International Digital Media Co-Production

A GUIDE FOR CANADIAN COMPANIES II

(ASIA AND LATIN AMERICA)

interactive ontario

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Funding for this study was provided by Ontario Media Development Corporation and the Canada Media Fund. Any opinions, findings, conclusions or recommendations expressed in this material are those of the author and do not necessarily reflect the views of Ontario Media Development Corporation, Canada Media Fund, the Government of Ontario or the Government of Canada. The funders, the Governments of Ontario and Canada and their agencies are in no way bound by the recommendations contained in this document.

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http://interactiveontario.com/

With funding from Ontario Media Development Corporation, the Canada Media Fund and the Bell Fund.

1 INTRODUCTION

In September 2014 Interactive Ontario ("IO") released the original International Digital Media Co-Production: A Guide for Canadian Companies ("Phase 1") to address the need for greater market intelligence to support digital media companies exploring international business arrangements. The Ontario Media Development Corporation, Bell Fund and the Canada Media Fund funded the study, which was researched and prepared by Kelly Lynne Ashton (the "Consultant"[1]). It set out the reasons why a Canadian production company might pursue international co-production, the possible structures of the deals which go beyond strict co-production arrangements, the opportunities and challenges to these business deals and the first steps to pursuing international co-production. The study then went on to focus in detail on basic information to allow producers to explore co-production with the UK, France, Germany, Australia and New Zealand.

Producers welcomed the study for the practical insight that it provided. In fact, they asked for similar practical information for a number of other countries. As well, when interviewed for Phase 1, Canadian interactive producer Dan Fill (Chocolate Liberation Front), now based in Australia, questioned why Canadians were interested in co-production with Australia when there were more opportunities in China, South Korea, India or Brazil. While there are cultural similarities between Canada and Australia, Fill suggested that the market size and reduced labour costs offered by emerging markets were greater potential business opportunities.

IO decided, therefore, that while Phase 1 had focused on more established markets in Europe and Australasia, this "Phase 2" should look at emerging markets in Asia and Latin America. Specifically, Phase 2 focuses on China, India, South Korea, Argentina, Colombia and Brazil as countries considered to be leading emerging digital media markets. The Ontario Media Development Corporation, Bell Fund and the Canada Media Fund agreed to fund Phase 2 and IO engaged the Consultant to continue the research.

1 See Appendix "A" for the Consultant's biography

INTRODUCTION

As an extension of Phase 1, Phase 2 does not repeat its information on business structures of co-production, challenges and opportunities in co-production or first steps in exploring co-production. The reader is referred to Phase 1 for that information. Phase 2 contains the Detailed Country Information for the subject countries in the same format as Phase 1. However, unlike Phase 1, that information is preceded by insight from stakeholders with experience working with the subject countries together with general information to support the value of exploring these emerging markets. In general, the countries examined in Phase 1 are familiar to Canadian media producers while these emerging markets are much less so. Some of these markets have yet to be actively explored by Canadian producers and in those cases, particularly India and Argentina, more information is included on the potential for those markets and why they should be at least explored if not actively pursued.

It should also be noted that while much of Phase 1 referred to the opportunities with convergent (also known as cross-platform or transmedia) content based on the experiences of most of the stakeholders interviewed and the relative maturity of that content sector in the target countries, Phase 2 looks more (though not exclusively) at the opportunities in mobile gaming. The Phase 2 countries have mobile sectors that are much more developed than their broadcast sectors, often due to the lower cost to build mobile infrastructure and a consumer market over the cost of broadcast, resulting in a stronger market demand for mobile gaming.

Where a producer's experience on a project or with a partner was difficult, the name of their non-Canadian partner and the project in question has not been identified and often was not disclosed to the Consultant out of respect to the non-Canadian partner.

While not enough producers have experience with international digital media co-production to be able to identify statistically valid trends, the anecdotal evidence should still prove useful. Conclusions and recommendations in this Guide are based on an analysis of the public available data and the advice of the stakeholders interviewed.

2 METHODOLOGY

The Consultant conducted a review of publicly available information on the target countries including major stakeholders, funding available and opportunities to meet potential partners. The Consultant then interviewed Canadian stakeholders such as interactive digital media producers, Canadian consulate trade commissioners, funders and non-Canadian producers and consular officials who have worked with Canadians or have substantial experience in the co-production market. A complete list of those interviewed is attached as Schedule "B". The results of the interviews are presented in the body of the Guide in summary form and with references to specific producers and projects to illustrate a finding. Descriptions of each project referenced in the Guide are set out in Schedule "C".

3 ASIA

China

China has 618 million Internet users with 80% accessing the Internet through mobile platforms[2]. There are over a billion mobile subscribers in China[3]. There are three state-owned telecom companies (China Mobile, China Unicom and China Telecom) and since 2013 eleven private company resellers[4]. In an overview of the Chinese media market, Trade Commissioner Sandra Jiang of the Canadian Consulate in Shanghai advised that while there is tight government control of telecommunications and both broadcasting and broadcasting content, all forms of gaming are outside government control. There are limited opportunities for non-Chinese broadcast content creators, however, there are no such limitations for non-Chinese creators of mobile games. Console games have only recently entered the Chinese market and have not yet created a sizeable (legal) audience. Massive multiplayer online games are a larger market than mobile games but are dominated by a few large companies and therefore do not provide as great a business opportunity for Canadian companies as does mobile gaming.

Broadcast content must be approved by China Central Television (CCTV) to be carried on CCTV traditional broadcast or OTT services or any other service in China. Mobile gaming extensions of television programs are popular, particularly in the kids market, however web content tends to be inexpensive, produced in-house and offers few opportunities to generate revenues. Telecom companies are interested in mobile games based on existing brands and properties but created distinctly for the Chinese market. Each telecom company carries its own variety of handsets, which are often unique to that carrier, creating a very complex market place. There are hundreds of distinct app stores. Producers working in China warned that a local publisher was the only way to successfully navigate the various carriers, app stores and handsets. Local publishers also know the advertising market for mobile games, which in China includes out-of-home billboard advertising as well as more traditional online promotion.

REPUBLIC OF KOREA
(SOUTH KOREA)

CHINA

2 http://www.zdnet.com/article/china-has-618m-internet-users-80-percent-on-mobile/
3 http://in.reuters.com/article/2014/07/21/china-mobilesubscribers-idINL4N0PW16D20140721
4 http://www.reuters.com/article/2013/12/26/us-china-telecommunications-idUSBRE9BP05G20131226

INDIA

Jason Loftus of Mark Media, a cross-platform media company which specializes in Chinese culturally-themed Canadian-produced content such as the preschool television series and apps *Miaomiao* and *Shuyan the Kung Fu Princess* iPad game, advised that there are so many players in various aspects of the media industry that it can be difficult to identify serious players. While Mark Media has explored partnerships with a number of possible partners and met with several companies at international markets such as GDC, MIP and Kidscreen, they have yet to formally partner with a Chinese company. They have however, brought Chinese talent to Canada to work on projects, thereby making those projects more culturally accurate and easier to distribute in China.

Canadians working in China have done so generally with the assistance of the Canadian consulate. The trade officers in Canadian Consulate offices in Beijing and Shanghai in particular have been very helpful in introducing Canadian companies to potential Chinese partners, setting up meetings, offering translation services and providing advice on entering the market, the kinds of deals that can be made and applicable government regulation. Trade Commissioner Sandra Jiang of the Canadian Consulate in Shanghai suggested that Canadian producers consider the trade commissioners as a free business consulting service there to help Canadian companies get into the market. Another helpful resource for contacts in China for DHX Media was the Canada China Business Council, whose mandate is to help Canadian businesses succeed in China.

Get Set Games Inc., producers of *Mega Jump*, *Mega Run* and *Storm Casters* mobile games, have several partners in China. They met one of their Chinese partners through a referral from another Canadian company working in China but the Canadian Consulate in Shanghai introduced them to their other Chinese partner and facilitated the meetings. Given the size of the market and number of potential partners, Rob Segal, Co-Founder of Get Set Games Inc., warned that due diligence research to find a reputable and experienced partner was key. Andy Smith, who worked at Get Set Games before becoming CEO of mobile game developer XMG Studios, reiterated that finding a reputable partner was essential in China. It is too difficult and expensive to pursue a legal action in China should there be a conflict but finding a reputable partner who can be trusted to fulfill their obligations can minimize conflicts. For example, before doing business with Chinese mobile game developer Yodo1, Smith talked to other Canadian companies who had worked with Yodo1 and as well Electronic Arts, who had partnered with Yodo1 on a Chinese localization of *Plants vs. Zombies*.

Few Canadian companies can afford to travel to China to pursue potential partnerships but there are other opportunities to meet potential Chinese partners. GDC has become a hub for introductions, meetings and negotiations both planned and unplanned. Many Chinese companies are now attending international markets but GDC is a must for those in the mobile game sector. Interactive Ontario hosted a CEO Summit (panel discussion and networking session) Fall 2014 to facilitate its members meeting with Chinese government officials and telecommunications executives who were on a trade mission to Canada. IO also facilitated meetings Spring 2015 with two Chinese game companies travelling to Ontario at the request of the Canadian consulate in China.

TransGaming, which licenses GameTree TV, a subscription-based on-demand cloud gaming service for Smart TVs, is currently in the exploration phase of working with the Chinese market. While gaming in China is primarily mobile and based on in-game purchasing rather than subscription or using Smart TVs, they do not intend to ignore China because of the size of its market. They are currently working with an international investment banking firm with contacts in China to make introductions and provide initial market research. However, as TransGaming is responsible for protecting third party games that they license, they need to be more confident that they can protect those games from piracy before they actually enter the market. They also need to be confident that they can provide a game experience that gamers in China will enjoy and which can be monetized.

Anne Loi of DHX Media warned that companies need to understand that China is a unique market and they should do careful research before entering that market. American companies had been first to enter the Chinese market but treated it like every other market and were burned. DHX entered China first through acquiring Ragdoll Productions including their series *Teletubbies*, which was one of the few western television programs approved for broadcast in China. This opened the door for the company at a very high level at CCTV, which smoothed their way for new projects. Their next major venture was the recently launched preschool OTT service *Jia Jia Bao Bao*, a joint venture with CCTV. DHX Media has been approached to create mobile games specific to the Chinese market based on their library of content but have not yet entered into any agreements. DHX Media now has a full time staff person in China to conduct research on potential partners, the market and facilitate their existing partnerships.

Language can be difficult but is not a barrier. The Canadian consulate among others offers translation services. Many but not all Chinese executives and staff speak English, particularly the internationally-focused business development executives. It can also be easier to work with those Chinese companies that have offices outside mainland China as it helps with language and a sense of accountability. A common language definitely does make production and understanding of the culture easier. However Andy Smith found that any company in China that wanted to do business outside China had staff that spoke English so language was never an issue. Mark Media has Mandarin-speaking staff that come from China and therefore understand the business culture as well as the language. It was Jason Loftus' opinion that an understanding of the culture was more important than language.

Reiterating Anne Loi's point that China is a very different market, Andy Smith's biggest advice was to trust your local partner with your intellectual property as they know their market and will "culturalize" it (rather than localize it which suggests merely language changes) for their market. For example, while at Get Set Games, he worked on the "culturalization" of *Mega Jump*. In North America it is a 35 megabit mobile gaming app. In China the graphics were simplified so that it could be downloaded as an 8 megabit mobile gaming app because the older handsets and mobile infrastructure in China require a smaller download. In that market it is more important to be easy to download and fun than to be pretty. There are cultural issues with content as well. With the XMG Studios mobile game *Powder Monkeys*, a minor character with a bra on its head became the central character in China, because for that market a monkey with a bra on its head was the funniest thing ever. Smith recommended trusting your partner on these sorts of things.

Piracy is one of the hurdles that has stopped most companies from entering the Chinese market. Rob Segal shared that Get Set Games decided that piracy was happening with their games so they might as well enter the market and try to make some money from the audience. It is too large a market to ignore. After producing Chinese-versions of existing games, they are now exploring creating games specifically for the Chinese market that takes into consideration differences in game play (more social, older handsets). Mark Media expressed a reluctance to enter into co-production agreements in China because of the resulting lack of control over the intellectual property (IP) in China, a much bigger issue than in other countries. On the other hand, XMG Studios recommended that companies require that their Chinese partners are the ones responsible for piracy protection. The Chinese partner can reach out to the many app stores to take down pirated apps before being allowed to sell the better quality legal apps, something a Canadian company could not do from here. This strategy is working for XMG Studios.

For their part Chinese companies seem to be looking primarily for mobile game titles to publish in China, though some of the bigger companies are starting to look for titles that they can co-develop with non-Chinese companies.

India

There are 278 million Internet users in India[5] and 173 million mobile Internet users[6] but with a population of 1.25 billion people that is a very low penetration rate compared to China[7], a country with a similar population size. Smartphone penetration is only at 10%, much lower than the global average of 25%.[8] The market is so large however, that even that 10% presents a sizeable opportunity. Mobile gaming in India is one of the fastest growing markets in the world with year on year growth of 132%.[9]

While the Indian Film Industry (commonly known as Bollywood) is the largest film industry in the world[10], digital forms of content are not yet as popular

5 http://www.iamai.in/rsh_pay.aspx?rid=4hjkHu7GsUU=

6 http://articles.economictimes.indiatimes.com/2015-01-15/news/58108803_1_urban-india-mobile-internet-june-2015

7 China has an Internet penetration rate of approximately 46% while India's is approximately 22%.

8 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf pg. 96

9 http://economictimes.indiatimes.com/tech/hardware/mobile-gaming-market-in-india-to-cross-571-million-by-2016-study/articleshow/47487993.cms

10 1602 Films were produced in India in 2012 compared China, which has the second largest industry with 745 films and third place U.S. industry with 476 films. Audience demand is also significantly greater in India with 2.6 billion in tickets sold in 2012 compared to 1.36 billion in the U.S. the same year. [see "Bollywood: India's Film Industry by the Numbers", http://www.forbes.com/sites/niallmccarthy/2014/09/03/bollywood-indias-film-industry-by-the-numbers-infographic/]

or accessible. The Indian government is currently focused on connectivity through its Digital India[11] program, which aims to ensure that all Indian government services are available electronically and therefore to ensure that all citizens have access to high speed Internet and the necessary digital literacy. This program also seeks to bridge the distinct urban/rural divide in India with public Internet access points and training programs. Only 7% of rural Indians were active Internet users in 2014[12]. As electrification of rural areas continue and TV audiences grow, that growth is expected to be at a much slower rate than Internet access (3% to Internet's 18% growth projected for 2014-19).[13]

Internet speeds are also a concern for this market. While growth is at 49%, the average speed in India is of 2Mbps compared to 3.8 Mbps in China and 10.3 Mbps in Canada.[14] Slow speeds and poor access have an impact on the potential size of the market for interactive digital media content in India.

KPMG released a report at the FICCI-Frames annual conference in March, 2015 in Mumbai, India, that gave an overview of the indian Media and Entertainment sector.[15] It is worth noting that while interactive digital media is not being tracked as a distinct category, KMPG found a 22.4% growth in gaming in 2014 and 44.5% in digital advertising for the same period.[16] So while the film sector is much larger, it only grew 0.9% in 2014 due in part to the slow rate of real estate growth by exhibitors. As rural areas become more connected through Digital India, KPMG expects the growth of digital industries to continue to mushroom, including OTT delivery of film to bypass the shortage of theatres.

A few Canadian digital media companies are exploring the Indian market because of its potential but it is still early days. For example, Neil Smolar of NDi Media is working with Indian colleagues in Canada who are making introductions and researching opportunities in the technology sector in India.

11 http://deity.gov.in/sites/upload_files/dit/files/Digital%20India.pdf

12 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf pg. 100

13 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf pg. 97

14 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf pg. 100

15 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf

16 https://www.kpmg.com/IN/en/IssuesAndInsights/ArticlesPublications/Documents/FICCI-KPMG_2015.pdf pg. 3

XMG Studios worked with an Indian company on a game but the cost of managing the work far outweighed the cost savings, primarily because from XMG's perspective, the Indian company was not familiar with North American quality standards. After that experience they would only recommend working with an Indian company on a large project where the programming labour cost savings was significant enough and the management time could be amortized over the budget. It would also be easier to communicate programming standards rather than art or design standards, which are much more subjective. XMG is however also exploring working with a large Indian company that has offices in North America and would therefore be more familiar with North American requirements.

The Canada-India Audio-Visual Co-Production Agreement signed in 2014 has encouraged traditional film and television producers to investigate co-production with Indian companies and there have been a number of recent trade missions to India as well as missions bringing Indian film and television producers to Canada. This has encouraged cross-platform media companies to explore the Indian market. DHX Media participated in a B.C.-led trade mission to India last fall and met with a number of digital media companies. Similar to the experience of XMG, DHX discovered that at this point in time, for digital media India is primarily a source of low cost programming labour. They found that there is little market demand for the digital media content, either gaming or convergent content, that is of the type that Canadian producers are looking to create and distribute and as a result that sector is less developed. However, keeping in mind the growth of the mobile and gaming sectors mentioned above, the Canadian consulate in Mumbai was very encouraging about the opportunities for Canadian companies in mobile and e-commerce. It is recommended that producers should monitor the development of the Indian digital media sector and its producers and continue to explore its opportunities.

Republic of Korea (South Korea)

South Korea is one of the most connected markets in the world. With 41 million[17] Internet users out of a population of 51 million that is a penetration rate of 80%. South Korea also has the highest connection speed of any market in the

17 http://www.statista.com/topics/2230/internet-usage-in-south-korea/

world.[18] However, the potential of the South Korean market is based on more than having a highly connected population. It also rests on the government policy of supporting *Hallyu*, or 'the Korean Wave', which is similar in concept to the British Invasion of the 60s.[19] Specifically, the government support of *Hallyu* refers to the export of Korean culture such as K-pop music as well as Korean films, television dramas (K-drama), food and other forms of Korean culture, as a way of increasing exports and diversifying the South Korean economy[20]. *Hallyu* has prioritized working first with other Asian countries but is now looking beyond to other markets like Canada and to leveraging Canada as a gateway to the U.S. and Europe.

The South Korean government is supporting *Hallyu* in a number of different ways. The government agency KOCCA[21] supports 'broadcasting, games, animation, cartoons, characters and music' and together with the Export-Import Bank of Korea (Eximbank) are helping cultural creators to reach export markets. There are no specific programs that fund content but content is funded on an ad hoc basis or as part of an overall strategy. For example, the government is supporting the development of a 'Silicon Valley' style digital industries incubator in Anyang and a digital and transportation hub in Daejon. In Seoul there is a digital media content and technology complex called Digital Media City, whose development on a landfill was funded by the Seoul Metropolitan government. Through these projects it may be possible for Korean companies to access company-based or content-based funding.

Specific countries are being targeted for foreign investment in Korean cultural and technology projects with Canada being in the second tier of priority with China, Brazil and Spain[22] after other Asian countries, however more recently the focus has shifted from foreign investment to collaboration on culture. The Canada-South Korea Free Trade Agreement (which came into effect January 1, 2015) and softer Canadian dollar has made doing business with Canadian companies more appealing. KOTRA[23] , the Korean Trade-Investment

18 http://www.statista.com/statistics/204952/average-internet-connection-speed-by-country/
19 http://www.korea.net/Government/Current-Affairs/Korean-Wave
20 http://business.financialpost.com/news/retail-marketing/how-korea-became-the-worlds-coolest-brand
21 http://eng.kocca.kr/en/main.do
22 http://www.investkorea.org/ikwork/iko/eng/cont/contents.jsp?code=1020207
23 http://kotrana.net/index.php?district=9

Promotion Agency, which has Toronto and Vancouver offices, is very active and helpful in helping Canadian businesses connect with South Korean companies and is now prioritizing cultural businesses. Interactive Ontario recently hosted a mission to South Korea for the Korea Service and Content Market 2015 (KSCM 2015) with the assistance of KOTRA. KOTRA facilitated meetings for the Ontario companies with Korean companies at KSCM.

TransGaming has had several business partnerships with South Korean companies that have not been successful. In one example, through their Tel Aviv office TransGaming entered into a co-production with a South Korean company to take advantage of an Israeli program aimed at promoting Israel-South Korean digital media co-production, in order to fund development of a game. The South Korean company failed to report on time and it is likely that the project as proposed for the funding will go no further. Similar to their experience with China, TransGaming sees South Korea as a market to watch but not prioritize. Unlike mobile game developers, as a TV-based platform they have greater opportunities in mature markets where cable companies are looking for game content that will differentiate themselves from the competition.

XMG Studios is not prioritizing South Korea at this time because the mobile market is equally iOS and Android (despite being the home of Samsung) while most other markets are easier to deal with because one platform or the other dominates. Their strategy is to wait for the South Korean market to clarify, as it will be more cost-effective if they enter with the dominant platform.

Language is not a barrier to working with South Korea as most companies who are interested in working internationally have staff who speak English. Narae Yuh of Crazy Bird Studio in South Korea advised that English is often the common language when they work with companies from other Asian countries. Yuh and RyungEun Ah of JSC Games both recommend working with a South Korean company to localize games for the Korean market but are also looking for partnerships with Canadian companies to help the Korean companies enter foreign markets.

There have not been many Canadian companies successfully working with South Korea to date but given the size, maturity and interest from that market it is one that Canadian companies, particularly mobile gaming companies, should explore.

4 LATIN AMERICA

Argentina

Argentina is a highly connected country, fourth in Latin America in size after Brazil, Mexico and Colombia with 27 million users[24]. However, with a population of 41 million, that is a penetration rate of 65%, higher than Brazil's 53% and Mexico's 49%[25] Most of those users (14.2 million) are accessing the Internet through mobile. However, broadband speeds are among the lowest in Latin America,[26] likely due to economic and political uncertainty that discouraged investment in infrastructure until recently.

There now is political stability and Argentina is working hard to get caught up. In May 2014 a Ministry of Culture was created for the first time. In December 2014 the Digital Argentina[27] law was passed, to ensure fair access of all citizens to telecommunications services including the Internet. Among other provisions, the government has the power to set rates to ensure all citizens have affordable access to the Internet.

The Ministry of Culture is actively studying the cultural industries in Argentina, with a particular focus on digital content. Funding is limited to film and television under the National Institute of Cinema and Audiovisual Arts (INCAA)[28], however in 2014 there was a call for applications for youth-focused multiplatform projects with television, mobile and web elements and a contest for development funding for additional content for a multiplatform project. Given the digital focus of research at the Ministry of Culture[29], it is anticipated that there could be more calls for applications or competitions at INCAA related to digital or convergent content but INCAA does not have regularly scheduled funding deadlines. It is noteworthy that one of the other competitions in 2014 was for international co-production of a television series so they are open to international co-production at least for the television platform.

COLOMBIA

BRAZIL

24 http://www.statista.com/statistics/186919/number-of-internet-users-in-latin-american-countries/

25 However, note that the government National Survey of Cultural Consumption set the penetration rate at 65% in 2013 based on consumer surveys.

26 http://www.emarketer.com/Article/Colombia-Set-Reach-286-Million-Internet-Users-2015/1011864

27 http://www.argentinadigital.gob.ar/

28 http://ant.incaa.gob.ar/castellano/index.php

29 The government released the report "Computer, Internet and Videogames" December 2014 to re port on Argentinian consumer behaviour in these sectors http://sinca.cultura.gob.ar/noticias/i.php?id=19 and tracks data on Internet access, usage, spending and more at http://sinca.cultura.gob.ar/sic/estadisticas/results.php?tematica=29&subtematica=&idpage=1

ARGENTINA

LATIN AMERICA / ARGENTINA

The NFB has been exploring and working in Latin America for digital media co-productions for about five years. They perceive it as a natural next step after working for years with European broadcasters. Hugues Sweeney, head of the NFB's interactive studio in Montreal, has worked on one co-production with Argentinian educational broadcaster Encuentro, an interactive documentary called "Primal". The interactive documentary was co-created and co-published by the NFB and Encuentro and was a very positive experience.

Sweeney values working in Latin America because compared to Europe it is closer both geographically and culturally in terms of social conventions, history and openness to technology and innovation. Canadian partners are valued for their experience with new platforms and innovative storytelling as well as access to international markets. In the "Primal" example, the Argentinian broadcaster wanted to learn how to create digital content and the NFB wanted to build new relationships in Argentina.

Sweeney cautioned that Argentina has a very political bureaucracy and changes in government can impact decision-making and it is a very real risk factor. He advised that tools such as Skype and Dropbox facilitate long distance partnerships but do not replace face-to-face meetings. Regular meetings are important to overcome cultural differences as in Latin America there is a more fluid concept of time and deadlines and to stay on top of potential political pitfalls.

Sweeney's focus for potential partners in Latin America has been broadcasters, publishers and other non-producers. At this point in time he has found them to be more open to innovation and risk-taking than producers in Latin America. The other benefit is that these stakeholders do not have a tradition of co-production so are open to innovation in business arrangements as well.

When Juan Esteban Lopez of Pipeline Studios was considering which Latin American countries to investigate to build his company's capacity, he chose not to work with Argentina because he felt that it was not yet ready. He felt that they have talented artists but their industry has not yet developed sufficiently to be able to take advantage of international partnerships. The Canadian Trade Commission in Argentina also advised that the kinds of conferences and trade fairs that would facilitate networking in Argentina are small because the digital media industry in Argentina is still small. However, Valerie Creighton, CEO of the Canada Media Fund, was a keynote speaker at the 2014 *Encuentro de Negocios* de TV (TV Business Conference) to talk about television co-production with Canada so there is a growing interest in working with Canadian companies. Regional festivals and conferences such as DocMontevideo in Uruguay and Rio Content Market in Brazil act as hubs for networking with producers from all parts of Latin America including Argentina so can help fill the gap.

While few Canadian companies have worked in Argentina to date it is clearly a market with a great deal of potential that should be explored.

Brazil

The Brazilian media markets are large and well developed, though not without challenges. In 2010 the Brazilian government launched the four-year Programa Nacional de Banda Larga (National Broadband Program or PNBL)[30] to bring affordable access to broadband to the entire country. Through government investment and private-public partnerships, wired broadband jumped from 13 million in 2010 to 20.6 million in 2013 while wireless broadband increased from 15.3 million to 68.2 million. The penetration rate for Internet access is currently at 53%[31] with approximately half of those users accessing the Internet through mobile.

According to Tech in Brazil[32], the gaming industry in Brazil is one of the fastest growing, reaching US$ 66 billion in revenues in 2013. However, to date most of those revenues come from free to play or mobile games as there has been little investment in the more expensive console games. Sony's establishment of a console production plant in 2013 is expected to trigger future investment in domestic videogame development. However, with nearly 50 million gamers, Brazil ranks as the number one western country for social network gaming, with «36% of the internet population playing at least once a week»[33].

30 http://www.mc.gov.br/programa-nacional-de-banda-larga-pnbl
31 http://www.statista.com/topics/2045/internet-usage-in-brazil/
32 http://techinbrazil.com/overview-of-the-brazilian-game-production-industry
33 http://www.newzoo.com/infographics/infographic-the-brazilian-games-market/

Across all platforms, one of the challenges to working in Brazil is heavy taxation and complex bureaucracy. There are both national and state tax rates (19% nationally with state ranging up to 25% depending on the state and the good) and there are significant import taxes on goods manufactured elsewhere. The cumulative tax on electronic items is often as much as 90%, which makes the more expensive iPhone prohibitively expensive for most Brazilians. Producers advised that the bureaucracy involved in setting up a business in Brazil is extensive compared to most other jurisdictions and acts as a further deterrent to foreign companies setting up their own studio in Brazil.

Mukul Verma of MoKool Apps participated in a joint venture with a Brazilian game company for a soccer game for the Brazilian market that was not very successful. The intention was for the joint venture to lessen the risk of venturing into the Brazilian market for MoKool and to help the Brazilian company transition from web gaming into mobile. However, the partners chose to create the game in iOS when Android is the dominant mobile platform in Brazil so it did not do well. Understanding the market or having a local partner who understands the market is essential.

According to Bruno di Giuseppe of Brazilian game studio Smoking Cobra "Brazil is a young interactive media industry, with lots of potential hurdles, but also government support, to some level. All we need is time and the right people to have a good based industry producing good content." While the government bureaucracy and taxation are a challenge on the other hand the government is specifically supporting content creation and a digital media industry with the Rouanet Tax Law, which provides donors and sponsors of cultural content with a tax deduction for the amount of their donation. The goal is to take selection of funding recipients out of the hands of the government, where there is the potential for inappropriate influence, and put it in the hands of investors who would want to be associated with good product.

Canada and Brazil have been actively building business relationships for film, television and digital media producers. Brazil is one of the few jurisdictions to explore a co-development fund for convergent or standalone digital media, operated by CMF for Canada and SP Cine for Brazil[34]. There have been two

34 The CMF has also recently had co-development funds with RioFilme, the funding agency in Rio de Janeiro, co-production funds with New Zealand and co-development and co-production funds with Belgium. At this point for 2015-16 the only active co-development fund in Brazil is SP Cine but producers should check the CMF website for updates at http://www.cmf-fmc.ca/funding-pro- grams/convergent-stream/international-coproduction-and-codevelopment-incentives-convergent/

trade missions organized by the Canadian Media Production Association and the CMF to the Rio Content Market in Rio de Janeiro, which has become the biggest media market and conference in Latin America. Christina Fon of Minority Media took part in the trade mission February 2015. Her company has partnered with several Latin American companies because one of the founders was born in Colombia and a number of the staff speak Spanish, but they have not yet worked with Brazil. She was therefore very interested in exploring potential partnerships with Brazilian companies, particularly for adaptations of their videogame *Papo and Yo*, which is set in the Brazilian favelas (slums). Participating in the CMPA/CMF trade mission was very helpful due to the support from CMPA and CMF, particularly with introductions to Brazilian companies. The Canadian companies on the mission could also compare notes from their meetings and learn from each other. Fon is not yet in a position where she could apply for the SP Cine co-development fund but feels that it definitely makes Brazil a more attractive market.

In the first phase of the Guide, Xenophile Media shared their experience with digital media co-production with Australia on the *Time Tremors* convergent project. Xenophile also worked with Brazil on the commercialization of research related to aspects of *Time Tremors* through funding out of both countries related to building bridges between academic research and industry[35]. While the arrangement was complex, involving universities as well as producers in each country in order to trigger similar financing in both countries, Xenophile found it was no more complex or difficult than the Australian treaty co-production on the cross platform content. They successfully created prototypes for cross platform content delivery and a wearable component for Time Tremors. Patrick Crowe of Xenophile found a great deal of interest in Brazil in working in co-production with Canadian companies but fewer projects are right for that arrangement. According to Crowe, Brazil has a sophisticated cross-platform market but in most cases the broadcasters want to create their own content or only version rather than co-produce. Xenophile Media production *Total Drama Island Totally Interactive* was distributed by Cartoon Network in Brazil very successfully but he felt that was possible because it was an animated project that was easy to version.

35 International Science and Technology Partnerships Program (ISTPP) of Foreign Affairs, Trade and Development Canada http://www.tradecommissioner.gc.ca/eng/funding/istpp/istpp.jsp

DHX sees Brazil as a hot emerging market with an eagerness to do business and the quality of work necessary to back up their interest. DHX has identified Brazil as one with moderate government financial support and skill level in 2D animation and gaming but have not yet entered into discussions with any potential partners.

Colombia

Colombia had the third-largest Internet user base in Latin America last year, with 31.6 million, trailing only Brazil (118.6 million) and Mexico (56.1 million)[36] and tied for second with Argentina for internet user penetration in 2014, with 64.6% of their populations already online[37]. Social media is the top activity category for those online in Colombia. Videogames account for 27% of the digital content sector while mobile games account for 20%.[38] It is still a very young sector with 9 out of 10 companies having been started since 2006, half of them since 2011.

Colombia's rapid growth has been fostered by government programs including Vive Digital[39] which created public internet access and subsidized home internet access rates for low income Colombians as well as many other infrastructure, training and content programs aimed at improving the Colombian economy through support of the digital sector.

While people may still think of Colombia as the home of cartel drug wars, it has turned itself around and has a booming economy. Its GDP growth rate is 5%, much higher than the Latin American average of 1.4%, and is expected to continue due to government investments in infrastructure, public consumption and a solid labour market with a growing middle class. Colombia is not a mature market for digital media content but is a booming one with a lot of government support.

36 http://www.emarketer.com/Article/Colombia-Set-Reach-286-Million-Internet-Users-2015/1011864#sthash.UgwZ2CA1.dpuf

37 http://www.emarketer.com/Article/Colombia-Set-Reach-286-Million-Internet-Users-2015/1011864#sthash.UgwZ2CA1.dpuf

38 http://colombiabringiton.procolombia.co/en/sectors#/sub-sectors_and_opportunities

39 http://www.mintic.gov.co/portal/vivedigital/612/w3-channel.html

ProColombia, the Colombian trade commission, is prioritizing the digital media and IT sectors for its support and is actively reaching out to Canadian companies to encourage interest in Colombia. They regularly conduct Colombian-sponsored trade missions to Colombia and to New York for matchmaking forums and more in depth meetings. Raquel Benitez of animation and videogame company Comet Entertainment participated in a recent matchmaking forum in New York where she was able to meet 30 to 40 Colombian companies. The value to participating in these missions rather than exploring Colombia on your own is that ProColombia has already vetted the Colombian companies so some of the due diligence has been done. Jeff Ramsden of Yeti Farms, a digital animation studio, participated in a trade mission to Colombia hoping to meet Colombian digital animation studios who could help build their capacity. Though ProColombia introduced them to many potential partners, Yeti Farms discovered that Colombian studios have little experience in Flash animation so there were no studios that fit what they were looking for. Ramsden was impressed with the skill and capacity of the Colombian partners and would not have hesitated to work with them if the fit had been right.

Juan Benitez Lopez of digital animation studio Pipeline Studios also went to Colombia to build his studio's capacity. In Lopez's opinion, there is not enough talent in Canada for all of the production that is happening. As he is Colombian originally he looked to Latin America with the idea of building capacity through developing training there even if there isn't sufficient skilled talent. Latin America is closer to Canada than Asia and has a greater cultural similarity to Canada than Asian markets in his assessment. His first thought was to look at the larger markets of Brazil and Mexico but ProColombia approached him and in partnership with the government he decided to explore building up the small but existing digital animation sector by partnering with the government on training. After graduating 100 students Pipeline had access to enough talent to set up a studio in Bogotá, the capital, but then moved to Medellín, the heart of the creative community. The local Medellín government also funds the development and production of content and technology innovation. Pipeline is now actively working in Medellín on both service work and their own projects in 2D and computer-generated imagery and in co-production with different countries.

Lopez encourages new entrants to Colombia to work with the government and communicate their vision. While there are no ongoing digital media funding programs (Crea Digital[40] has calls for applications for specific genres of digital programs, but there is no predictable fund such as CMF or Bell Fund) ProColombia has helped Pipeline find investment on a case- by-case basis. Lopez felt that particularly in Colombia, political support was very helpful in getting a company through the rather heavy bureaucracy. Unfortunately, elections often change political support so a company has to take advantage of it when secured and stay on top of Colombian politics. A disadvantage to working in Colombia is its high rates of fringes for labour. The result is that many employers rely on freelance labour to avoid the fringes. This is not conducive to building stable capacity and ongoing training. However, the skill level in programming and tech support is still high. Lopez sees a role for Canadian companies in providing leadership in design skills and accessing the international markets.

Neil Smolar of NDi Media also didn't consider Colombia at first. He was looking for a partner who could port his existing web property *Wumpa's World* to iOS. He asked a friend for the names of the three best companies in the world in mobile gaming and one of them was the Colombian company Teravision. The partnership on one project then led to a more ongoing relationship. Smolar found a real government commitment to international partnerships after the Canada-Colombia Free Trade Agreement was signed in 2011. Colombians are aware that Canadian companies are highly skilled and can also bring access to Canadian funding programs.

Smolar noted that one of the bonus benefits to working with Colombians, though this may also apply to other Latin American countries, is that the digital sector is not age-biased to young people. The issue is what you can bring to a project and not your age. The NFB's Hugues Sweeney advised that Latin America has a much younger demographic working in the cultural industries so you are dealing with 30–35 year olds who are automatically more open to innovation and digital platforms.

40 http://www.mincultura.gov.co/areas/comunicaciones/cultura-digital/crea-digital/Paginas/default.aspx

Producers found that the relative newness of the media sector means that they do not have a history in how they do things or deals are made. There is not the depth of knowledge that more established markets have. They have few contractual precedents, nor the tradition of intellectual property development, as most work to date has been service work. Co-production can provide that knowledge base but it is a challenge at times to work with companies who do not have these traditions.

Benitez cites the one-hour time difference, similar culture and lower costs as advantages to working with Colombia. Colombian companies can bring money to a project through the government programs while also bringing a lot of skill to a project. She finds that the Colombian companies are motivated by a need for help to develop their companies and to get into the international markets.

As mentioned above, game studio Minority Media has worked in a number of Latin American markets including Colombia. Minority Media was looking to expand their capacity and distribution infrastructure through working with other companies during their early growth stage. Colombian companies can contribute skilled services to a project even if they cannot contribute funding. Christina Fon found that Colombian companies were interested in international partnerships because they wanted to move into larger markets with the potential for profit beyond service work for international companies. Minority had a very successful working relationship with Efecto Studios on a Sony Move game called Books of Fears, that was unfortunately scrapped by Sony prior to launch when Sony Move sales were less than expected.

While a number of the Canadian companies working in Colombia have Spanish-speaking staff it is not a requisite. Neil Smolar found that most companies had English-speaking staff and everyone he dealt with at Teravision certainly spoke English. Jeff Ramsden had the same experience. Hugues Sweeney is learning Spanish but in the meantime the common language throughout Latin America is English, though most of the work out of the NFB's Montreal interactive studio is done in French.

5 CONCLUSION

These emerging markets hold a great deal of potential for Canadian digital media producers provided that they carefully research the market and potential partners prior to concluding deals. The Guide has provided guidelines that equally apply in emerging markets as they do to mature markets however a few additional points arose as part of the research for Phase 2.

1. As there often is no established content funding regime, it is much more important in emerging markets to work through government channels to meet reputable partners, get past red tape or rules that are not supportive of co-production and to gain local market insight. Canadian and local government trade officials can act as advocates, provide translation services and advise on cultural differences.

2. Think outside the box when it comes to funding for projects. Funding can come from government departments other than culture, such as international trade, technology or regional business development. Often there are no established funding programs with set guidelines or application dates but local contacts can put you in touch with the right government department or agency.

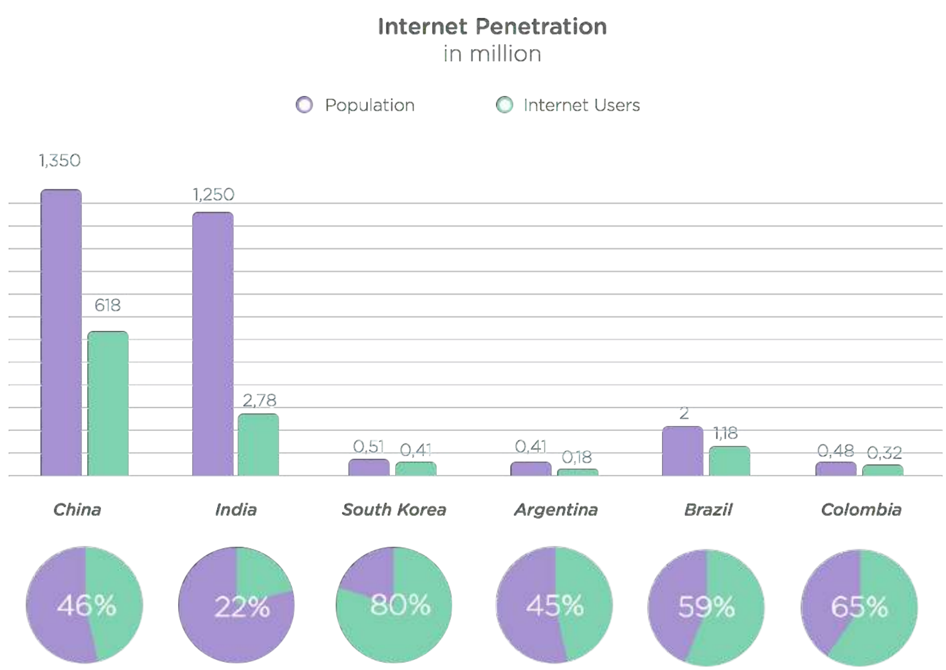
3. Mobile, web and console gaming producers in Canada have looked to emerging markets to increase capacity at affordable rates due to skilled labour shortages in Canada. Unlike with convergent content the goal has been less about finding financing and more with increasing output and market reach.

4. Often Canadian producers consider emerging markets because of lower labour costs. However, care should be taken if this is the only motivation. The cost savings could easily be lost because of the higher cost of managing the project in some jurisdictions. While some markets have highly skilled talent in some categories (e.g. programming in India or design in Argentina), they may be lacking awareness of or not comfortable with North American requirements in other necessary categories.

5 Often emerging markets look to Canadian companies to help with expertise and experience that they lack but also access to international markets. It is not always necessary for a Canadian producer to come to a potential partnership with a project and financing.

6 While the markets in China and South Korea are more established than the other jurisdictions reviewed here, producers working in Latin America value the cultural similarities and the closeness of time zones, particularly for producers in Ontario and Quebec.

7 The Latin American market is very collaborative. Canadian consulates can help with market information and contacts throughout Latin America and not just their own territory. Broadcasters and publishers can also help access counterparts in other Latin American countries and facilitate collaborative work with those countries. Leverage connections made in one Latin American country to explore other countries in the region.



CONCLUSION

It may be illustrative to compare the six markets examined in Phase 2. They are all to some extent emerging markets but they differ greatly in population, Internet use and Internet penetration (percentage of the population with Internet access). It is worth noting that while South Korea and Colombia have populations much smaller than India and China, their Internet Penetration rates (and government support) make them very attractive markets.

Finally, Andy Smith of XMG Studios prefers emerging markets in general because the established markets like Europe and Australia are very competitive. He sees that there is a greater opportunity to acquire market share in emerging markets. Based on the research conducted for Phase 2, there are few Canadian companies working with producers in the emerging markets. The information contained here will hopefully encourage more producers to explore the potential of these markets.

6 DETAILED COUNTRY INFORMATION

The following charts will provide digital media producers with assistance in navigating potential co-productions with **China, India, Republic of Korea, Argentina, Brazil and Colombia**. Please refer to the first phase of the Guide for Detailed Country Information on France, Germany, UK, Australia and New Zealand.

Note that information has been provided where publicly available and is current as of the period January to March 2015. For the most up to date information please go directly to the links provided. Contact information at broadcasters and funding agencies has not been provided as they change rapidly, but members of Interactive Ontario may contact the IO office for a list of current contacts. Please note that identifying 'major' television, digital media and convergent producers is a subjective exercise. The Consultant reviewed producer association membership lists, domestic conferences and festivals, and production catalogues to identify producers who do work with international partners or appear to be big enough to have the potential to work with international partners. The list is not exhaustive.

None of the funding programs outside Canada that were the subject of this review contemplated digital media co-productions. Most require a high level of domestic spending that would prohibit a co-production from applying. Digital media co-productions have still occurred because of one-off exceptions to the rules that were negotiated by the producers and funding agencies involved or because only the domestic producer applied for financing for one component. It may be possible to negotiate exceptions to the rules when all the parties want a project to be made.

CHINA

$1 Canadian = approx. 4.91 Chinese Yuan (RMB)

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	CHINA FILM CO-PRODUCTION CORPORATION http://www.cfcc-film.com.cn/policeg/content/id/1.html
Funding Bodies	None
Major Broadcasters	China Central Television (CCTV) - state broadcaster and regulatory authority through State Administration of Press, Press, Radio, Film and Television agency, operates several national and regional services http://english.cntv.cn Dragon TV - http://www.dragontv.cn (state-owned Shanghai-based national satellite television) Hunan TV – http://www.hunantv.com (private provincial-based national satellite television) Jiangsu Satellite TV – http://www.jstv.com (private provincial-based national satellite television)
Major TV Producers	China Film Group (state-owned) Long Shadow Group Huayi Brothers Media – http://www.huayimedia.com (film, TV, music, videogames)
Major Convergent Producers	N/A
Major Digital Media Producers	Shanda Games – http://www.shandagames.com (online game developer) Netease Games – http://nie.163.com/en/ (online game developer) Youzu Interactive – http://www.youzu.com (online game developer)
Producer's Association(s)	China Film Producers Association – http://www.chinafilms.net
Agreement(s) with Canada	Canada-China Co-Production Treaty for film and television is being renegotiated.
Experience level with IDM Co-production	N/A
Examples (with links) of Canada IDM Co-production	N/A

CHINA

Networking Events	Shanghai International Film Festival (June 13 – 21, 2015) – http://www.siff.com/InformationEn/Index.aspx (film festival, market and conference) Beijing International Film Festival and Beijing Film Market (April 17 – 20, 2015) – http://bfm.bjiff.com/2015/en/index.html (film and television market) China Joy 2015, China Game Developers Conference (July 30 – 31, 2015, Shanghai) - http://en-2015conf.chinajoy.net/index.php/index/index2 GMIC Beijing (April 28 – 30, 2015) - http://beijing.thegmic.cn/ (mobile internet conference and market) GMGC – Global Mobile Developers Conference (September 24 – 25, 2014 Chengdu) http://www.gmgc.info/en/ (conference targeted to developers) Global Mobile Game Conference (April 24 – 25, 2015, Beijing) – http://www.gmgcongress.com (conference and market)
Notes	Canada China Business Council facilitates investment and business contacts in China for Canadian businesses with offices in Toronto, Vancouver, Calgary, Beijing and Shanghai - http://www.ccbc.com
Embassy Contacts	Canadian Embassy in China – http://china.gc.ca Sandra Jiang, Trade Commissioner (ICT), Shanghai Consulate – Sandra.jiang@international.gc.ca

INDIA

$1 Canadian = approx. 49 Rupee

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	MINISTRY OF INFORMATION AND BROADCASTING, GOVERNMENT OF INDIA - http://mib.nic.in/
Funding Bodies	National Film Development Corporation of India (Film) http://www.nfdcindia.com
Major Broadcasters	Doordashan (public OTA broadcaster) http://www.ddindia.gov.in/Pages/Home.aspx Star Plus (general entertainment, English and Hindi, Cable) – http://www.startv.in Sony Channel (general entertainment Hindi, Cable and Satellite) http://www.setindia.com Zee TV (general entertainment Hindi, Cable and Satellite) – http://www.zeetv.com Viacom18 (multi-platform, multi-language network) - http://www.viacom18.com Sun Network – (multi-channel network focused on South India) http://www.sunnetwork.in
Major TV Producers	BIG Synergy - http://bigsynergy.tv/ (factual producer, member of Reliance Group) Balaji Telefilms - http://www.balajitelefilms.com/ (film and TV, soaps, comedy, drama – many Indian languages) Cinevistaas Company - http://www.cinevistaas.com/ (soaps, commercials, corporate) Miditech - http://www.miditech.tv/ (dramas, docs, reality, children's, corporate) Disney India (Indian branch of Disney) www.disney.in
Major Convergent Producers	N/A
Major Digital Media Producers	Reliance Games - http://www.reliancegames.com (mobile game developer with offices in India, Canada, Republic of Korea (South Korea), UK and US) 99 Games - http://www.99games.in (mobile game developer) Games2Win - http://games2winmedia.com (online game developer and publisher) Green Gold Animation - www.greengold.tv (animation house with digital division)
Producer's Association(s)	Film and Television Producers Guild of India - http://filmtvguildindia.org Film Federation of India - http://www.filmfed.org IGDA Bangalore – http://www.igdabangalore.org
Agreement(s) with Canada	Canada-India Co-Production Treaty – note that this is the first treaty under the new framework and contemplates digital delivery of linear content content as well as film and television.
Experience level with IDM Co-production	N/A

Examples (with links) of Canada IDM Co-production	N/A
Networking Events	International Film Festival of India (November 20 – 30, 2014, Goa) http://www.iffigoa.org (festival and conference) Videogame Fest (December 14, 2014, Bangalore) - http://videogamefest.com (public gaming competition and showcase, developers meet up) Mobile Game Asia (January 23, 2015, Bangkok, Thailand, rotates through the region) http://mobilegameasia.eventdove.com PG Connects Bangalore (April 16 – 17, 2015 Bangalore) - http://www.pgconnects.com/bangalore/ (Bangalore chapter of international mobile gaming conference Pocket Gamer, in partnership with Reliance Games) FICCI FRAMES (March 25-27, 2015, Mumbai) http://www.ficci-frames.com/frames/frames-index.html NASSCOM Game Developer Conference (November 5, 2015, Pune) www.nasscom.in The Big Picture Summit (October 16-17, 2015, New Delhi) www.ciibigpicture.com (film, tv and new media industry conference)
Embassy Contacts	Canadian Embassy in India – http://www.india.gc.ca Trade Commission in Mumbai – india.commerce@international.gc.ca

REPUBLIC OF KOREA

$1 Canadian = approx. 876 South Korean Won

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	KOREA CREATIVE CONTENT AGENCY (KOCCA) http://eng.kocca.kr/en/main.do (television only)
Funding Bodies	Korea Creative Content Agency (KOCCA) - http://eng.kocca.kr/en/main.do (broadcasting, game, cartoon, animation, character, music) Korea Communications Commissions (KCC) - http://eng.kcc.go.kr/ (TV, radio) Korean Film Council (KOFIC) - http://www.koreanfilm.or.kr/ (film) Seoul Animation Center - http://www.ani.seoul.kr/eng/ (game, cartoon, animation, character) The Seoul Animation Center provides facilities, training and funding for animation and game development in Seoul including Serious Game Production, Mobile Game Production and the Culture Contents Fund for digital content
Major Broadcasters	Korean Broadcasting System (KBS) - http://english.kbs.co.kr/ (national broadcaster) Munhwa Broadcasting Corporation (MBC) - http://content.mbc.co.kr/english/index.html (public broadcaster, conventional and cable, TV and radio) Educational Broadcasting System (EBS) - http://www.ebs.co.kr/durian/us (educational broadcaster) Seoul Broadcasting System (SBS) - http://www.sbs.co.kr/main.do (largest private commercial television station)
Major TV Producers	Major broadcasters produce most of their content in-house. Independent producers include: Kimjonghak Productions (drama, TV series) - http://kjhpro.com/ Chorokbaem Media (Drama, TV Series, TV Show, Reality Show) http://www.chorokbaem.com/ Pan Entertainment (Drama, Variety Show, Music) http://www.thepan.co.kr/en/ Samhwa Networks (Drama, TV Series, Film, Music) http://www.shnetworks.co.kr/
Major Convergent Producers	N/A
Major Digital Media Producers	Neowiz Games - Game(PC, On-line, Mobile) http://www.neowizgames.com/en/main.do Nexon Korea - Game, License, Publishing http://company.nexon.com/Eng/ NCSOFT - Game, On-line content http://global.ncsoft.com/global/ WeMade Entertainment - Game(PC, On-line, Mobile) http://corp.wemade.com/en/main/main.asp HNH Entertainment - Game(PC, On-line, Mobile) http://www.nhnent.com/en/index.nhn

SOUTH KOREA

Producer's Association(s)	Korea Animation Producers Association (KAPA) http://www.koreaanimation.or.kr/ Korea Internet & Digital Entertainment Association (K-iDEA) http://www.gamek.or.kr Korea Game Developers Association (KGDA) http://www.kgda.or.kr/html/main.php Korea Film Producers Association (KFPA) - http://www.kfpa.net Corea Drama Production Association (CODA) - http://www.codatv.or.kr
Agreement(s) with Canada	Canada-South Korea Co-Production Treaty for television
Experience level with IDM Co-production	N/A
Examples (with links) of Canada IDM Co-production	N/A
Networking Events	Korea Service & Content Market (KSCM) - Annual event for contents industry (animation, game, broadcasting, smart, e-learning), 2Q of year, May 26 – 27, 2015) B2B meeting arrangement, trip incentives will be provided to overseas participants http://www.kotra.or.kr/foreign/main/KHEMUI010M.html?LOCALE=en G-Star - Annual event for gamers and game industry, 2nd half of year http://www.gstar.or.kr/eng/ Busan International Film Festival (BIFF) - Annual event for film industry, Fall http://www.biff.kr/structure/eng/default.asp
Embassy Contacts	Canadian Embassy in South Korea – http://www.korea.gc.ca Canadian Trade Commissioner – seoul-td@international.gc.ca KOTRA Toronto, Consulate General of the Republic of Korea, Commercial Section http://www.kotra.ca, gregory.oh@kotra.ca

ARGENTINA

$1 Canadian = approx. 7 Argentine Pesos

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	NATIONAL INSTITUTE OF CINEMA AND AUDIOVISUAL ARTS (INCAA) http://ant.incaa.gob.ar/castellano/index.php
Funding Bodies	National Institute of Cinema and Audiovisual Arts (INCAA) - http://ant.incaa.gob.ar/castellano/index.php (film and television but can include cross platform) Cultura Argentina (Ministry of Culture) - http://www.cultura.gob.ar/acciones/ (various small funding programs covering all aspects of culture)
Major Broadcasters	TV Pública (Canal 7) (public broadcaster) http://www.tvPública.com.ar/ Telefe (private broadcaster) - http://telefe.com/ El Trece (private broadcaster) - http://www.eltrecetv.com.ar/ Encuentro (state educational broadcaster) - www.encuentro.gov.ar PakaPaka (state preschool and younger school age educational broadcaster) - note one of few channels in Latin America with interactive games and apps including an eBook based on a series www.pakapaka.gob.ar
Major TV Producers	Pol-ka Productions - http://www.pol-ka.com.ar/ (comedy, drama, crime) Promo Film – http://www.promofilm.com (drama and unscripted, formats, offices in Buenos Aires, LA, Miami, Madrid)
Major Convergent Producers	RGB Entertainment – http://www.rgbentertainment.com (adult and youth drama, online content creation for youth)
Major Digital Media Producers	Zupcat - http://zupcat.com/ (mobile game developer) Digital Media Brain - http://www.digitalmediabrain.com/ (full service digital agency)
Producer's Association(s)	ADVA - http://www.adva.com.ar (Argentine Game Developers Association for production companies) IGDA Argentina - www.adva.comar/igda (for individual game developers)
Agreement(s) with Canada	Canada-Argentina Co-Production Treaty for film and television
Experience level with IDM Co-production	Some
Examples (with links) of Canada IDM Co-production	Primal - http://www.nfb.ca/primal

ARGENTINA

Networking Events	EVA - http://www.expoeva.com/ – (November 6-7, 2015, Buenos Aires) Videogame Expo of Argentina, includes conference *Encuentro de Negocios* de TV 2015 – (August 2015, Buenos Aires) http://www.buenosaires.gob.ar/noticias/encuentro-de-negocios-de-tv TV Business Conference Mediamorfosis (August 10 – 11, 2015, Buenos Aires) http://www.mediamorfosis.net/ 'transmedia' conference and showcase Ventana Sur (December 1-5, 2014, Buenos Aires) http://www.ventanasur.gov.ar/
Embassy Contacts	Canadian Embassy in Argentina – http://www.argentina.gc.ca Ana Garasino, Canadian Trade Commissioner in Argentina Ana.Garasino@international.gc.ca

BRAZIL

$1 Canadian = approx. 2.5 Brazilian Real

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	ANCINE (NATIONAL FILM AGENCY) http://www.ancine.gov.br/
Funding Bodies	Ancine (National Film Agency) – http://www.ancine.gov.br/ oversees FSA (Audiovisual Sector Fund) http://fsa.ancine.gov.br/ for film, television selective and automatic support RioFilme – Rio de Janeiro film agency http://www.rio.rj.gov.br/web/riofilme/ Selective and automatic funding for film and television including co-development fund with Canada's CMF in 2014-15 SP Cine – São Paulo film agency - https://spcine.wordpress.com/ small funds in support for film and television including co-development fund with Canada's CMF in 2014-15 and 2015-16
Major Broadcasters	Rede Globo (2nd largest broadcaster in the world after ABC, general broadcaster) - http://redeglobo.globo.com/ Rede Record (general purpose private broadcaster owned by the Universal Church of the Kingdom of God) - http://rederecord.r7.com/ SBT (private general broadcaster) - http://www.sbt.com.br/home/ Public broadcaster TV Brazil http://tvBrazil.ebc.com.br/ has a limited schedule, limited coverage of the country but is available online
Major TV Producers	Lereby Productions – http://www.lereby.com.br (film and television) Gullane Entertainment – http://www.gullane.com.br (film and television, drama and documentary) CONSPIRAÇÃO - http://www.conspira.com.br (film, television and advertising) Mixer - http://www.mixer.com.br/?lang=en (film, television, animation, documentary, advertising)
Major Convergent Producers	TV Pinguim – http://www.tvpinguim.com (children's cross platform and animation company) O2 Filmes – http://www.o2filmes.com.br (film, television and 'other screens')
Major Digital Media Producers	Hoplon Games – http://www.hoplon.com Developer and Publisher of Massively multiplayer online games (MMOGs) Aquiris Game Studio - http://www.aquiris.com.br Unity 3D game developer for entertainment and brands Oktagon Games – http://www.oktagongames.com iOS and Android mobile game developer

BRAZIL

Producer's Association(s)	ABPITV (Association of Independent Brazilian TV Producers) http://www.abpitv.com.br Brazilian TV Producers (Export program of ABPITV) http://braziliantvproducers.com Abragames – Brazilian Game Developers Association http://www.braziliangamedevelopers.com.br/en Acigames – Brazilian Game Producers advocacy group http://www.acigames.com.br/
Agreement(s) with Canada	Canada-Brazil Co-Production Treaty for film and television - Note – new audio-visual treaty with Canada currently under negotiation
Experience level with IDM Co-production	Exploratory through CMF
Examples (with links) of Canada IDM Co-production	Time Tremors (See Schedule "C")
Networking Events	Brazil's Independent Games Festival (BIG) - http://www.bigfestival.com.br/ (June 27 – July 5, 2015, São Paulo), Festival and Conference Rio Content Market (March 9 – 11, 2016 Rio de Janeiro) - Television and crossplatform market and conference http://www.riocontentmarket.com.br/ Tele Viva Móvel, wireless content expo and conference (May 5 – 6, 2015, São Paulo) - http://telavivaMóvel.com.br/
Embassy Contacts	Canadian Embassy in Brazil – http://www.brazil.gc.ca Claudia Kakunaka, Canadian Trade Commissioner, São Paulo Claudia.kakunaka@international.gc.ca

COLOMBIA

$1 Canadian = approx. 2038 Colombian Pesos

GOVERNING AUTHORITY FOR TREATY CO-PRODUCTIONS	PROIMÁGENES COLOMBIA http://www.proimágenescolombia.com/
Funding Bodies	Proimágenes Colombia - http://www.proimágenescolombia.com/ (competitive calls for application for film financing from time to time, cash rebates on film and TV costs spent in Colombia) Crea Digital -http://www.mincultura.gov.co/areas/comunicaciones/cultura-digital/crea-digital/Paginas/default.aspx (June 2014, 3rd annual call for applications for investment in various forms of digital content including videogames, e-books, crossmedia, digital animation and content for people with disabilities, total fund 2,800 million pesos)
Major Broadcasters	Señal Colombia (public broadcaster) – http://www.Señalcolombia.tv Caracol TV (private general broadcaster with OTT platforms) http://www.caracoltv.com RCN TV (private general broadcaster) - http://www.canalrcn.com/ Note that Caracol and RCN are the only national private broadcasters licensed by the government.
Major TV Producers	RTI Producciones - http://www.rtitv.com/index.php#ad-image-1 (oldest and biggest company in Colombia, founded 1963, major dramas and telenovelas) CMO Producciones - http://www.cmoproducciones.com/ (film and television production)
Major Convergent Producers	Note – little cross platform development but Rhayuela Cine won Reed Midem's Best Latin American Cross Platform in 2012 – http://www.rhayuelacine.com
Major Digital Media Producers	Teravision Games – http://www.teravisiongames.com Storyworld game developer Efecto Studios – http://www.efectostudios.com (multiplatform game developer) Brainz Studio – http://www.brainz.co , mobile storyworld developer
Producer's Association(s)	IGDA Colombia - http://igdacolombia.co/
Agreement(s) with Canada	Canada-Colombia Co-Production Treaty for film and television
Experience level with IDM Co-production	Some
Examples (with links) of Canada IDM Co-production	Book of Fears (not launched – See Schedule "C")

COLOMBIA

Networking Events	FICCI (International Film Festival of Cartagena, Colombia) - (March 11 – 17, 2015, Cartagena), Latin American film and television festival and conference http://www.ficcifestival.com/ Colombia 3.0 (July 29 – 30, 2014 Bogotá) - Latin American digital content summit http://blog.colombiatrespuntocero.co/ BAM (Bogotá Audiovisual Market) – (July 13-17, 2015) http://www.bogotamarket.com/en/
Notes	If interested in working in Colombia, contact Paula Delgado of ProColombia. They have offered to assess your company's needs and interests and make recommendations for next steps.
Embassy Contacts	Canadian Embassy in Colombia – http://www.colombia.gc.ca Canadian Trade Commission – Bogotátd@international.gc.ca Paula Delgado, Junior International Trade Specialist, ProColombia pdelgado@procolombia.co

7 SCHEDULES

Schedule 'A' – Biography of Kelly Lynne Ashton, Consultant

Kelly Lynne Ashton has over twenty years of experience on the business side of Canadian film, television and digital media. After years of working as an entertainment lawyer both in-house at several of Canada's top television production companies and with her own practice representing producers, talent and broadcasters, she switched to the production of children's digital media. When it was time for something new, she moved back to business affairs in film, television and digital media. In the position of Director of Policy of the Writers Guild of Canada she discovered that, all along, her true calling was as a Canadian media policy wonk with a focus on Canadian content across all screen-based platforms. Kelly Lynne now assists clients with research projects, policy and strategy development, government relations, written submissions, project evaluations and social media training. Kelly Lynne also sits on the Program Advisory Committee for Centennial College's Interactive Digital Media post-graduate program.

Schedule 'B' – Interview Participants

Ana	Garasino	Canadian Embassy (in Argentina)
Andy	Smith	XMG Studios (Canada)
Anne	Loi	DHX Media (Canada)
Bruno	Di Giuseppe	Cobra Films (Brazil)
Christina	Fon	Minority Media (Canada)
Claudia	Kakunaka	Canadian Embassy (in Brazil)
Dennis	Ensing	TransGaming (Canada)
Gregory	Oh	KOTRA (South Korea)
Hugues	Sweeney	National Film Board
Jason	Loftus	Mark Media (Canada)
Jeff	Ramsden	Yeti Farm Studios (Canada)
Juan Esteban	Lopez	Pipeline Studios (Canada)
Mukul	Verma	MoKool Apps (Canada)
Narae	Yuh	Crazy Bird Studios (South Korea)
Nathalie	Clermont	Canada Media Fund (Canada)
Neil	Smolar	NDi Media (Canada)
Patrick	Crowe	Xenophile Media (Canada)
ReungEun	Ahn	JSC Games (South Korea)
Paula	Delgado	Pro Colombia (Colombia)
Raquel	Benitez	Comet Entertainment (Canada)
Rob	Segal	Get Set Games (Canada)
Sachin	Balpande	Canadian Embassy (in India)
Sandra	Jiang	Canadian Embassy (in China)

SCHEDULES

Schedule 'C' – Project Descriptions

Mega Jump - http://getsetgames.com/games/mega-jump/
Jumping, coin-collecting mobile game for iOS and Android platforms
Local version for China produced by Yodo1 (China) for Get Set Games (Canada)

Miaomiao - http://www.learnwithmiaomiao.com
Preschool animation series that teaches mandarin, Learn With Miaomiao iOS app
Produced by Mark Media (Canada) with Chinese talent

Jia Jia Bao Bao – http://donghua.cntv.cn/special/jiajiabaobao/
Preschool and school age children's programming OTT service in China
Joint venture between CCTV (China) and DHX Media (Canada)

Powder Monkeys - http://www.xmg.com/games/powder-monkeys/
RPG mobile game for iOS
Local version for China produced by Yodo1 (China) for XMG Studios (Canada)

Shuyan the Kung Fu Princess - http://shuyangame.com
iPad game produced by Mark Media (Canada) with Chinese talent

Wumpa's World - http://wumpa.ndimedia.com/ (web) and https://itunes.apple.com/ca/app/wumpas-world/id492738641?mt=8 (iOS)
Television series produced by Cité-Amérique (Canada), website produced by NDi Media (Canada), iOS version of the game produced by Teravision (Colombia)

Book of Fears - not launched
Sony Move game produced by Minority Media (Canada) and Efecto Studios (Colombia) with development funding from CMF Experimental and production financing from SONY

Time Tremors - http://www.timetremors.com
Cross platform story world for kids with 7 x 3-minute webisodes available online or on broadcast, mobile game, web game and museum treasure hunts. A Canada-Australia Co-Production between Xenophile Media (Canada) and the People's Republic of Animation (Australia). Database and wearables prototypes developed by Xenophile Media and OCAD (Canada) in collaboration with Instituto Federal de Educação, Ciência e Tecnologia de São Paulo (Brazil)

Primal – http://www.nfb.ca/primal
Interactive documentary co-produced by the NFB and Encuentro, the Ministry of Education of Argentina's television channel