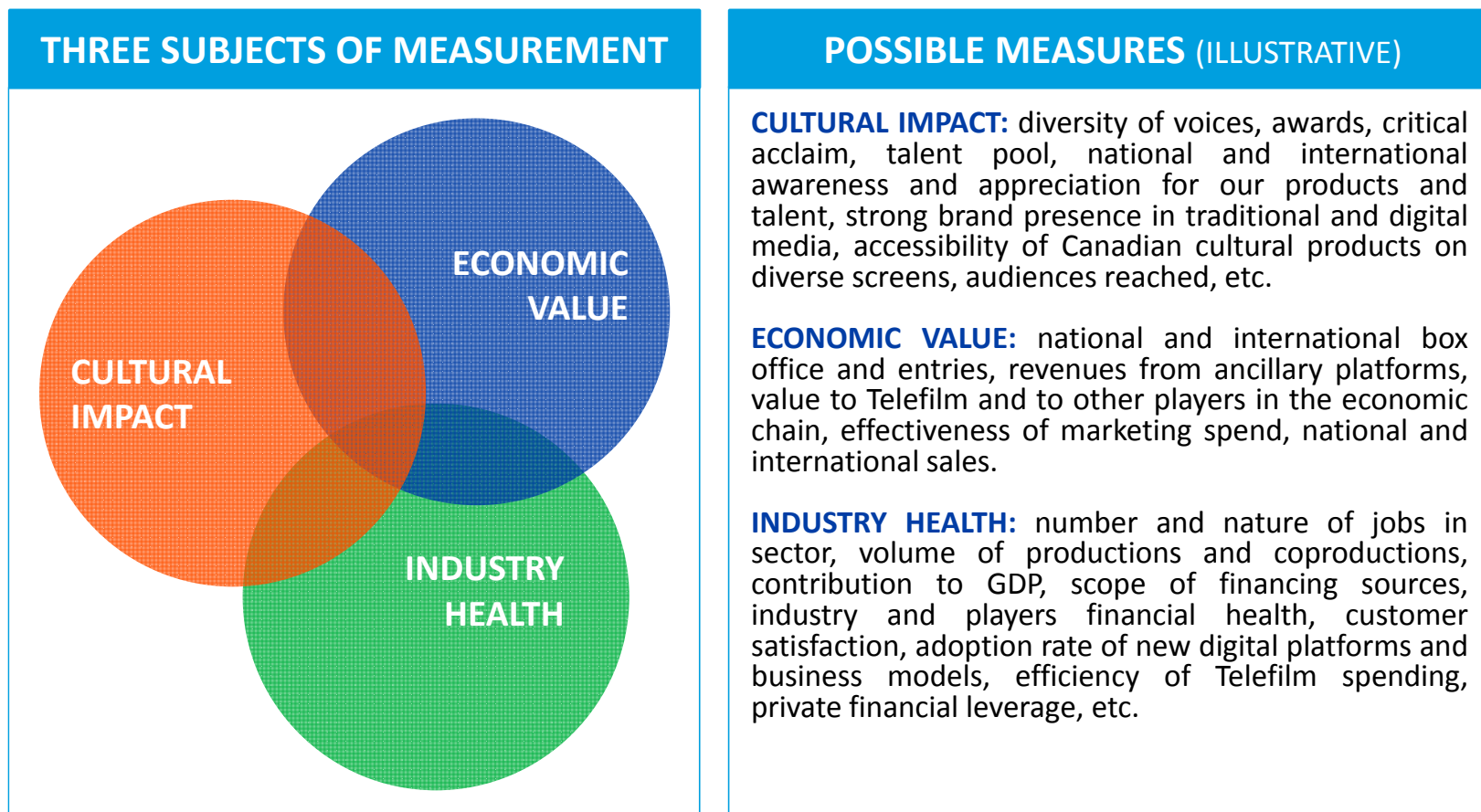
## Contents:

- An overview of the Success Index concept and the rationale behind it.
- Concrete examples of scoring calculations and usage.
- Opportunities for further development.

This document or its content cannot be distributed publicly  
without the prior written consent of Telefilm Canada.

# Measuring Success – The Big Idea

Telefilm wanted a new measurement framework that would integrate additional relevant components to better assess the full impact of its feature film investments.



# Changing Measure – The Rationale

Telefilm believes that its performance measurement tools need to be adapted for the changing marketplace in order to remain relevant.

We created two new tools:

## 1. A new measuring yard stick to reflect the industry's evolution

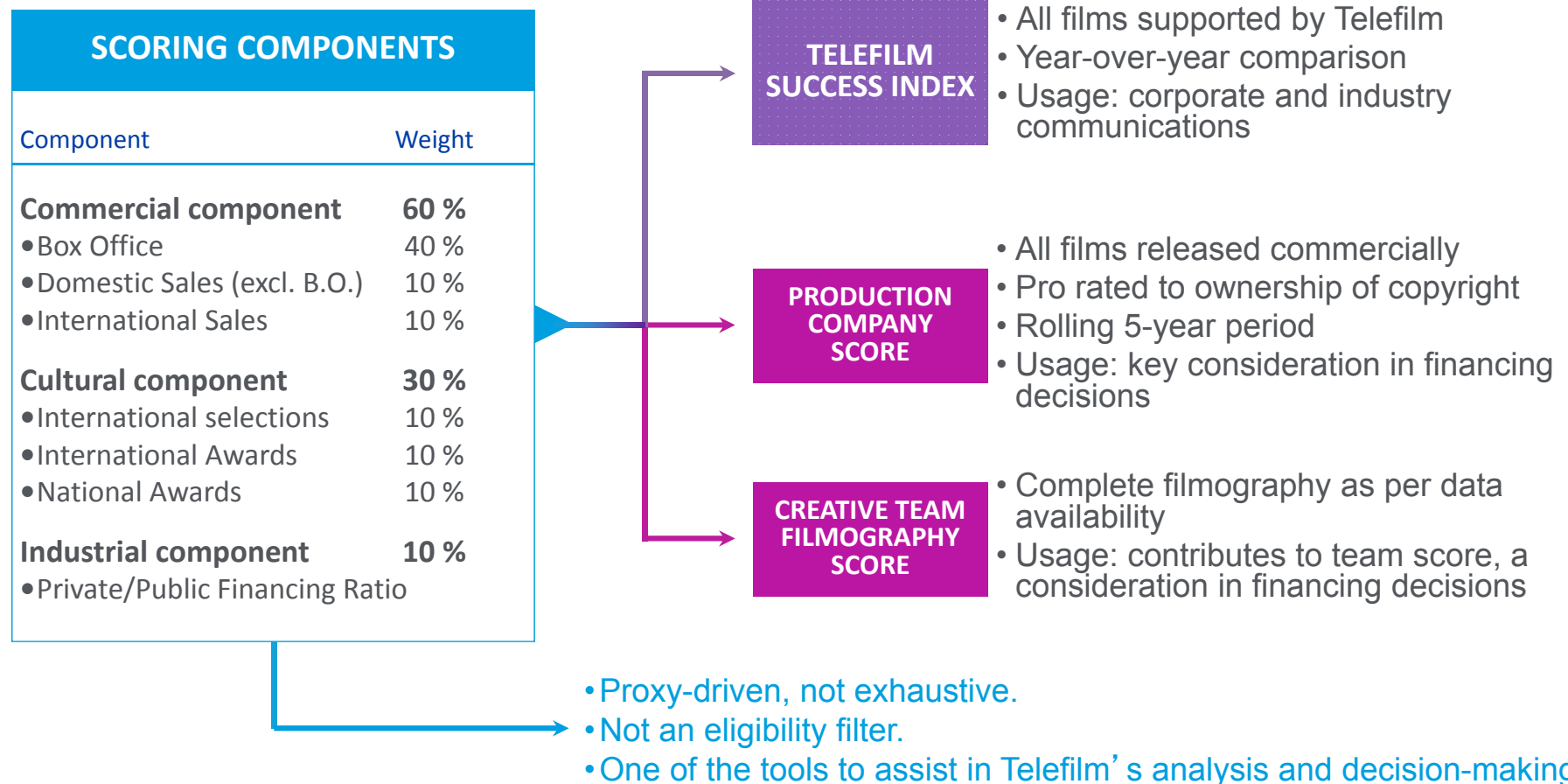
- ▶ Domestic box office—the established measure for years—was no longer comprehensive enough to reflect the evolution of the industry. New dimensions were added in the mix.
  - ▶ To illustrate the cultural value of feature films.
  - ▶ To capture the new realities of emerging online platforms.
  - ▶ To expand results measurement beyond the national territory.

## 2. A new management tool to make better informed decisions

- ▶ A simple yet comprehensive tool to assess better performers and assist in financing decision-making. Accepted to work with a proxy-based tool.

# New Measuring Approach – Concept and Usage

Version 1 of Telefilm’s new measuring approach is simple yet comprehensive, and satisfies the intent for increased relevance.



# Sources of Data

Data is sourced according to availability, reliability, verifiability, as well as cost of acquisition and maintenance.

CURRENT SOURCES OF DATA			
Component	Source	Frequency	Comments
Commercial component <ul style="list-style-type: none"> <li>• Box Office (consumer spend)</li> <li>• Domestic and International Sales (trade level)</li> </ul>	MPTAC Distributor sales reports	Weekly Bi-annually	– Aiming for quarterly updates; no data for non Telefilm-supported projects
Cultural component <ul style="list-style-type: none"> <li>• International awards and selections</li> <li>• National awards</li> </ul>	Telefilm Festivals	Quarterly Quarterly	Manual search and verification Submitted by Festivals during financing request process
Industrial component <ul style="list-style-type: none"> <li>• Private/Public financing ratio</li> </ul>	Telefilm	Ongoing projects	No data for non Telefilm-supported

# Sources of Data – Cultural Component

Cultural target measures include a balance of national and international events, and aims for diversity and relevance—not exhaustivity.

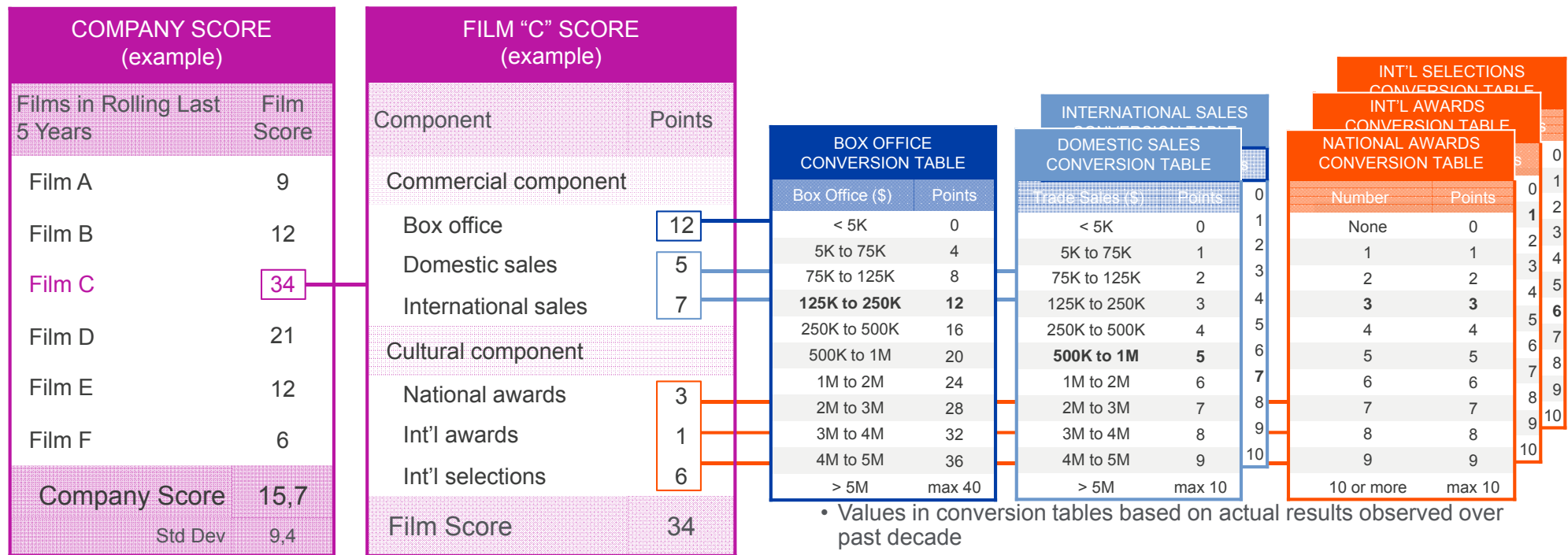
LIST OF 60 CULTURAL EVENTS RECOGNIZED IN TELEFILM'S SUCCESS SCORING				
		Points for a selection	Points for a prize	Points for selected prizes
NATIONAL STAGE	<b>National Festival: 12</b> AFF, FFM, FNC, RIDM, Fantasia, TIFF, Cinefest, Hotdocs, Calgary IFF, VIFF, Victoria, Whistler			1
	<b>National Events: 3</b> Jutra, Canadian Screen Awards, DGC			1
INTERNATIONAL STAGE	<b>International Class "A" Festivals: 4</b> Berlin, Cannes, Sundance, Venise	2	2	
	<b>International Class "B" Festivals: 17</b> Goa, Karlovy Vary, Locarno, Mumbai, Namur, New York Film Fest, Pusan, Rome, San Sebastian, Shanghai, Sitges, Sydney, Telluride, Thessaloniki, Tokyo, Torino, Warsaw	1	1	
	<b>International Class "C" Festivals: 20</b> Amsterdam (IDFA), Annecy, Buenos Aires, Chicago, Edimburg, Ghent, Giffoni, Goteborg, Malmo, Mannheim-Heidelberg, Melbourne, Rotterdam, Seattle, Sheffield, South XSW, The Hamptons IFF, Tribeca, Valladolid, Vienne, Zlin			1
	<b>International Events: 4</b> Oscars, Golden Globes, Césars, BAFTA	2	2	

• National awards: points only for best film, best director, best script, best Canadian film, audience award, jury award, best newcomer award

•• Modified list from initial two-level scoring version (May 2013)

# Production Company Score – Calculation Example

- Points allocated to each film according to conversion tables for commercial and cultural results.\*
- Company score is the average of all films' scores attained during rolling 5-year period.



• Company score is the average of all films' scores

• Film score is the sum of all components' points

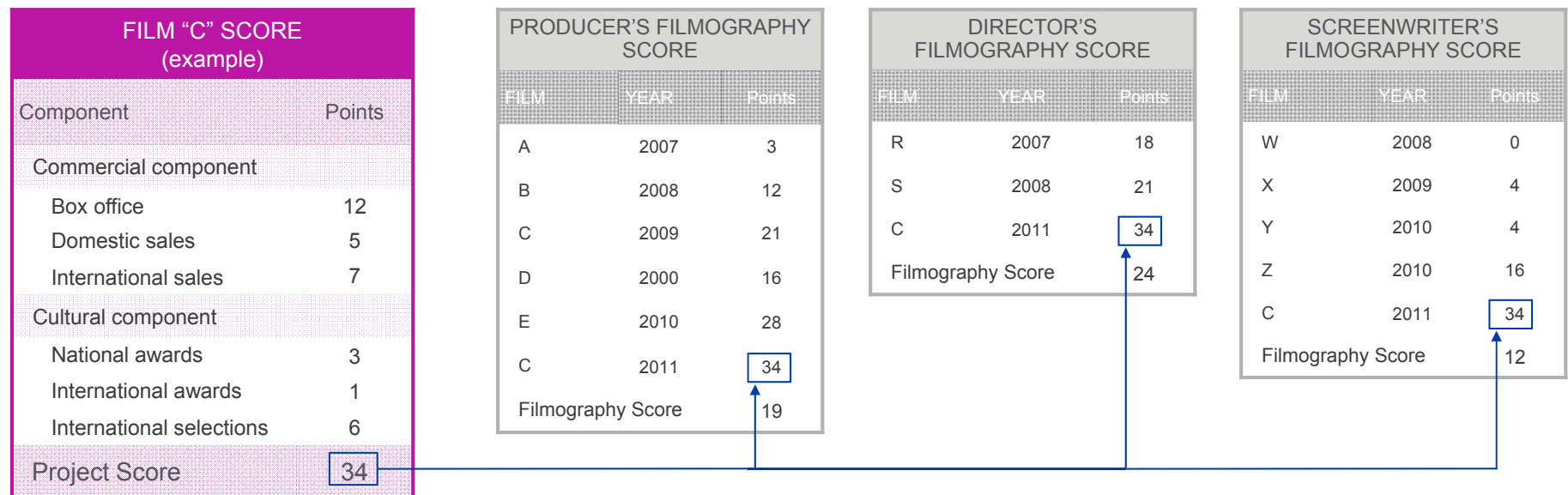
• Values in conversion tables based on actual results observed over past decade

- Version 1.
- Company track record no longer limited to domestic box office numbers.
- Company score now integrated in project financing decision-making.



# Creative Team Filmography Score – Redistribution

- Film scores are attributed to (up to) three key creative positions' filmographies: producer's, director's, and screenwriter's.
- Scores are summed up to a cumulative career filmography score (as per available data).



These scores are only added to individual files starting with 2007 activity.  
 Prior experience will continue to be evaluated as before, i.e. on a qualitative basis.

# Production Creative Company Scores

Blanked-out examples

COMPANY ABC			Average Score: 21,0
FILM 1	Component	Data	Points
	Box office	\$125K to \$250K	12
	International sales	\$250K to \$500K	4
	Domestic sales	-	0
	<b>Commercial component</b>		<b>16</b>
	National awards	-	0
	International awards	1	1
	International selections	1	1
	<b>Cultural component</b>		<b>2</b>
		<b>Film 1 score</b>	<b>18</b>

FILM 2	Component	Data	Points
	Box office	\$250K to \$500K	16
	Domestic sales	\$250K to \$500K	4
	International sales	\$125K to \$250K	3
	<b>Commercial component</b>		<b>23</b>
	National awards	-	0
	International awards	-	0
	International selections	1	1
	<b>Cultural component</b>		<b>1</b>
		<b>Film 2 score</b>	<b>24</b>

- Two relatively equally successful films in last 5 years.

COMPANY XYZ			Average Score: 16,5
FILM 1	Component	Data	Points
	Box office	< \$10K	0
	International sales	-	0
	Domestic sales	-	0
	<b>Commercial component</b>		<b>0</b>
	National awards	-	0
	International awards	-	0
	International selections	1	1
	<b>Cultural component</b>		<b>1</b>
		<b>Film 1 score</b>	<b>1</b>

FILM 2	Component	Data	Points
	Box office	\$2M to \$3M	28
	Domestic sales	\$250K to \$500K	4
	International sales	-	0
	<b>Commercial component</b>		<b>32</b>
	National awards	-	0
	International awards	-	0
	International selections	-	0
	<b>Cultural component</b>		<b>0</b>
		<b>Film 2 score</b>	<b>32</b>

- Two films in last 5 years portfolio, the second one a hit.

Take  
Aways

▶ Financing decisions are made on project overall risks and success potential, and on the need for Telefilm to balance its portfolio.

# Measuring Success – Future Evolution

The new scoring system is at its first stage of implementation. It aims at improving the measurement of success—beyond domestic box office—, and at providing new guidance to assist Telefilm in its financing decision-making.

## IMPROVEMENT WISH LIST (list not exhaustive nor ranked in any particular order)

- › Increase frequency of calculation, based on more frequent data capture/import: quarterly target.
- › **Give access to clients to the information pertaining to their portfolio for quality control and information. (Done fall of 2013)**
- › Improve breath of measurement to include new components such as online viewership instead of dollars
- › Harmonize and standardize measurements to a consumer-centric level.
- › Add a consumer/critics appreciation measurement (à la [Rotten Tomatoes](#)).
- › Improve ability to adapt internal systems to follow changes in cultural events status and thus maintain tracking relevancy.
- › Further automate all data capture and calculations.
- › Further develop international collaborative efforts to build and maintain modern measurement frameworks.

# Telefilm's Decision-Making – A Question of Balance

Telefilm's financing decisions are made by balancing the risks, and potential for success, of projects with the overall goals set for its portfolio. The scoring tool is one of many components/tools for these decisions.

## TELEFILM'S FINANCING DECISION-MAKING

### At Project level, considerations given to:

- Production company track record as guided by (new) Company Score.
- Creative team members' track record as guided by—and not exclusively—the (new) Creative Team Filmography Scores.
- Relative market interest as expressed by level of financial support to project.
- Marketing approach and strategy, especially initial promotional push
- Quality of script and director's vision

### At Telefilm Portfolio level, considerations given to:

- Statutory  $\frac{1}{3}$  -  $\frac{2}{3}$  linguistic split.
- Balance of genres and diversity of voices.
- Regional representation.
- Minority groups representation.
- New talent influx.

# Questions and inquiries

Please forward any questions or inquiries concerning this content to  
Michel Pradier, Director, Financing  
([michel.pradier@telefilm.ca](mailto:michel.pradier@telefilm.ca))

This document or its content cannot be distributed publicly  
without the prior written consent of Telefilm Canada.