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Broadcasting and Telecommunications Legislative Review Panel

Re: Panel's call for comments

Members of the Broadcasting and Telecommunications Legislative Review Panel,

My name is Glenn Cockburn. I own Canada's top full-service talent agency, Meridian Artists. Meridian is a small company in the grand scheme of industrywide consultations, so I will apologize in advance for the lack of research, statistics, and buzzwords. What I bring to the discussion is an MBA from Ivey Business School and the perspective of 20 years of talent management in Canada and the US. On the surface that may not seem important, however I believe we should all be mindful of how issues facing our industry affect the domestic Canadian talent pool, and how the success of the industry's future will be determined by the stability of that talent pool.

In other words to secure the future of Canadian content we must secure the talent pool within Canada. Talent for the purpose of this letter refers to the actors, writers, directors, and key creatives (cinematographers, composers, editors, production designers, etc.) who can compete on an international level. I am talking about those artists who are sought out and in demand for the top creative positions on any given project. I would also prospectively include anyone who has the potential, the work ethic, and the ability to be in in the top tier of the industry. We are not referring to talent as assumed or generalized aptitude in any given ability. We are talking about the people who possess an intangible quality that elevates one individual above otherwise equally skilled or trained counterparts and gives them extraordinary abilities that cannot be easily replaced or replicated.

Let us also acknowledge as a generally accepted truth that talent is the raw material of media. There should be little debate that all Intellectual Property (IP) is rooted in talent and without access to talent, media companies would not be able to find projects to generate success. We could further acknowledge talent is hard to find.

To keep the talent pool local and stable will be a challenge in the new and evolving landscape. Any industry change can bring instability and with that the talent is forced to re-evaluate the status of their careers. The tools to attract and retain a talent pool are easy to identify: they need to know there is opportunity, to know there is long term stability, that their contributions are significant, and to be near and have access to decision makers.

It is also important for this discussion to understand that talent converges. Actors, writers, and directors want to be near each other. Hovering around them is an ecosystem of support personnel,

including the producers, managers, and agents who trade in access to information, chase opportunities, and broker deals. Additionally, the talent community is drawn to each other by the gravity of rumour and information churn. Dinners, coffees, and celebratory events are where creatives, including marquee talents, feel engaged and informed about their own futures. The final piece of convergence is financing, as once a critical mass of talent is achieved in a city or region the money will follow. Maintaining that convergence is difficult and even New York City can struggle to keep its talent pool (outside of theatre). Other cities, and none more so than Canadian cities, must work constantly to attract, develop, and ideally retain talent.

However, the most important thing to know about Canadian talent is that they always have the option to leave. The proximity to the US and ease of crossing the border make Los Angeles and New York easily accessible communities that the Canadian talent pool is constantly drawn to. Unlike the raw materials of any other industry, talent has minds of their own and can just get up and go. If opportunity is not guaranteed in Canada, and if their key career motivators (money, elevating career prospects, and artistic merit) are not addressed, the talent will seek out and converge in other countries.

The rewriting of the Broadcast Act could very well create irreversible elements in our infrastructure and, where culture is concerned, I believe we should take every precaution we can before allowing global media companies to become stakeholders in a medium that is our primary source of Canadian values, philosophies, and principals. If we are going to allow foreign SVOD services to plant roots in Canada, or allow foreign media studios to decide what gets made as Canadian content, or consider 8 out of 10 productions Canadian Content, we will be disheartened to find that the Canadian talent pool we have spent over three decades cultivating will no longer be as strong as it is today.

To be clear I am not fearful of US companies participating in Canadian media. I am also quite enthusiastic about working with US based studios and making global content. I hope we encourage foreign studios to continue to shoot and post in Canada, which will provide valuable training and opportunities for cast and production crew. I also believe Canadian talent and producers should be encouraged to work directly with global content companies.

What I am concerned with, however, is the depletion of Canadian content historically produced by the private broadcasters, and the impact it will have on the talent pool staying in Canada. Canadian television is in a golden age because Canadian content programming hours provide jobs for an extraordinary pool of writers, directors, and actors who have chosen to build their careers in Canada. The benefits of the top tier talent staying in Canada are important to recognize; these include more IP creation, more mentorship, and more recognisable celebrities. Without high-level Canadian content jobs service production, the CBC, feature films, and other media will all struggle with less access to talent.

The service production industry presents two key takeaways regarding the talent pool. First, they rely on the high level of talent that has emerged in Canadian cities. The talent pool ensures that even the smallest roles on screen and behind the camera are professionals. The second observation is that the majority of US service production does not hire Canadian writers, directors, and lead actors in key creative positions.

Put simply if regulations do not support domestic talent then they will leave, production will become less internationally competitive, and the creative resources necessary to create and build Canadian

cultural media companies will disperse. So, if the goal is to support Canadian content, and to do so you must support Canadian media companies, and for Canadian media companies to survive they will need a strong domestic talent pool, then how do we support and protect domestic Canadian talent?

Allow me to speculate on the recommendations you be considering and how it will affect the talent pool.

### Finance Canadian Content

First and foremost, we must find a path to stable long-term Canadian content funding. This, more than any other factor, will help maintain, and possibly grow the domestic talent pool.

In that light you may be surprised to hear that I am not in favour of a direct levy on foreign SVOD services. Yes, we need to ensure there is financing for Canadian content, but while this source of financing will help us in the short term economically, culturally it may be allowing the fox in the hen house and will not help in the long term. Consider that if foreign SVOD services would agree to contributing a portion of revenues they will do so reluctantly. They will challenge the notion of a Canadian content production requirement and, they most certainly would want to have a say in how that money is spent. It is also debatable whether the contribution to Canadian content would generate more domestic production or, simply cannibalize their own service production, making their gross Canadian contribution static. Over the longer term they would lobby aggressively to have the contribution percentage reduced, and fight the 10 out of 10 requirements, allowing them to hire other foreign talent. Simply put their agenda would never legitimately support Canadian content, and nor should it – they aren't Canadian. While the talent pool might see a short term benefit the longer-term lobbying would shake the stability of the talent pool and any reductions to the percentage contribution would drive the talent out of Canada.

I believe that to secure long-term cultural funding Canadian companies must finance Canadian content. While I am not sure exactly how the CRTC would do that let us at least explore one scenario: consider that many experts believe stand alone SVOD services will soon be driven to aggregators. Could Canada get ahead of that evolution to secure Canadian Content? Rather than tax global SVOD services, require that foreign SVODs access Canadian consumers through a Canadian owned and operated aggregator. This would ensure the Canadian public access to global content while securing Canadian media a portion of the massive revenues of SVOD services. The CRTC could then require the aggregators – not the global services – to contribute to Canadian Content. The point being we need to find a path for Canadian content to be funded by Canadian companies who will provide longer term security for the talent pool.

### Producing Canadian Content

By mandating that only Canadian media companies can access the new Canadian Content production funding, the talent will know that they will have local access to the executives who control their career opportunities. However, if those productions are in any way controlled by foreign companies the talent pool will leave to be closer to the decision makers. Consider again service production – none of the above-the-line talent is hired out of Canada, those hired are those closer to the decision makers in LA.

### Reaffirm 10-out-of-10 point system

Reaffirming 10 out of 10 will give the talent pool the assurance that opportunities will continue to exist for them in Canada. Any reduction in the point system will diminish job security for talent in Canada. Consider that a reduction to 9 out of 10 points will result in a 33% reduction of top tier job opportunities for writers, directors, and actors, and it will send that talent looking for work elsewhere. This is not the day players who are affected, it is the showrunners, A-list directors, and series leads who will need to seek out more opportunities elsewhere. These are the talent we need to fight the hardest to keep. A reduction from 10 out of 10 would be devastating to the top tier of the talent pool and the trickle-down effect would draw others away from Canada and deplete not only the talent available for Canadian content but also feature film, the CBC, and service production.

Failure to finance Canadian content, keep the decision makers in Canada, and affirm that Canadian content must be made by Canadians will lead to an erosion of the talent pool. It won't just be the talent though. Producers who understand that their greenlights come from LA will also choose to be located there. Without talent based in Canada the surrounding professions will not be able to support themselves and we will lose agents, publicists, and lawyers. The stakes could not be higher. To succeed will ensure Canadian content is able to convey Canadian ideas, dreams, and philosophies to other Canadians and the rest of the world. We need to recognize that screens are the new geography and while we want to welcome in as many stories, perspectives, and points of views as we can to our country, we must also guarantee that our own writers, actors, directors, and other key creatives will have a secure platform to tell our stories for generations to come.

I hope this letter has been informative and helpful to you, and I thank you for your time.

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