

# FACTOR

THE FOUNDATION ASSISTING CANADIAN TALENT ON RECORDINGS  
WITH SUPPORT FROM CANADA'S PRIVATE RADIO BROADCASTERS

## 2011-2012 ANNUAL REPORT

Canada

We acknowledge the financial support of the Government of Canada through the Department of Canadian Heritage Canada Music Fund and of Canada's Private Radio Broadcasters.

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Talented singer/songwriter Adam Cohen received funding through the Direct Board Approval Sound Recording program for his latest release, *Like a Man*, which has sold 25,000 copies in Canada. FACTOR has continued supporting his career with marketing and promotion, showcase, and touring funding, allowing him to launch his career globally and take his music into the international arena.



ADAM COHEN

“ADAM COHEN HAS RECEIVED FUNDING FROM FACTOR FOR HIS LATEST PROJECT *LIKE A MAN*. STRATEGIC SPENDS IN MEDIA RELATIONS, TOURING, VIDEO, AND DIGITAL HAVE HELPED ADAM BUILD A STRONG MEDIA PROFILE AND A SOLID TOURING BASE FOR THE FIRST TIME IN HIS CAREER. FACTOR SUPPORT HAS NOT ONLY BEEN A KEY CATALYST FOR *LIKE A MAN'S* SUCCESS BUT HAS ALSO HELPED TO REVITALIZE A CAREER.”

**ANDRES MENDOZA**, REZOLUTE MUSIC

# MESSAGE FROM THE CHAIR



This year marks my first as Chair of FACTOR and what a dynamic period it has been.

Over the past year the Board established an agenda for change and put a number of new initiatives in place aimed at modernizing FACTOR's operations and building on its accomplishments. Our goal was to set the organization on a solid course for the future that will enable us to respond to our clients' needs and business models while ensuring funds are responsibly managed and allocated in a fair, transparent and accountable manner that fosters growth and excellence.

These initiatives include ensuring diverse regional and professional representation on the Board; updating our IT systems to ensure better service standards and data gathering capacity; strengthening FACTOR's management team; and developing a sophisticated long term capital planning strategy that leverages private radio's contributions to help stabilize FACTOR for many years to come.

The most significant and ambitious of these initiatives, however, has been the design of 'FACTOR 2.0'. The objective of this project is to update and streamline our programs so they remain relevant and are delivered in an effective and efficient manner that is accountable to our funders and respects the business cycles and resources of our clients. Our goal is to implement FACTOR 2.0 as of April 2013 which will mean working closely with industry stakeholders to ensure the above goals and timelines are met and positive and meaningful changes are achieved. It is a huge but essential undertaking and we count on your support.

Last, but certainly not least, we embark on this new era for FACTOR with a change of scene! FACTOR has sold its building and moved into rented quarters in the heart of downtown Toronto. In doing so we believe FACTOR will be more accessible and able to better serve our clients.

We hope you share in our excitement for the future and our vision for the Foundation. I want to thank the very hard working staff at FACTOR who have embraced this new direction with enthusiasm and professionalism. Our goal remains to ensure Canadian artists have the support they need to create and perform music that is heard and enjoyed here at home and around the world. We thank our funding partners the Government of Canada, through the Department of Canadian Heritage, and Canada's private radio broadcasters for helping make this happen.

Sincerely,

A handwritten signature in black ink, which appears to read 'Susan Wheeler'. The signature is fluid and cursive.

Susan Wheeler  
Chair

The Foundation Assisting Canadian Talent on Recordings

# MESSAGE FROM THE PRESIDENT



When at meetings, professional conferences and events we are often asked how many applications FACTOR receives in a year.

The answer, which is contained later in this report, is close to 4,000. While the number of applications received has fluctuated in recent years, this year it represents an increase of 700 applications from the previous fiscal period and has been steadily climbing over time.

Of course, the redeployment of our online systems has meant that applicants find it easier to submit their materials. After working out a bit of rust that accumulated from two years of being idle, the system has been virtually fault-free in the past few months. We feel that this has encouraged applications, particularly in the entry level and juried programs, which receive almost half of all those submitted.

With nearly half of our applications finding their way to a jury, it is at this level that FACTOR connects directly to the music community in a unique way. With 1100 professionals around the country involved as adjudicators, the Juried Sound Recording and Emerging Artist Sound Recording programs process over 1800 submissions per year. Now done entirely online, a recent innovation introduced this past year, the adjudication process also balances the need to be informed about market opportunities with the need to assess the musical qualities of the submission. For example, a jury for Nova Scotia might be comprised of music professionals from the local market as well as an independent component from other areas of the country. We feel that this approach, along with the flexibility to provide "anytime, anywhere" access to adjudication, allows us to offer the opportunity to participate to anyone in Canada with the right credentials, and it has been a great success.

FACTOR's staff has been busy over the past year creating a comprehensive set of business policies that are now published online. This is intended to guide our clients in a number of different areas where the rules may have been unclear or difficult to find in the past. A great deal of effort has gone into clarifying many key issues surrounding FACTOR's processes and rules, including who qualifies for what, the definitions of terms critical to the application process, and what business options we will support once a client has completed a sound recording. For example, can a FACTOR funding sound recording be licensed and to whom? What are the client's ongoing obligations to FACTOR given various licensing scenarios, and so on? Hopefully this is now clear for all concerned and will make it easier for clients to both apply and continue to do business with us as they move their projects forward.

Finally, we have received support from the community over the past year as we have undertaken these various developments and housecleaning chores. This support has been sincerely appreciated. We have also heard a few criticisms, and we appreciate the needed input. It will all be seriously considered, particularly as we move forward with the major redesign of our systems and programs dubbed 'FACTOR 2.0'. We encourage you to continue to engage us in dialogue and will be asking for more input as we move into this next, very important phase of FACTOR's development.

Yours truly,

A handwritten signature in black ink, appearing to read "Duncan McKie". The signature is fluid and cursive, with a large, sweeping initial 'D'.

Duncan McKie  
President

The Foundation Assisting Canadian Talent on Recordings

This year, FACTOR approved  
1783 applications,  
offering \$16,831,612 in funding to the  
Canadian independent music industry.

# WHO WE ARE

FACTOR, the Foundation Assisting Canadian Talent on Recordings, is a non-profit organization dedicated to providing financial assistance to Canada's independent music industry. The Foundation administers two components of the Department of Canadian Heritage's Canada Music Fund, New Musical Works and Collective Initiatives, in addition to contributions from Canada's Private Radio Broadcasters.

FACTOR's programs aid in the development of Canadian musical talent as well as the associated industry infrastructure. Grant and loan assistance is available to artists for sound recordings, marketing and promotion, videos, touring, and showcasing.

FACTOR provides support to record labels, distributors, publishers, managers, music industry associations and major music industry events in order to support Canadian artists in national and international arenas. FACTOR also provides funding for collective Digital and International Marketing initiatives as well as support for Official Language Minority Community (OLMC) applicants.

## OUR FUNDING PARTNERS

### DEPARTMENT OF CANADIAN HERITAGE

Since the creation of the Sound Recording Development Program in 1986, FACTOR has worked in an arm's length capacity with the Department of Canadian Heritage. The combined financial resources of federal funds and those of private radio broadcasters are administered by one body, providing effective delivery that ensures optimal benefits to the Canadian independent music industry.

Ready access to both revenue streams allows FACTOR to dispense funds in the most timely and effective manner, which significantly contributes to the success of FACTOR supported artists and projects.

In the 2011-2012 fiscal year, FACTOR received \$8.4 million from the Department of Canadian Heritage through the New Musical Works and Collective Initiatives components of the Canada Music Fund. Since 2007, the Department of Canadian Heritage has provided \$49.9 million to directly support the creation of new Canadian sound recordings and collective industry activities.

### CANADA'S PRIVATE RADIO BROADCASTERS

Following the 2005 CRTC review of radio, Canada's private radio broadcasters, who previously did so on a voluntary basis, were required to make contributions toward Canadian Content Development. FACTOR has worked hard to develop relationships with broadcasters to support their year-round activities and provide measurable benefit for the contributions made.

In the 2011-2012 fiscal year, FACTOR received \$10 million in Canadian Content Development contributions including \$4 million from new licenses and license renewals, of which \$2 million represents mandatory basic CCD contributions, and \$2 million represents contributions that are over and above the required basic amount. In addition, we received \$5.6 million from tangible benefits. We also gratefully received \$450,000 in voluntary contributions from Satellite Radio. Since 2006, Canada's private radio broadcasters have contributed \$49.2 million from all sources, thus making private radio FACTOR's largest financial contributor.

Contributions from our Broadcast funding partners break down as follows:

- Stations with total revenue from the previous broadcast year of less than \$625,000 will make a fixed contribution of \$500.00 (60% of which is to be directed to FACTOR or MusicAction).
- Stations with total revenue in the previous broadcast year between \$625,000 and \$1,250,000.00 will make a fixed contribution of \$1,000.00 (60% of which is to be directed to FACTOR or MusicAction).
- Stations with total revenues in the previous broadcast year exceeding \$1,250,000.00 will make a fixed contribution of \$1,000.00 plus 0.5% of the portion of the previous year's total revenues that exceeds \$1,250,000.00 (60% of which is to be directed to FACTOR or MusicAction). (Pursuant to Radio Regulations coming into force on September 1, 2011, the percentage to be directed to FACTOR and MusicAction is now reduced to 45%; this reduction will be reflected in the financial statements for 2012-2013.)
- Broadcasters occasionally choose to make contributions "over and above" the minimums required as a condition of license. A minimum 20% of "over and above" contributions are directed to FACTOR or MusicAction. These contributions greatly enhance our radio-funded efforts.
- When ownership or control of a radio station changes hands, the CRTC mandates a CCD contribution of 6% of the transaction cost, of which FACTOR receives one quarter.

# THE NATURE OF FACTOR FUNDING

FACTOR funding is offered in the form of grants and non-interest-bearing loans. The maximum contribution FACTOR may make to a project varies from 50% to 75% of allowable costs, depending on the program. Thus, FACTOR programs are designed to leverage private investment and sponsorship, as well as funding from other public sources. Recipients must submit both a budget and a financing structure with each project. These are closely reviewed on application and completion to ensure compliance with FACTOR rules, which prohibit over-financing.

FACTOR loans for sound recording projects are repayable from revenues derived from the worldwide unit sales of the sound recording, for the first two years following the commercial release of the project, following which the loan converts to a grant. Recipients are required to submit annual sales reports, along with any applicable loan payment.

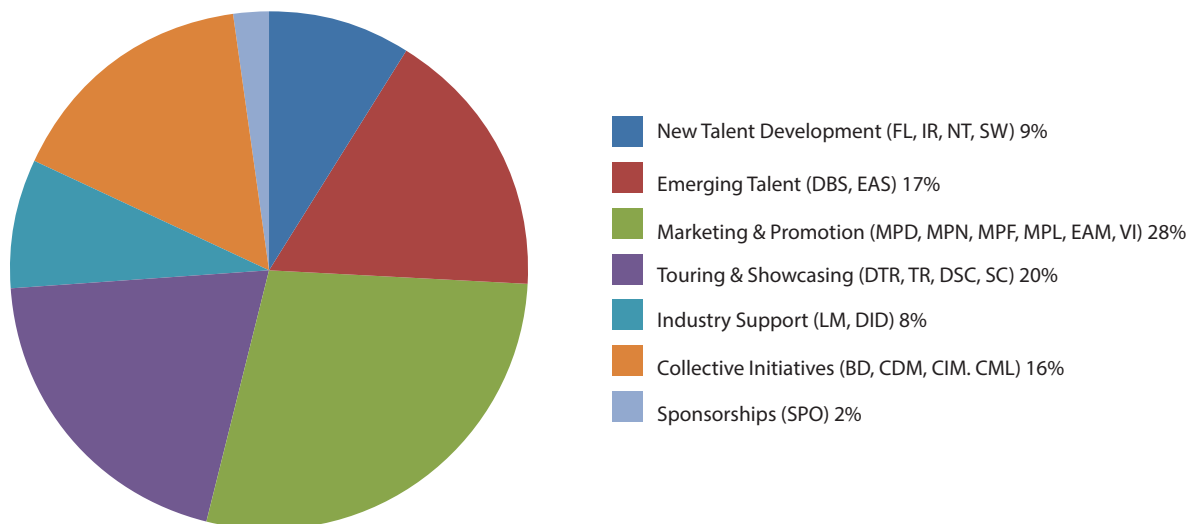
## OVERVIEW OF 2011-2012

### DURING THE 2011-2012 FISCAL YEAR, FACTOR:

- received 3881 applications for funding, totaling \$43,610,145 in requests
- approved 1783 of those applications, offering \$16,831,612 in funding to the Canadian independent music industry

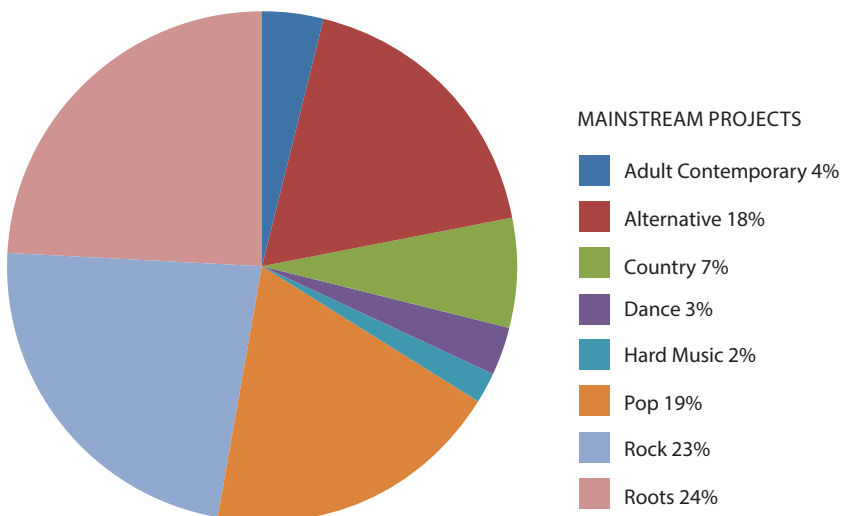
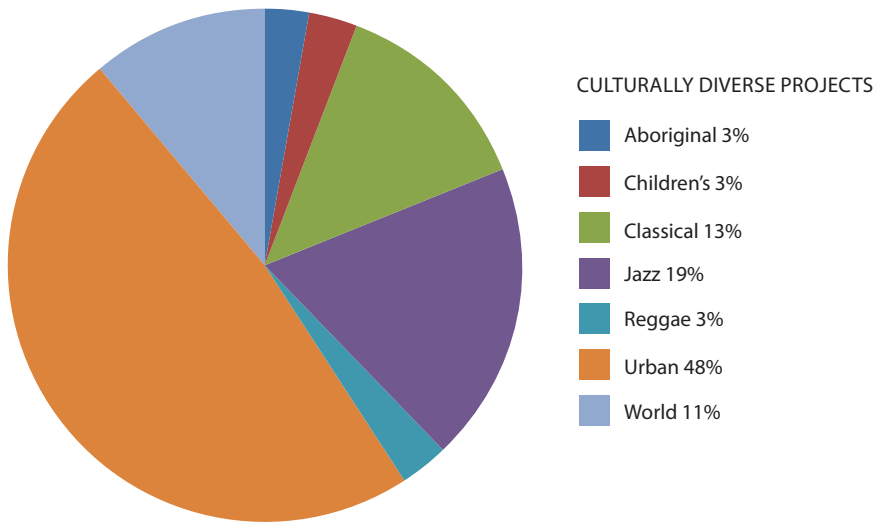
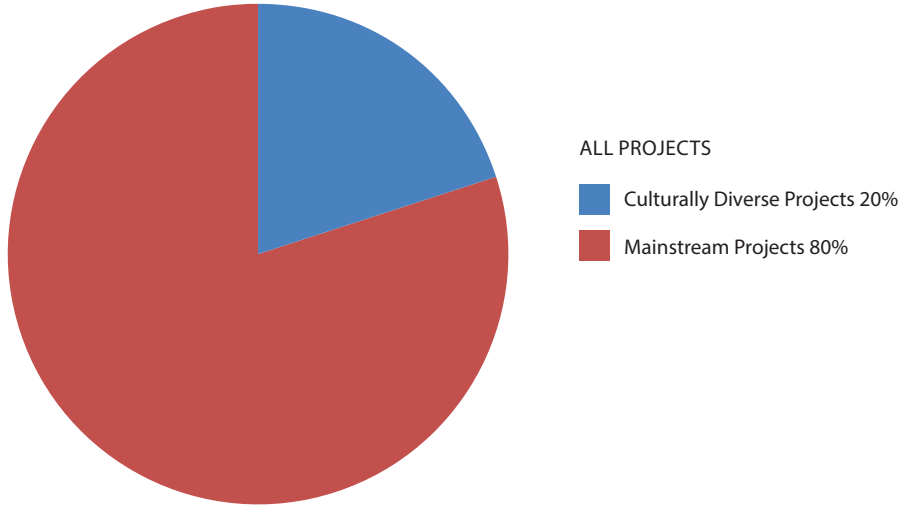
### WITH THAT \$16,831,612, FACTOR OFFERED:

- \$1,549,708 for New Talent Development through the Juried Sound Recording (FACTOR and Independent Loans), Demo and Commercially Released Single/EP and Songwriter Workshop programs,
- \$2,806,220 to Emerging Talent through the Direct Board Approval and Emerging Artist programs,
- \$4,781,149 in Marketing and Promotion support,
- \$3,363,627 in Showcase and Tour support,
- \$1,330,224 in industry infrastructure support through the Business Development and Business Travel programs,
- \$253,293 in sponsorship support, and
- \$2,747,390 to support Music Conferences and Awards Shows, Music Showcases for Canadian Artists from Official Language Minority Communities, Music Showcase for the Development of Export Ready Canadian Artists, and Marketing of Canadian Music on Digital Platforms through the Collective Initiatives program.



# CULTURAL DIVERSITY

20% of projects funded were to support culturally diverse sound recordings from the Aboriginal, children's, classical, jazz, reggae, urban and world music genres for a total of \$2,895,884.



Of 1815 projects submitted for jury evaluation through the Demo and Commercially Released Single/EP and Juried Sound Recording programs, 381 projects were approved for a total of \$1,549,708.

202 requests for Marketing & Promotion support were approved, resulting in \$4,064,724 in funding awarded in support of FACTOR funded sound recordings.

In March 2011, Alyssa Reid successfully completed her debut album *The Game* with the assistance of a sound recording loan from FACTOR. Since its release, her single "Alone Again" has sold 40,000 digital copies, attaining Gold status. In recognition of this success, Alyssa received the FACTOR Breakthrough Artist award at the 2012 Canadian Radio Music Awards at Canadian Music Week.



ALYSSA REID

**"FACTOR'S SUPPORT HAS BEEN INSTRUMENTAL IN BUILDING ALYSSA REID'S CAREER BOTH AT HOME AND ABROAD. ALYSSA STARTED BY POSTING COVERS OF SONGS ON YOUTUBE AND IS NOW AN INTERNATIONAL CHART TOPPING, DOUBLE PLATINUM, AWARD-WINNING ARTIST.**

QUITE SIMPLY, FACTOR HAS PROVIDED AN OUTLET FOR YOUNG CANADIAN MUSICIANS TO TAP INTO. WITH FACTOR'S ASSISTANCE THESE RISING STARS CAN AND WILL REACH WIDE-SPREAD DOMESTIC AND INTERNATIONAL AUDIENCE AND BECOME THE STARS THEY WERE BORN TO BE."

**MARTIN MACPHAIL**, DIRECTOR OF MARKETING, WAX RECORDS

# PROGRAMS

## NEW TALENT DEVELOPMENT SOUND RECORDINGS

Juried Sound Recording (FACTOR Loan and Independent Loan)  
Demo and Commercially Released Single/EP  
Songwriter Workshop

## EMERGING TALENT SOUND RECORDINGS

Direct Board Approval Sound Recording  
Emerging Artist Sound Recording

## MARKETING & PROMOTION

Marketing and Promotion for FACTOR-Funded Sound Recordings  
Marketing and Promotion for Non-FACTOR Supported Sound Recordings  
Video Grants

## TOURING & SHOWCASING GRANTS

Tour Support  
Showcase Support

## INDUSTRY SUPPORT

Business Travel  
Business Development

## COLLECTIVE INITIATIVES

Music Conferences, Awards Shows and Educational Initiatives  
Music Showcases for Canadian Artists from Official Language Minority Communities  
Music Showcase for the Development of Export Ready Canadian Artists  
Marketing of Canadian Music on Digital Platforms

## SPONSORSHIP

Vocalist Alanna Stuart and producer/multi-instrumentalist Ian “Pho” Swain make up the duo Bonjay. What began as something fun to do at parties quickly garnered them a significant fan base in Canada and overseas. Bonjay received FACTOR funding for their EP *Broughtupsy*, and they are currently working on their debut album, for which they received support through FACTOR’s Independent Loan program.



“FACTOR IS A KIND OF VENTURE CAPITAL FUND FOR CANADIAN MUSIC. ARTISTS HAVE TO PROVIDE COMPETITIVE APPLICATIONS BECAUSE AT THE END OF THE DAY WE ALL WANT THE SAME THING... WE ALL WANT TO CREATE MUSIC. WITH FACTOR’S GUIDANCE AND FINANCIAL SUPPORT WE’VE PUSHED BOTH OUR MUSIC AND OUR CAREER TO THE NEXT LEVEL.”

**ALANNA STUART AND PHO SWAIN, BONJAY**

# PROGRAMS

## NEW TALENT DEVELOPMENT SOUND RECORDINGS

FACTOR's programs are designed to support artists' careers at all stages. The Demo and Commercially Released Single/EP, Juried Sound Recording (FACTOR and Independent Loans), and the Songwriter Workshop programs provide support for the development of new talent.

The Demo and Commercially Released Single/EP and Independent Loan programs are designed support artists as they enter the industry, while the FACTOR Loan program supports modest developmental success.

In order to demonstrate a strong financial commitment to FACTOR supported sound recordings, Marketing and Promotion funding is provided to each approved project in the Juried Sound Recording program. Eligible expenses can be claimed for marketing and promotion, videos, showcases and tours.

Funding for these programs is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

- 381 new talent development sound recordings were funded for a total of \$1,549,708;
- 969 Demo and Commercially Released Single/EP applications were submitted;
- 265 were approved for funding in the amount of \$360,740;
- Of 846 projects submitted for jury evaluation through the FACTOR and Independent Loan programs, 83 projects were approved for total of \$1,167,291.

The Songwriter Workshop program offers financial assistance for a professional Canadian songwriter to attend workshops and seminars.

- This year FACTOR provided \$21,677 to 33 songwriters to support their growth and development as artists.

## EMERGING TALENT SOUND RECORDINGS

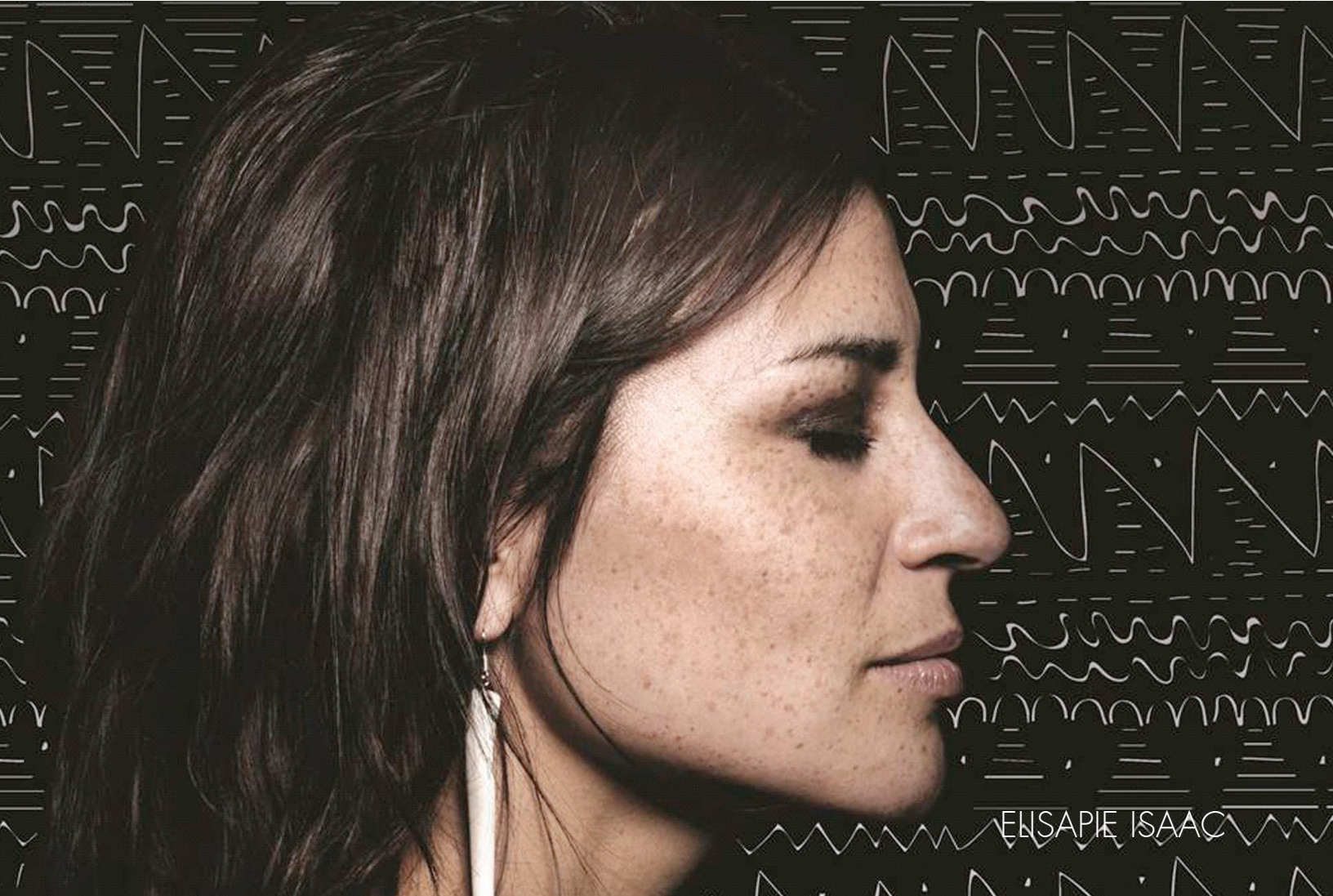
The Direct Board Approval Sound Recording (DBA) and Emerging Artist Sound Recording programs are designed to support the commercial development of an artist's career. The DBA program makes funding available for sound recording and marketing projects to qualifying record labels, while the Emerging Artist program provides funding to radio- and export-ready artists.

- \$1,721,796 was awarded to 103 projects in the DBA program;
- Of 102 projects submitted for jury evaluation, 43 projects were approved totaling \$1,084,424 in funding to emerging artists.

Funding for the DBA program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

Funding for the Emerging Artist program is provided by Canada's Private Radio Broadcasters.

After finding success in the award-winning duo Taima, Inuk singer Elisapie Isaac released her first solo album *There Will Be Stars* in 2009, for which she received FACTOR funding. FACTOR continued its support of this multi-talented artist with marketing and promotion, tour, showcase and video funding. Also an award-winning filmmaker, she was nominated for the Female Entertainer of the Year Award at the Aboriginal People's Choice Awards in 2011.



ELISAPIE ISAAC

“FACTOR FUNDING ALLOTTED ELISAPIE ISAAC THE OPPORTUNITY TO PERFORM HER MUSIC AROUND THE WORLD WITHOUT COMPROMISE. SHE WAS ABLE TO SHARE PART OF HER CULTURE WITH HER AUDIENCES WHILE SINGING IN INUKTITUT, ENGLISH, AND FRENCH. FACTOR HAS BEEN A KEY PLAYER IN THE DEVELOPMENT OF HER MUSICAL CAREER AND THANKS TO THAT SUPPORT, ELISAPIE CAN NOW FOCUS ON MAKING MUSIC WHILE ALWAYS BELIEVING THAT THERE WILL BE A TOMORROW FOR HER IN THE CANADIAN MUSIC INDUSTRY.”

**AUDREY LAJEUNESSE**, AVALANCHE PRODUCTIONS

Winnipeg-based Imaginary Cities is a bright new band on the Canadian independent music scene. After receiving FACTOR support for their album *Temporary Resident*, it went on to be long-listed for the 2011 Polaris Music Prize. Vocalist Marti Sarbit and songwriter Rusty Matyas continued to receive support from FACTOR for marketing and promotion, showcasing and touring.



“FACTOR HAS PLAYED A HUGE ROLE IN OUR CAREER AS A BAND UNITED AND AS INDIVIDUAL MUSICIANS TRYING TO MAKE A CAREER OUT OF MUSIC. HAD IT NOT BEEN FOR THE FUNDING AND SUPPORT WE HAVE RECEIVED FROM FACTOR WE WOULDN’T AS EASILY BE ABLE TO TOUR, PLAY OR RECORD OUR MUSIC, AND EVENTUALLY DISTRIBUTE IT TO OUR AUDIENCES.

WE FEEL INCREDIBLY FORTUNATE TO HAVE THE CONTINUED SUPPORT OF FACTOR. THEY ARE PRECISELY WHAT OTHER ARTS ORGANIZATIONS SHOULD AIM TO BE AND WE ARE HONOURED TO BE AFFILIATED WITH THEM”.

**MARTI SARBIT AND RUSTY MATYAS**, IMAGINARY CITIES

# PROGRAMS

## MARKETING & PROMOTION

The Marketing and Promotion programs were developed to provide a stronger financial commitment to each project by offering funding to assist with the marketing and promotion of a FACTOR supported sound recording.

Funding is available for FACTOR supported sound recordings that have been funded through a Juried Sound Recording Loan (FACTOR or Independent), a Direct Board Approval Sound Recording Loan or an Emerging Artist Sound Recording Loan. Eligible expenses can be claimed for marketing and promotion, videos, showcases and tours.

In addition, funding is available for sound recordings not supported by one of the Sound Recording Loans through the Marketing and Promotion for Non-FACTOR Supported Sound Recordings program. Through this program eligible expenses can be claimed for marketing and promotion, videos, showcases and tours.

The Video Program is intended to assist with the financing of both lower budget “viral” and broadcast quality music videos to support currently released albums by Canadian artists.

Funding for the Marketing and Promotion for FACTOR-Funded Sound Recordings and Video programs is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

Funding for Marketing and Promotion for Non-FACTOR Supported Sound Recordings is provided by Canada's Private Radio Broadcasters.

- 202 of 222 requests were approved, resulting in \$4,064,724 in funding awarded in support of FACTOR-funded sound recordings;
- \$310,642 was awarded to 19 sound recordings not funded by FACTOR;
- 43 viral and broadcast-ready videos were approved for a total of \$405,783.

## TOUR AND SHOWCASE SUPPORT

The Tour and Showcase programs support domestic and international showcasing and tour activities by Canadian artists and contribute to the development of the Canadian music industry in Canada and abroad.

Both programs are designed to help showcasing and touring artists recover a deficit or loss from the cost of such activities.

Funding for this program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

- FACTOR supported 66 domestic and 130 international tours for a total of \$2,507,837;
- FACTOR provided \$362,015 for 194 domestic showcases, and \$493,774 for 148 international showcases.

## SPONSORSHIP

The Sponsorship program is intended to provide financial support for qualified conferences, showcases and events that contribute to the overall development of the Canadian music industry. Detailed proposals are considered by FACTOR Management and the Board of Directors on a case by case basis. FACTOR considers financially supporting initiatives that positively promote the development of Canadian music and culture, provide public visibility for FACTOR and its funders, and maintain a strong focus on Canadian music and industry development. Financial contributions provided through this program are designed to support opportunities that do not meet the requirements of FACTOR's other programs.

Through this program, FACTOR supported 28 initiatives in the amount of \$253,293 in the 2011-2012 fiscal year, including the Global Country Canada Foundation's Country Star Search, the Dawson City Music Festival and Canadian Blast.

Funding for this program is provided by Canada's Private Radio Broadcasters.

Through the Collective Initiatives program,  
FACTOR provided \$2,747,390 to  
127 applicants this year.

FACTOR funded 31 Music Conferences,  
Awards Shows and Educational Initiatives,  
60 Music Showcases for Canadian Artists  
from Official Language Minority Communities,

20 events under Music Showcases for  
Export-Ready Canadian Artists, and  
16 initiatives that support the Marketing of  
Canadian Music on Digital Platforms.

In the last 20 years, Halifax Pop Explosion has built an international music festival and music conference that features over 150 bands to over 20,000 fans and delegates from around the world.



“THE FUNDING SUPPORT OF FACTOR IN THE 2011 AND 2012 YEAR OF THE HALIFAX POP EXPLOSION HAS ASSISTED US IN ACQUIRING THE SUPPORT OF TOMORROW’S MUSICAL STARS ON OUR STAGES. FACTOR FUNDING HAS ALSO AIDED US IN PRESENTING A MORE COMPREHENSIVE MUSIC EDUCATION PROGRAM THROUGH OUR POPULAR CONFERENCE AND CONTRIBUTED TO THE CREATION OF AN ONLINE PORTAL OF DISCOVERY FOR CANADIAN TALENT.”

**JONNY STEVENS**, EXECUTIVE DIRECTOR, HALIFAX POP EXPLOSION

# PROGRAMS

## INDUSTRY SUPPORT

A strong domestic and international presence is essential to building a healthy Canadian independent sound recording industry.

The Business Development program is used by music companies to develop their infrastructure and brand, as well as assist with the high costs of artist development.

The Business Travel program is used to travel to the world's leading music conferences, such as MIDEM, South by Southwest and Canadian Music Week, as well as a slate of company oriented travel activities associated with doing business in an international market.

Funding for this program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

- FACTOR approved 253 applications and provided \$723,675 in support to increase the competitive appeal of Canadian music companies and their products domestically and internationally;
- \$606,550 was awarded to 47 Canadian music companies to assist in strengthening their businesses.

## COLLECTIVE INITIATIVES

The Collective Initiatives Program helps create opportunities for Canadian Artists and music entrepreneurs to gain greater profile at home and abroad, by supporting collective, multi-artist, and/or multi-party initiatives that engage various sectors of the Canadian music industry simultaneously. The program consists of four components: Music Conferences, Awards Shows and Educational Initiatives, Music Showcases for Canadian Artists from Official Language Minority Communities, Music Showcases for Export-Ready Canadian Artists, and Marketing of Canadian Music on Digital Platforms.

Funding for this program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Collective Initiatives Component of the Canada Music Fund.

Through this program, FACTOR provided \$2,747,390 to 127 applicants including:

- 31 Music Conferences, Awards Shows and Educational Initiatives for a total of \$1,462,117, including the JUNO Awards, BreakOut West and Canadian Music Week;
- 60 Music Showcases for Canadian Artists from Official Language Minority Communities for a total of \$448,551, for artists such as The New Cities, Mark Berube, Grimes and Miracle Fortress;
- \$289,684 was awarded for 20 Music Showcases for Export-Ready Canadian Artists, including Patrick Watson, Rose Cousins and The Sojourners;
- 16 initiatives that support the Marketing of Canadian Music on Digital Platforms for a total of \$547,038, including the development mobile apps.

Between April 1, 2011 and March 31, 2012, artists who have received funding through one or more of FACTOR's programs received 42 major Canadian and international awards.

# AWARDS

Between April 1, 2011 and March 31, 2012, artists who have received funding through one or more of FACTOR's programs received 42 Canadian and international awards.

Items in boldface indicate FACTOR funded the winning sound recording.

## CANADIAN AWARDS

### 2011 BREAKOUT WEST (WESTERN CANADIAN MUSIC AWARDS)

#### Award

Roots Solo Recording  
Roots Duo/Group Recording  
Blues Recording  
Jazz Recording  
Childrens' Recordings  
Contemporary Christian/Gospel Recording  
Independent Album  
Aboriginal Recording  
Pop Recording  
Rap/Hip Hop Recording  
Rock Recording  
Country Recording  
Songwriter(s) of the Year  
Hall of Fame

#### Artist

Del Barber  
The Wailin' Jennys  
Little Miss Higgins  
Night Crawlers with the Big Band Sound  
The Kerplunks  
The Sojourners  
Del Barber  
Don Amero  
Imaginary Cities  
Sweatshop Union  
The Sheepdogs  
Ridley Bent  
Romi Mayes  
54-40

#### Album or Single (if applicable)

Headwaters  
Bright Morning Stars  
Across the Plains  
Down in the Bottom  
Number 3  
The Sojourners  
Headwaters  
The Long Way Home  
Temporary Resident  
Bill Murray  
Learn & Burn  
Rabbit on My Wheel

### 2011 CANADIAN FOLK MUSIC AWARDS

#### Award

Traditional Album of the Year  
Contemporary Album of the Year  
Traditional Singer of the Year  
Contemporary Singer of the Year  
Instrumental Solo Artist of the Year  
Instrumental Group of the Year  
English Songwriter of the Year  
Aboriginal Song Writer of the Year  
Vocal Group of the Year  
Ensemble of the Year  
Solo Artist of the Year  
World Solo Artist of the Year  
New/Emerging Artist of the Year  
Young Performer of the Year

#### Artist

Genticorum  
Bruce Cockburn  
Dave Gunning  
Suzie Vinnick  
Jayme Stone  
The Creaking Tree String Quartet  
Lynn Miles  
Vince Fontaine  
Good Lovelies  
Genticorum  
Bruce Cockburn  
Kiran Ahluwalia  
Dave Gunning  
Molly Thomason

#### Album or Single (if applicable)

Nagez Rameurs  
Small Source of Comfort  
A Tribute to John Allan Cameron  
Me'n' Mabel  
Room of Wonders  
Sundogs  
Fall for Beauty  
Songs For Turtle Island  
Let the Rain Fall  
Nagez Rameurs  
Small Source of Comfort  
Aam Zameen: Common Ground  
A Tribute to John Allan Cameron  
Beauty Queen

### 2012 MAPLE BLUES AWARDS

#### Award

Electric Act of the Year  
Female Vocalist of the Year  
Recording of the Year  
Blues with a Feeling (Lifetime Achievement)  
Guitar Player of the Year  
Harmonica Player of the Year  
Piano/Keyboard Player of the Year  
Horn Player of the Year  
Songwriter of the Year

#### Artist

MonkeyJunk  
Suzie Vinnick  
MonkeyJunk  
Paul James  
Steve Strongman  
Carlos del Junco  
Kenny "Blues Boss" Wayne  
Chris Whiteley  
Suzie Vinnick

#### Album or Single (if applicable)

#### To Behold

Juno nominated indie-rock band Plants and Animals have been receiving support from FACTOR since 2007. Initially receiving support for tours and showcases, they were awarded funding through the Emerging Artist program for their 2010 release *La La Land*, as well as their 2012 release *The End of That*.



PLANTS AND ANIMALS

“PLANTSANDANIMALSHAVEBENEFITEDHUGELYFROMFACTOR’SUPPORTOVERTHEYEARS. NOT ONLY HAS THE BAND BEEN ABLE TO TAKE A MORE AMBITIOUS APPROACH TO TOURING THE COUNTRY COAST TO COAST, BUT SUPPORT IN TERMS OF SOUND RECORDING AND MARKETING AND PROMOTION HAS MEANT THAT WE’VE BEEN ABLE TO COMMIT FULL TIME TO DOING WHAT WE DO BEST, MAKING MUSIC.”

**WARREN SPICER, NIC BASQUE AND MATTHEW WOODLEY,** PLANTS AND ANIMALS

# AWARDS

## CANADIAN AWARDS

### 2011 CANADIAN COUNTRY MUSIC AWARDS

#### Award

Male Artist of the Year  
Roots Artist or Group of the Year  
Group or Duo of the Year  
Fans' Choice Award  
CMT Video of the Year  
  
Rising Star Award  
Top Selling Canadian Album  
All Star Band Award Winners: Drums  
All Star Band Award Winners: Bass  
All Star Band Award Winners: Keyboards  
Hall of Honour

#### Artist

Johnny Reid  
Jimmy Rankin  
Hey Romeo  
Johnny Reid  
Johnny Reid  
  
Chad Brownlee  
Johnny Reid  
Steve Broadhurst  
Shane Chisholm  
Rob Shapiro  
Michelle Wright

#### Album or Single (if applicable)

Today I Am Going to Try and  
Change the World  
  
A Place Called Love

### 2012 JUNO AWARDS

#### Award

Single of the Year  
Artist of the Year  
New Artist of the Year  
Songwriter of the Year  
  
Dance Recording of the Year  
New Group of the Year  
Group of the Year  
Adult Alternative Album of the Year  
Alternative Album of the Year  
Rock Album of the Year  
Contemporary Jazz Album of the Year  
Traditional Jazz Album of the Year  
Roots and Traditional Album of the Year  
Roots and Traditional Album of the Year, Group  
Blues Album of the Year  
Contemporary Christian/Gospel Album of the Year  
World Music Album of the Year  
Recording Engineer of the Year  
Video of the Year  
Music DVD of the Year  
Electronic Album of the Year

#### Artist

The Sheepdogs  
Feist  
Dan Mangan  
Dallas Green  
  
Martin Solveig & Dragonette  
The Sheepdogs  
Arkells  
Feist  
Dan Mangan  
The Sheepdogs  
Phil Dwyer Orchestra featuring Mark Fewer  
David Braid  
Bruce Cockburn  
The Wallin' Jennys  
MonkeyJunk  
Downhere  
Kiran Ahluwalia  
George Seara  
The Sadies  
Feist  
Tim Hecker

#### Album or Single (if applicable)

I Don't Know  
  
Little Hell, "We Found Each Other"  
and "Weightless"  
Hello  
  
Metals  
Oh Fortune  
Learn and Burn  
Changing Seasons  
Verge  
Small Source of Comfort  
Bright Morning Stars  
To Behold  
On the Alter of Love  
Aam Zameen: Common Ground  
A Little Bit of Love; Let Go  
Rumbleseat  
What the Light Did Now  
Ravedeath

FACTOR provided \$723,675 to 253 applicants to increase the competitive appeal of Canadian music companies and their products domestically and internationally.

\$606,550 was awarded to 47 Canadian music companies to assist in strengthening their businesses.

# AWARDS

## CANADIAN AWARDS

### 2012 CANADIAN SMOOTHIES

#### Award

Female Vocalist of the Year  
Male Vocalist of the Year  
Best Original Composition presented by FACTOR

#### Artist

Nikki Yanofsky  
Marc Jordan  
Andrew Scott, Rob DeBoer, Tony Grace

#### Album or Single (if applicable)

Soul Revolution

### 2012 RADIO MUSIC AWARDS

#### Award

Rock  
CHR  
Dance/Urban/Rhythmic  
Hot AC  
Mainstream AC  
Fans Choice  
Socan Song of the Year  
  
Chart Topper  
FACTOR Breakthrough Artist

#### Artist

The Sheepdogs  
Martin Solveig & Dragonette  
Martin Solveig & Dragonette  
Alyssa Reid  
Neverest  
Fefe Dobson  
Fefe Dobson, Claude Kelly,  
Michael Mentore, Jonathan Rotem  
Fefe Dobson  
Alyssa Reid

#### Album or Single (if applicable)

I Don't Know  
Hello  
Hello  
**Alone Again**  
About Us  
Stuttering  
  
Stuttering

### 2012 EAST COAST MUSIC AWARDS

#### Award

Folk Recording of the Year  
Roots/Traditional Solo Recording of the Year  
Roots/Traditional Group Recording of the Year  
Rock Recording of the Year  
Pop Recording of the Year  
World Recording of the Year  
Jazz Recording of the Year  
Classical Recording of the Year  
Gospel Recording of the Year  
Rap/Hip-Hop Recording of the Year  
Country Recording of the Year  
Song of the Year  
Songwriter of the Year  
Group Recording of the Year  
Solo Recording of the Year  
Blues Recording of the Year  
Rising Star Recording of the Year  
Album of the Year

#### Artist

Catherine MacLellan  
Kim Stockwood  
Rawlins Cross  
The Trews  
Ria Mae  
Keith Mullins  
Gypsophilia  
Scott Macmillan  
Mike Biggar  
Classified  
Gordie Sampson  
David Myles  
David Myles  
Hey Rosetta!  
Matt Andersen  
Matt Andersen  
Carmen Townsend  
Hey Rosetta!

#### Album or Single (if applicable)

**Silhouette**  
**Back to the Water**  
**Heart Head Hands**  
**Hope & Ruin**  
**Under Your Skin**  
Localmotive Farm  
**Constellation**  
Within Sight of Shore  
The Season  
  
Almost Beautiful  
**Simple Pleasures**  
**Simple Pleasures**  
**Seeds**  
Coal Mining Blues  
Coal Mining Blues  
**Waitin' and Seein'**  
**Seeds**

## INTERNATIONAL AWARDS

### 2012 GRAMMY AWARDS

#### Award

Best Recording Package

#### Artist

Arcade Fire

#### Album or Single (if applicable)

Scenes from the Suburbs

Saskatoon-based band The Sheepdogs received worldwide recognition as winners of Rolling Stone's "Choose the Cover" contest, beating out 15 other bands and becoming the first unsigned artists to ever be featured on the magazine's cover. Their album *Learn and Burn* won the Juno Award for Rock Album of the Year in 2011, with their single "I Don't Know" winning the Juno for Single of the Year. FACTOR has provided funding for showcases, as well as support for their domestic and international tours.



THE SHEEPDOGS

"IN AN OLD BEAT UP VAN, THE ROAD BETWEEN SASKATCHEWAN AND PRETTY WELL ANYWHERE ELSE IS A LONG BUT EXPENSIVE TREK. OUR BAND'S SUCCESSES HAVE BEEN ACHIEVED MORE EASILY ON ACCOUNT OF THE SUPPORT FROM FACTOR. FROM OUR FIRST SHOWCASE TO OUR MOST RECENT AMERICAN TOUR, FACTOR HAS BEEN THERE FOR US WHEN THE MONEY WASN'T. FOR THIS WE ARE VERY GRATEFUL. THEIR SUPPORT HAS ALLOWED US TO CONTINUE DOING WHAT WE LOVE AND BELIEVE IN."

**EWAN CURRIE, LEOT HANSON, RYAN GULLEN AND SAM CORBETT, THE SHEEPDOGS**

In the past five years, 70 artists who have received funding through one or more of FACTOR's programs received 134 certifications by Music Canada.

# CERTIFICATIONS

In the past five years, 70 artists who have received funding through one or more of FACTOR's programs received 134 certifications by Music Canada. These certifications are based on number of units sold on the following scale:

CERTIFICATIONS	UNITS SOLD	UNITS SOLD (RELEASES AFTER MAY 1, 2008)	DIGITAL DOWNLOADS
Gold	50,000	40,000	5,000
Platinum	100,000	80,000	10,000
Double Platinum	200,000	160,000	20,000
Triple Platinum	300,000	240,000	30,000
Diamond	1,000,000	800,000	100,000

Quotations indicate song titles

Artist	Album Title	Certification	Year
Marianas Trench	"Fall Out"	Gold	2012
Patrick Watson	"Wooden Arms"	Gold	2012
Serena Ryder	"Weak in the Knees"	Gold Digital Download	2012
Alyssa Reid	"Alone Again"	Gold (Digital)	2011
Beast	Beast	Gold	2011
Carly Rae Jepsen	"Call Me Maybe"	Triple Platinum (Digital)	2011
City & Colour	"Little Hell"	Gold Album	2011
City & Colour	"Little Hell"	Platinum Album	2011
Classified	"That Ain't Classy"	Gold Digital Download	2011
Down With Webster	"Whoa Is Me"	Platinum (Digital)	2011
Ian Kelly	Speak Your Mind	Gold	2011
Marianas Trench	"Good to You"	Gold Digital Download	2011
Marianas Trench	"Haven't Had Enough"	Gold Digital Download	2011
Marianas Trench	"Haven't Had Enough"	Platinum Digital Download	2011
Marianas Trench	"Ever After"	Gold	2011
Mia Martina	"Latin Moon"	Gold Digital Download	2011
My Darkest Days	"Porn Star Dancing"	Gold (Digital)	2011
Shawn Desman	"Shiver"	Gold (Digital)	2011
Shawn Desman	"Night Like This"	Gold (Digital)	2011
Shawn Desman	"Electric"	Gold (Digital)	2011
Susie Arioli	"Christmas Dreaming"	Gold	2011
Blue Rodeo	The Things We Left Behind	Platinum	2010
Bobby Bazini	Better In Time	Platinum	2010
Carly Rae Jepsen	"Bucket"	Gold (Digital)	2010
Classified	"Oh... Canada"	Platinum (Digital)	2010
Colin James	Then Again	Platinum	2010
Down With Webster	Time to Win, Vol. 1	Gold	2010
Down With Webster	"Rich Girl\$"	Platinum (Digital)	2010
Down With Webster	"Your Man"	Platinum (Digital)	2010
Faber Drive	"Give Him Up"	Platinum (Digital)	2010
Johnny Reid	A Place Called Love	Double Platinum	2010
k.d. lang	Recollection	Platinum	2010
Kardinal Offishall	"Dangerous"	Triple Platinum (Digital)	2010
Kardinal Offishall	"Numba 1 (Tide Is High)"	Gold (Digital)	2010
Kardinal Offishall	"Body Bounce Ft. Akon"	Gold (Digital)	2010

# CERTIFICATIONS

Quotations indicate song titles

Artist	Album Title	Certification	Year
K'Naan	"Wavin' Flag"	Triple Platinum (Digital)	2010
Lights	The Listening	Gold	2010
Marianas Trench	"Beside You"	Platinum (Digital)	2010
Marianas Trench	"Cross My Heart"	Double Platinum (Digital)	2010
Marianas Trench	"All To Myself"	Double Platinum (Digital)	2010
Marianas Trench	"Beside You"	Platinum (Digital)	2010
Marianas Trench	Masterpiece Theatre	Platinum	2010
Marianas Trench	"Celebrity Status"	Gold (Digital)	2010
Nickelback	Curb	Gold	2010
Nickelback	All The Right Reasons	Septuple Platinum	2010
Nickelback	The Long Road	Quintuple Platinum	2010
Nickelback	Dark Horse	Sextuple Platinum	2010
Nikki Yanofsky	"I Believe"	Platinum (Digital)	2010
Nikki Yanofsky	Nikki	Gold	2010
Patrick Watson	Wooden Arms	Gold	2010
Roch Voisine	Americana	Gold	2010
State Of Shock	"Best I Ever Had"	Platinum (Digital)	2010
State Of Shock	"Too Petty"	Gold (Digital)	2010
Stereos	Stereos	Gold	2010
Stereos	"Thow Ya Hands up"	Double Platinum (Digital)	2010
Stereos	"Turn It Up"	Platinum (Digital)	2010
Tegan and Sara	Sainthood	Gold	2010
The Canadian Tenors	The Canadian Tenors	Platinum	2010
The Canadian Tenors	The Perfect Gift	Platinum	2010
The Trews	"Hold Me In Your Arms"	Gold (Digital)	2010
Alexisonfire	Old Crows, Young Cardinals	Gold	2009
Bif Naked	I Bificus	Platinum	2009
Billy Talent	Billy Talent III	Platinum	2009
Blue Rodeo	"The Things We Left Behind"	Platinum (Digital)	2009
Carly Rae Jepson	"Tug of War"	Gold (Digital)	2009
City & Colour	"Sleeping Sickness"	Gold (Digital)	2009
Danny Fernandes	"Fantasy"	Gold (Digital)	2009
Danny Fernandes	"Private Dancer"	Gold (Digital)	2009
Faber Drive	"Tongue Tied"	Gold (Digital)	2009
Faber Drive	"When I'm With You"	Gold (Digital)	2009
Faber Drive	"G-Get Up And Dance"	Platinum (Digital)	2009
Joel Plaskett	Three	Gold	2009
Johnny Reid	Dance With Me	Platinum	2009
Johnny Reid	Christmas	Platinum	2009
Marianas Trench	"Shake Tramp"	Gold (Digital)	2009
Metric	Fanatasies	Platinum	2009
Metric	Live It Out	Platinum	2009
Nadja	Nadja	Gold	2009
Nickelback	All The Right Reasons	Septuple Platinum	2009
Richard Abel	25 ans de musique	Gold	2009
Rush	Snakes and Arrows Live	Gold (Digital)	2009
Sarah Mclachlan	Rarities, B-Sides & Other Stuff Vol. 2	Triple Platinum	2009
Sarah Mclachlan	Remixes	Platinum	2009
Serena Ryder	Is It OK	Gold	2009

# CERTIFICATIONS

Quotations indicate song titles

Artist	Album Title	Certification	Year
Tegan and Sara	So Jealous	Gold	2009
Tegan and Sara	The Con	Gold	2009
The Canadian Tenors	The Canadian Tenors	Gold	2009
The Midway State	"Never Again"	Gold (Digital)	2009
The Tragically Hip	We Are the Same	Platinum	2009
Theory of a Deadman	Scars and Souvenirs	Platinum	2009
Bedouin Soundclash	Street Gospels	Gold	2008
Broken Social Scene	You Forgot It In People	Gold	2008
City & Colour	Bring Me Your Love	Gold	2008
Feist	The Reminder	Double Platinum	2008
Great Big Sea	Fortune's Favour	Gold	2008
Illscarlett	All Day With It	Gold	2008
Johnny Reid	Born To Roll	Gold	2008
Johnny Reid	Kicking Stones	Platinum	2008
Jully Black	Revival	Gold	2008
k.d. lang	Watershed	Gold	2008
Lights	"Drive My Soul"	Gold (Digital)	2008
Lowest Of The Low	Shakespeare My Butt...	Gold	2008
Matthew Good Band	Hospital Music	Gold	2008
Sam Roberts	Love At The End Of The World	Gold	2008
State Of Shock	"Best I Ever Had"	Gold (Digital)	2008
State Of Shock	"Money Honey"	Platinum (Digital)	2008
Sum 41	Underclass Hero	Gold	2008
Alexisonfire	Crisis	Platinum	2007
Alexisonfire	Watchout	Platinum	2007
Arcade Fire	Neon Bible	Gold	2007
Bedouin Soundclash	Sounding A Mosaic	Platinum	2007
Belly	The Revolution	Gold	2007
Billy Talent	Billy Talent	Triple Platinum	2007
Billy Talent	Billy Talent II	Double Platinum	2007
Blue Rodeo	Small Miracles	Gold	2007
Daniel Powter	Daniel Powter	Gold	2007
Feist	Let It Die	Platinum	2007
Jim Cuddy	The Light That Guides You Home	Gold	2007
k-os	Sunday Morning	Gold	2007
Loreena McKennitt	An Ancient Muse	Platinum	2007
Matthew Good Band	In a Coma	Gold	2007
Neverending White Lights	Neverending White Lights	Gold (Digital)	2007
Nicola Ciccone	Nous Serons Six Milliards	Gold	2007
Pascale Picard	Me, Myself and Us	Platinum	2007
Patrick Watson	Close To Paradise	Gold	2007
Rush	Snakes and Arrows	Gold	2007
Sarah McLachlan	Wintersong	Double Platinum	2007
Serena Ryder	If Your Memory Serves You Well	Gold	2007
The Tragically Hip	Fully Completely	Diamond	2007
The Tragically Hip	Hipeponymous	Platinum	2007
The Tragically Hip	Yer Favorites	Double Platinum	2007

# BOARD OF DIRECTORS

The Board of Directors consists of 13 members. The Board is comprised of four seats appointed by member music industry organizations and four seats appointed by member broadcasters from Canada's private radio sector. Additionally, there are three seats filled by nomination representing independent artists, independent radio and the independent music industry at large. A seat is also provided for Duff Roman as Director Emeritus.



**Susan Wheeler**

Vice President, Regulatory, Media,  
Rogers Broadcasting Ltd.

Chair, Representing Rogers Broadcasting Ltd.



**Jeffrey Remedios**

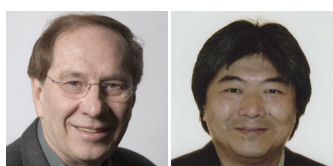
President, Arts & Crafts

Vice-Chair,  
Representing Canadian Independent Music Association

**Lenore Gibson**

Director, Regulatory Affairs, Bell Media Inc.

Secretary; Representing Bell Media Inc.



**Grant Dexter**

President and CEO, MapleCore Inc.

Treasurer;  
Representing Canadian Independent Music Association

**Duff Roman**

President & CEO, Duff Roman Media Inc.

Director Emeritus

**Lloyd Nishimura**

President, Outside Music Inc.

Independent Representative



**Mark Jowett**

VP International A&R/Publishing  
Nettwerk Music Group

Representing Canadian Independent Music Association

**Rick Arnish**

President, Jim Pattison Broadcast Group

Independent Representative



**Robert Lanni**

Co-President, Coalition Music

Representing Music Managers Forum

**Ross Winters**

National Programming Chair, CORUS Radio

Representing CORUS Radio

**Stephen Carroll**

Artist Manager / Guitarist (The Weakerthans)

Independent Representative



**Steve Parsons**

National Content Manager,  
Astral Media Radio Inc.

Representing Astral Media

**Pierre Lalonde**

Director for Sound Recording  
Policy & Programs Department of Canadian Heritage

Observer



**Sara Stasiuk**

Chair, FACTOR National Advisory Board

Observer

# FACTOR STAFF

## **Senior Management**

President  
Vice President, Operations  
Director, Operations  
Executive Assistant to the President

**Duncan McKie**  
**Allison Outhit**  
**Phil Gumbley**  
**Gina Katsiochristos**

## **Submissions Department**

Manager, Submissions  
Coordinator, Submissions

**Brent Bain**  
**Christina Cassaro**  
**Erin Kiyonaga**  
**Jessica George**  
**Lorie Guillemet**  
**Tim Jones**

## **Funded Projects Department**

Manager, Funded Projects  
Senior Program Administrator, Funded Projects  
Administrator, Funded Projects  
  
Clerk, Funded Projects

**Greg Van Bastelaar**  
**Beth Hamill**  
**Eryka Nilsen**  
**Steven Manning**  
**Angela Kozak**

## **Accounting Department**

Manager, Accounting  
Clerk, Accounting

**Marina Anianova**  
**Tina Wang**

## **Outreach**

Outreach Coordinator

**Ryan McLaren**

# NATIONAL ADVISORY BOARD

Since 1992 FACTOR has been bringing together the nation's regional industry associations to discuss industry trends and business practices. During these meetings, key industry professionals were invited to offer comments, and to gain a better understanding of the jury process. In 2006, the National Advisory Board was expanded to include organizations such as the Music Managers Forum, the Canadian Music Publishers Association, and the Canadian Independent Music Association. The NAB's purpose is two-fold: to assist FACTOR in developing policies and procedures that remain responsive to the Canadian independent music industry on a national level; and to act as a regional resource for FACTOR's programs to applicants throughout the country.

**Alberta Music Industry Association**

**Music New Brunswick**

**Music Nova Scotia**

**Music & Film in Motion (representing Northern Ontario)**

**Music Yukon**

**Music PEI**

**Manitoba Music**

**Canadian Music Publishers Association**

**SASK Music**

**Canadian Independent Music Association**

**Music NL**

**Music Managers Forum**

**Music BC**

# CONTRIBUTING RADIO BROADCASTERS

## ASTRAL

CIKX-FM  
CKHJ-FM  
CKTO-FM  
CKTY-FM  
CJ CJ-FM  
CKBC-FM  
CFXY-FM  
CIBX-FM  
CFRN-FM  
CFKC-AM  
CIOR-AM  
CKGR-AM  
CHOR-AM  
CKTK-FM  
CJOR-AM  
CKSL-AM  
CHTK-AM  
CKRX-FM  
CKCR-FM  
CFTK-TV  
CFTK-AM  
CKOR-AM  
CHAM-AM  
CKKC-FM  
CJFW-FM  
CKNL-FM  
CHRX-FM  
CJAT-FM  
CKFR-AM  
CKOC-AM  
CFTK-TV  
CJDC-AM  
CKMX-AM  
CKX-FM  
CJDC-TV  
CKTB-AM  
CKXR-AM  
CKXA-FM  
CJBK-AM  
CFRN-AM  
CJSL-AM  
CHVR-FM  
CHBD-FM  
CJMG-FM  
CICF-FM  
CILK-FM  
CHSU-FM  
CJBX-FM  
CHTZ-FM  
CFQX-FM  
CIQM-FM  
CHRE-FM  
CKQB-FM  
CKMM-FM  
CKLH-FM  
CFMG-FM  
CFBR-FM  
CFRB-AM  
CIBK-FM  
CJAY-FM  
CKZZ-FM  
CKFM-FM  
CHBM-FM

## BLACKBURN

CFGX-FM  
CKUE-FM  
CIBU-FM

CKNX-FM  
CJWF-FM  
CHYR-FM  
CJSP-FM  
CFCO-FM  
CKSY-FM  
CHKS-FM  
CHOK-FM  
CKLO-FM

## CORUS

CFHK-FM  
CHQT-AM  
CFMK-FM  
CKRU-FM  
CHAY-FM  
CILQ-FM  
CFNY-FM  
CIMJ-FM  
CJOB-AM  
CHML-AM  
CJXY-FM  
CFMJ-AM  
CFPL-AM  
CKNW-AM  
CISN-FM  
CJDV-FM  
CFLG-FM  
CFMI-FM  
CING-FM  
CFOX-FM  
CJGV-FM  
CHQR-AM  
CJMR-FM  
CKNG-FM  
CHED-AM  
CHMJ-AM  
CFPL-FM  
CJSS-FM  
CKDK-FM  
CJOY-AM  
CIQB-FM  
CKBT-FM  
CKCB-FM  
CKRY-FM  
CKWF-FM  
CKWS-FM  
CFGQ-FM

## BELL MEDIA

C100-FM  
CFAX-AM  
CFBT-FM  
CFCA-FM  
CFGO-AM  
CFJR-FM  
CFLY-FM  
CFRA-AM  
CFRW-AM  
CFWM-FM  
CHBE-FM  
CHIQ-FM  
CHQM-FM  
CHUM-AM  
CHUM-FM  
CIDR-FM  
CIMX-FM  
CJCH-FM  
CJMJ-FM

CJPT-FM  
CKCE-FM  
CKKL-FM  
CKKW-FM  
CKLC-FM  
CKLW-AM  
CKLY-FM  
CKPT-FM  
CKQM-FM  
CKST-AM  
CKWW-AM  
CFBT-FM  
CFXJ-FM  
CFTE-AM  
CFXJ-FM  
CFLY-FM

## EVANOV

CKPC-FM  
CKPC-AM  
CIRR-FM  
CJWL-FM  
CKHK-FM  
CKDX-FM  
CIDC-FM  
CKHY-FM  
CKHZ-FM

## HALIBURTON

CFBG-FM  
CFBK-FM  
CFIF-FM  
CHMS-FM  
CHMT-FM  
CHPB-FM  
CKAP-FM  
CKLP-FM  
CKNR-FM  
CFLZ-FM  
CFSF-FM  
CJJM-FM  
CJWL-FM  
CHGK-AM  
CJCS-AM  
CKEY-FM  
CFLZ-FM

## JIM PATTISON

CFDV-FM  
CFMY-FM  
CHAT-FM  
CHBW-FM  
CHBZ-FM  
CHDR-FM  
CHLB-FM  
CHPQ-FM  
CHUB-FM  
CHWF-FM  
CIBH-FM  
CIBW-FM  
CIFM-FM  
CJAV-FM  
CJZ-FM  
CJDR-FM  
CJR-FM  
CJXX-FM  
CJZN-FM

CKBZ-FM  
CKDV-FM  
CKIZ-FM  
CKKN-FM  
CKKQ-FM  
CKLR-FM  
CKPK-FM  
CKWV-FM  
CKQQ-FM  
CKLZ-FM

## MARITIME

CFAB-AM  
CFAN-FM  
CFBC-AM  
CFCY-FM  
CFQM-FM  
CHER-FM  
CHFX-FM  
CHLQ-FM  
CHNS-FM  
CHOY-FM  
CIOK-FM  
CJCB-AM  
CJCW-AM  
CJRW-FM  
CJYC-FM  
CKAD-AM  
CKCW-FM  
CKDH-AM  
CKDY-AM  
CKEN-FM  
CKNB-AM  
CKPE-FM  
CKWM-FM

## NEWCAP

CFCB-AM  
CFCW-AM  
CFCW-FM  
CFLN-AM  
CHLW-FM  
CFOK-AM  
CFRK-FM  
CFRQ-FM  
CFSX-AM  
CFXE-FM  
CFXH-FM  
CFXL-FM  
CFXW-FM  
CHFT-FM  
CHCM-AM  
CHLW-AM  
CHNK-FM  
CHNO-FM  
CHRK-FM  
CHSL-FM  
CHTN-FM  
CHVO-FM  
CIBQ-AM  
CIGM-AM  
CIHT-FM  
CIJK-FM  
CILV-FM  
CIGM-AM  
CIGV-FM  
CIJK-FM  
CIRK-FM  
CIXF-FM

CIZZ-FM  
CJMO-FM  
CJPR-FM  
CJXK-FM  
CJXL-FM  
CJYQ-AM  
CKBA-AM  
CKCM-AM  
CKDQ-AM  
CKGA-AM  
CKGY-FM  
CKIX-FM  
CKMP-FM  
CKJR-AM  
CKJS-FM  
CKKY-AM  
CKQK-FM  
CKRA-FM  
CKSA-FM  
CKSQ-AM  
CKUL-FM  
CKVH-AM  
CKVO-AM  
CKWY-FM  
CKXD-FM  
CKXG-FM  
CKXX-FM  
VOCM-AM  
VOCM-FM

## ROGERS

CFGP-FM  
CFRV-FM  
CFSR-FM  
CFRR-FM  
CHAS-FM  
CHDI-FM  
CHEZ-FM  
CHFI-FM  
CHFM-FM  
CHMN-FM  
CHST-FM  
CHUR-FM  
CHYM-FM  
CIOC-FM  
CISQ-FM  
CISS-FM  
CITI-FM  
CIKZ-FM  
CJET-FM  
CJMX-FM  
CJQM-FM  
CJQQ-FM  
CJRO-FM  
CJRX-FM  
CKAT-AM  
CKBY-FM  
CKCL-FM  
CKFX-FM  
CKGB-FM  
CKIS-FM  
CKLG-FM  
CKQK-FM  
CKSR-FM  
CKY-FM  
CKKS-FM  
CISW-FM  
CJOK-FM  
CKYX-FM  
CKXC-FM

CIKZ-FM  
CIKR-FM  
CHBN-FM  
CIKR-FM  
CFLT-FM

## VISTA

CFCP-FM  
CFBV-AM  
CFFM 02  
CFFM-FM  
CFLD-AM  
CFNA-FM  
CFNI-AM  
CFPW-FM  
CFRI-FM  
CIQC-FM  
CIRX-FM  
CIRX-FM 1  
CIVH-AM  
CJCI-FM  
CJSU-FM  
CJUI-FM  
CKBX-AM  
CKCQ-FM  
CKGF-FM  
CKGR-AM  
CKLM-FM  
CKQR-FM  
CKWL-AM  
CHNV-FM  
CJUI-FM

## RAWLCO

CFMM-FM  
CHMC-FM  
CHQX-FM  
CIUP-FM  
CIZL-FM  
CJQC-FM  
CJDJ-FM  
CJHD-FM  
CJME-AM  
CJNB-AM  
CJNS-FM  
CKBI-AM  
CKCK-FM  
CKNO-FM  
CKNO-FM  
CKOM-AM  
CFQK-FM

## GOLDEN WEST

CFAM-FM  
CFEQ-FM  
CFRY-AM  
CFRY-PM  
CFSL-AM  
CFXO-FM  
CFYM-AM  
CHAB-AM  
CHOO-FM  
CHRB-AM  
CHSM-AM  
CHSN-FM  
CILG-FM  
CILT-FM  
CIMG-FM

CJAW-FM  
CJEL-FM  
CJPG-FM  
CJRB-AM  
CJSL-AM  
CJSN-AM  
CJYM-AM  
CKFI-FM  
CKMW-AM  
CKQV-FM  
CKRC-FM  
CKSW-AM  
CKUV-FM  
CKVN-FM  
CKVX-FM

## INDEPENDENT RADIO

CJLT-FM  
CFMZ-FM  
CFZM-FM  
CFZM-AM  
CJUI-FM  
CJFX-FM  
CKHL-FM  
CKKX-FM  
CKYL-FM  
CJLS-FM  
CHUC-AM  
CKSG-FM  
CIGL-FM  
CJBO-AM  
CJTN-FM  
CJDL-FM  
CKOT-AM  
CFMB-FM  
CFJB-FM  
CKMB-FM  
CIRV-FM  
CJXK-FM  
CKGE-FM  
CKDO-FM  
CFWF-FM  
CHMX-FM  
CKRM-AM  
CHCD-FM  
CICS-FM  
CICX-FM  
CICZ-FM  
CJOS-FM  
CJWA-FM  
CFNO-FM  
CIXM-FM  
CJVR-FM  
CKJH-FM  
CKLF-FM  
CKLQ-AM  
CHTM-AM  
CJAR-AM  
CFAR-AM  
CKYC-FM  
CHWC-FM  
CIYK-FM  
CIXK-FM  
CFOS-AM  
CHGB-FM  
CIXL-FM  
CJUV-FM  
CKIK-FM  
CFEX-FM

CIHR-FM  
CKAY-FM  
CHMZ-FM  
CIMM-FM  
CFPV-FM  
CKPM-FM  
CFOB-FM  
CJRL-FM  
CKDR-FM  
CKDR2  
CJSD-FM  
CKPR-FM  
CKYE-FM  
CIWV-FM  
CHCQ-FM  
CJOJ-FM  
CIHS-FM  
CKJX-FM  
CKLF-FM  
CFWD-FM  
CKRV-FM  
CJNL-AM  
CJHK-FM  
CHSJ-FM  
CHTD-FM  
CHWV-FM  
CKBW-FM  
CJCY-FM  
CJOC-FM  
CHIM-FM  
CJMK-FM  
CKBL-FM  
CJWW-AM  
CJTK-FM  
CIGO-FM  
CKJN-FM  
CHHR-FM  
CIXN-FM  
CKKO-FM  
CJLT-FM  
CJSB-FM  
CJBP-FM  
CJIE-FM  
CFET-FM  
CJSI-FM  
CJRY-FM  
CJCA-FM  
CKRD-FM  
CIYM-FM  
CKXM-FM  
CHMY-FM  
CIYN-FM  
CKSJ-FM  
CKEC-FM  
CJNW-FM  
CJKL-FM  
CJTT-FM  
CHOZ-FM  
CJFY-FM  
DAWG-FM  
CFAQ-FM  
CFSH-FM  
CIDG-FM  
CKTG-FM  
CJUK-FM  
CJGX-FM  
CKKK-FM

# REQUESTS AND COMMITMENTS BY PROGRAM

	2011 - 2012				2010 - 2011			
	Apps Submitted	Amount Requested	Apps Approved	Amount Offered	Apps Submitted	Amount Requested	Apps Approved	Amount Offered
<b>Sound Recordings</b>								
Direct Board Approval Sound Recording	116	2,177,062	103	1,721,796	124	2,766,879	121	2,111,263
Emerging Artist Sound Recording	102	2,263,429	45	1,084,424	98	3,553,456	42	1,257,107
FACTOR Loan	203	4,381,439	33	608,628	203	4,516,243	37	703,594
Independent Loan	643	8,559,595	50	558,663	477	6,774,846	39	519,999
Demo and Commercially Released Single/EP	969	1,415,874	265	360,740	661	1,380,762	177	261,765
Songwriter Workshop	50	36,780	33	21,677	29	19,575	24	14,667
<b>Marketing &amp; Promotion</b>								
Marketing & Promotion for FACTOR-Funded Sound Recordings	222	4,977,628	202	4,064,724	204	4,936,831	182	3,633,458
Marketing and Promotion for Non-FACTOR Supported Sound Recordings	38	623,940	19	310,642	28	618,377	15	272,338
Video Grants	79	877,019	43	405,783	67	1,142,719	41	475,156
<b>Touring &amp; Showcasing Grants</b>								
Tour (Domestic)	106	2,212,250	66	722,639	91	1,110,777	67	693,185
Tour (International)	182	3,978,186	130	1,785,198	158	2,143,925	113	1,271,741
Showcase (Domestic)	295	937,516	194	362,016	300	603,107	231	379,417
Showcase (International)	250	1,357,253	148	493,774	234	905,048	147	464,731
<b>Industry Support</b>								
Business Travel	314	1,157,549	253	723,675	270	1,032,080	231	663,375
Business Development	69	976,232	47	606,550	78	1,028,885	61	648,737
<b>Collective Initiatives</b>								
Music Conferences and Award Shows	75	4,054,769	31	1,462,117	50	3,405,672	36	1,299,799
Music Showcases for Canadian Artists from Official Language								
Minority Communities	65	754,698	60	448,551	11	409,466	9	275,750
Music Showcases for the Development of Export-Ready Canadian Artists	39	897,804	20	289,684	31	666,744	21	272,575
Marketing of Canadian Music on Digital Platforms	36	1,702,829	16	547,038	52	2,719,086	14	528,205
<b>Sponsorship</b>								
	28	268,293	28	\$253,293	15	122,420	14	113,234
<b>Total</b>	<b>3881</b>	<b>43,610,145</b>	<b>1783</b>	<b>16,831,612</b>	<b>3,181</b>	<b>39,856,898</b>	<b>1,622</b>	<b>15,860,096</b>
<b>% of applications approved</b>			<b>46%</b>	<b>39%</b>			<b>51%</b>	<b>40%</b>

# APPLICATIONS SUBMITTED AND APPROVED BY PROVINCE

		2011 - 2012				2010 - 2011			
		Apps Submitted	Amount Requested	Apps Approved	Amount Offered	Apps Submitted	Amount Requested	Apps Approved	Amount Offered
Alberta	(AB)	154	1,542,822	65	448,571	91	1,055,289	53	296,684
British Columbia	(BC)	607	5,978,055	266	2,138,156	460	5,366,391	209	1,762,324
Manitoba	(MB)	170	1,500,682	82	552,929	156	1,291,797	80	482,077
New Brunswick	(NB)	30	213,286	14	70,512	26	107,132	9	24,054
Newfoundland & Labrador	(NL)	29	246,396	16	81,625	20	112,704	6	29,641
Nova Scotia	(NS)	173	1,280,204	95	675,493	137	1,121,256	65	469,356
Ontario	(ON)	2046	24,575,114	886	9,174,929	1743	24,248,368	866	9,727,519
Prince Edward Island	(PE)	28	449,579	16	222,808	19	348,083	10	169,961
Quebec	(QC)	543	6,831,359	298	3,093,978	453	5,553,797	278	2,557,339
Saskatchewan	(SK)	78	685,708	30	212,059	53	449,453	34	267,194
Territories & Yukon	(T/Y)	14	94,481	6	17,837	11	92,486	5	28,876
United States**	(US)	9	212,459	8	140,685	9	110,142	6	45,071
<b>Total</b>		<b>3881</b>	<b>43,610,145</b>	<b>1782</b>	<b>16,831,612</b>	<b>3,181</b>	<b>39,856,898</b>	<b>1,622</b>	<b>15,860,096</b>
<b>% of applications approved</b>				<b>46%</b>	<b>39%</b>			<b>51%</b>	<b>40%</b>

\*\* Canadian citizens living outside of Canada are eligible to apply for FACTOR funding, but must spend any funding awarded in Canada. (excluding international marketing funds)

# APPLICATIONS SUBMITTED AND APPROVED BY MUSICAL GENRE

	2011 - 2012				2010 - 2011			
	Apps Submitted	Amount Requested	Apps Approved	Amount Offered	Apps Submitted	Amount Requested	Apps Approved	Amount Offered
Aboriginal	24	235,046	8	67,789	10	117,379	5	53,400
Adult Contemporary	177	1,786,855	48	553,042	161	1,805,643	54	541,228
Alternative	432	4,393,563	192	1,722,374	324	3,574,971	157	1,553,937
Children's	23	253,570	9	65,533	22	193,681	11	71,132
Classical	53	668,118	34	379,224	37	468,105	15	140,412
Country	207	2,324,924	74	750,546	152	1,755,067	79	651,191
Dance	76	746,314	30	277,759	70	807,354	23	232,792
Hard Music	57	668,898	17	160,666	63	698,879	25	309,842
Jazz	127	1,439,396	50	576,180	112	1,534,621	64	796,797
Popular	506	5,696,923	207	2,029,542	451	5,578,488	211	2,426,381
Reggae	29	270,265	9	53,746	25	216,934	9	75,547
Rock	593	6,284,416	251	2,388,949	387	4,702,308	187	1,976,606
Roots	494	4,310,315	254	1,807,767	459	4,471,424	243	1,871,308
Urban	360	3,860,134	126	1,526,480	287	3,433,479	102	1,074,474
World	90	1,001,319	29	226,932	91	1,127,481	33	301,551
<b>Total</b>	<b>3248</b>	<b>33,940,056</b>	<b>1338</b>	<b>12,586,529</b>	<b>2,651</b>	<b>30,485,814</b>	<b>1,218</b>	<b>12,076,598</b>
<b>% of applications approved</b>			<b>41%</b>	<b>37%</b>			<b>46%</b>	<b>40%</b>

**Note: The above genre numbers are for programs associated with sound recording and marketing activities.**

# PROJECT EVALUATION PROCESS

Applications are assessed by FACTOR staff to ensure eligibility of the applicant, artist, project, and expenses. Once internally reviewed, the applications are put forward to FACTOR's Board of Directors for a final review before approving or rejecting an application. The Board of Directors reserves the right to award a lesser amount based on its assessment of the applicant's proposed expenses, or based on the total amount of funding available for the program at the time of review, or for any other reason.

In the case of the Demo and Commercially Released Single and Juried Sound Recording, applications are first reviewed for eligibility by FACTOR staff and then forwarded to a jury consisting of a minimum of seven jurists specialized in the genre selected by the applicant.

Following the jury review, applications are then put forward for final review by FACTOR's Board of Directors. Jurists evaluate the applications based on the artistic merit and potential marketability of the project. Each jurist provides a score for each application being reviewed and the average score is then sent to the FACTOR Board of Directors for final consideration.

In the case of the Emerging Artist program, applications are reviewed by jurists representing Canada's private radio broadcasters, as well as the Canadian independent music industry. All juror scores are collected and the average score is calculated before being put forward for final review by FACTOR's Board of Directors. Jurists evaluate the applications based on the Artist's Marketing History and Potential.

In the 2011-2012 fiscal year, FACTOR introduced a number of changes to the way in which juries are run. An online Jury Review Process was introduced to increase the efficiency of adjudication and complement the online submission of applications. This allowed for a widened jury pool, a faster evaluation process and the elimination of the Super Jury. In addition, FACTOR changed the evaluation process from a "Yes/No" voting system to a result based on the average score provided by all jurists.

As a result of these changes we are able to provide applicants with improved feedback and evaluation scores. Moving to a digital platform for file assessment has resulted in a significant increase in the number, skill and expertise of participating jurors, which in turn has resulted in a more transparent and accountable review process. Utilizing a digital process also allows for more complete regional and national representation of jurors on every jury, ensuring a well rounded representation of Canada's diverse regions and markets.

During the 2011-2012 fiscal year, 1815 applications were assessed by 547 music and broadcasting professionals across the country. An additional 6 juries were run to adjudicate files in the Emerging Artist Sound Recording Projects program. These juries focus on the Artist's Marketing History and Potential, and are not confined to one specific genre.

JURIES BY PROVINCE		JURIES BY GENRE	
Alberta	43	Aboriginal	3
British Columbia	66	Adult Contemporary	9
Manitoba	57	Alternative	17
New Brunswick	21	Children's	3
Newfoundland & Labrador	18	Classical	3
Nova Scotia	40	Country	7
Ontario	147	Dance	4
PEI	32	Hard Music	3
Quebec	53	Jazz	7
Saskatchewan	56	Pop	22
Yukon & NWT	14	Reggae	3
		Rock	23
		Roots	19
		Urban	15
		World	3
<b>Total</b>	<b>547</b>	<b>Total</b>	<b>141</b>

# JURORS

Aaron Adair	Britt Penn	David Miskimins	Janesta Boudreau	Keli Martin	Michael Burke	Rob Maguire	Tamara Stanners
Aaron Hicken	Brock Andrews	David Rashed	Janice Finlay	Kelly Clark	Michael Elves	Rob Pattee	Tammy Milbury
Ace Burpee	Brock Gallant	David Thomas	Janine Stoll	Keri Latimer	Michael Gorman	Robert Unger	Taron Cochrane
Adam Countryman	Bruce Morel	David Yazbeck	Janine Verreault	Kesi Smyth	Michael Greggs	Robert Wiseman	Tash Anestopoulos
Adam Hannibal	Bruno Fruscalzo	Dawn Gamble	Jared Kuemper	Kestral Beals	Michael Henry	Romi Mayes	Terry Hoknes
Adam Hicks	Bryson Gupta	Dawn Woroniuk	Jared Lutz	Keziah Myers	Michael Hepp	Ron Irving	Terry Parker
Adam Hurstfield	Bucky Driedger	Dayna Lozowchuk	Jason Burns	Nicole Rochefort	Michael Nowak	Ron Rogers	Terry Tran
Adam Leon	Byron James	Debi Strain	Jason Furman	Kim Beggs	Michael R. LeBlanc	Ron Switzer	Thomas Quinlan
Adam Lomas	Cameron Gertz	Deborah Aitkin	Jason Mingo	Kim Dinning	Michel Durand-Wood	Rory Lewis	Tiffany Tse
Adam West	Carol Cairns	Denis Arsenaault	Jason Otis	Kim Logue	Michelle Edwards	Rose Slanic	Tim Doyle
Adrian Carr	Caroline Bognar	Dennis Field	Jason Plumb	Kirby	Michelle Lee	Ross Burns	Tim Van de Ven
Adriana Afford	Carolyn Mill	Derek DiFilippo	Jason Rouleau	Krisjan Leslie	Michelle Robertson	Rowan FitzGerald	Tim Vaughn
Adrien Doucette	Casey Norman	Devin Hornby	Jason Smith	Krista Keough	Michelle Szeto	Ruth Blakely	Tina Jones
Aimee Ross	Cassin Elliot	Diane Foy	Jason Troock	Kristy Cardinali	Mickey Quase	Ryan Hauschild	TJ Blair
Al Campagnola	Cat Jahnke	Dina Young	Jason Wellwood	Kyle Kraft	Miguel Dey	Ryan Hill	Tolulope Olumide
Al Chapman	Cathleen Lesperance	Dinah Desrochers	Jay Case	Kyria Kylakos	Mike Cashin	Ryan Mennie	Tom Cochrane
Al Ford	Cathleen Lundgren	Dominic Lloyd	Jay Watts	Lana Grant	Mike Dell	Ryan Nolan	Tom Kemp
Alan Cross	Charlie Hansen	Don Amero	Jeanette Stewart	Lance Larocque	Mike Magee	Ryan Stinson	Tom McKillip
Alan Dowling	Charlotte Cornfield	Donovan Morgan	Jean-Paul De Roover	Lara Farcasan	Mike McGuire	Ryhna Thompson	Tracy Bone
Alana Levandoski	Cheryl Conroy	Doug Organ	Jeff Herrera	Lara Lewis	Mike Petkau Falk	Sam Baardman	Trevor Johnston
Alex Kall	Cheryl Link	Douglas Romanow	Jeff Korkola	Larry Wayne Clark	Mike Ritchie	Sam Chiasson	Troy Bynoe
Alison Whelan	Chris Budd	Duane Andrews	Jeff Matheson	Laura Oakie	Mike Sadava	Sam Steinberg	Tyson McShane
Allan Walsh	Chris Burke-Gaffney	Dustin Hawthorne	Jeff Morris	Lauren O'Donnell	Mike Tanner	Sandra Dolyynchuk	Vic Branco
Allison Kwan	Chris Cuber	Dustin Moors	Jeff Rogers	Laurie Gordon	Mohamed Taalat	Sara Parker	Vicky Rogers
Amanda Gregoire	Chris Dardick	Dwayne Ellis	Jeff Winkell	Lea Arrgrimson	Moriah Gillis	Sarah Craig	Vince Aquilina
Amanda Martinez	Chris Donnelly	Dylan Hermiston	Jeffery Straker	Len MacPherson	Nadine Benny	Sarah Farthing	Vince Fontaine
Amanda Schweers	Chris Lindgren	Dylan Willows	Jen Clarke	Les Henderson	Nancy Marley	Sarah Norris	Vince Rice
Amanda Van Den	Chris McKhool	Eddie Birkett	Jen Lane	Liam Titcomb	Nat Jay	Scott Honsberger	Vincent Lafrenaye
Brock	Chris Pare	Elaine Bomberry	Jen Rogers	Lindsay Jane	Natalia Yanchak	Scott Johnson	Lamontagne
Amber Epp	Chris Robinson	Eli Klein	Jen Temple	Lindsey Walker	Natasha Duprey	Scott Pilling	Virginie Hamel
Amber Goodwyn	Chris Wardman	Eli Wener	Jen Zoratti	Lisa Ross	Nathan Jones	Sean Brown	Vish Khanna
Amelia Curran	Chris Wares	Eric Anderson	Jenn Sookdeo	Lisa Stewart	Nathan Reimer	Sean Gallop	Vito Rezza
Andre Saulnier	Christian Aldred	Eric Coffin	Jennie Ellis	Lloyd Doyle	Nathan Setterlund	Sean Moreira	Wab Kinew
Andrea Dawson	Christian Berthiaume	Eric Lewis	Jennifer Hyland	Lloyd Peterson	Neil Bergen	Sebastien Henault-	Wayne Dunsford
Thomas	Christian Hurst	Erin Kinghorn	Jerry Holland	Lori Hirst	Nicholas Mah	Blanchard	Yas Taalat
Andrea Higgins	Christian Robinson	Erin Ross	Jerry Pergolesi	Luka Symons	Nick Blasko	Serge Samson	Zaed Maqbool
Andrea Monro	Christina Gasparic	Evan Baran	Jerry Stamp	Luke Sellen	Nick Dugas	Serge Slaimovits	
Andrew Gillis	Christine Ginter	Ewa Dembek	Jesse Capon	Lulu Healy	Nigel Berringer	Shairiah	
Andrew Hunter	Christine Jensen	Fergus O'Byrne	Jesse Green	Lynn Johnston	Nikkie Gallant	Shakura S'Aida	
Andrew Jubraj	Christine Rogerson	Francois Nadeau	Jesse Steaman	Lynn Ross	Nina Khosla	Shane Heath	
Andrew Melzer	Christopher	Francoise de Granpre	Jesse Weeks	Malissa Dunphy	Nina Sudra	Shane Ward	
Andrew Rose	Cargnello	Frank Chartrand	Jim Kuehnell	Manuela Wutrich	Noah Campbell	Shannon Luttmer	
Andy Crosbie	Chuck Labelle	Frank Deresti	Jimi Platts	Marc Nadjivan	Pamela Roz	Shannon Pratt	
Andy McLean	Chuck Teed	Gardiner MacNeill	Jinting Zhao	Marie Catherine La	Patricia Boushel	Shaun Verreault	
Ange Sponchia	Colin Cripps	Gary Johnston	Joanne Polack	Pointe	Patricia Silver	Shauna De Cartier	
Angela Evans	Colin McKay	Gavin Slate	Joelle May	Marie Skaff	Paul Boechler	Shauna Powers	
Angela Harris	Conrad Gryba	Gerald Coleman	John Antoniuk	Marina Seretis	Paul Goguen	Shawn Cole	
Annabelle Chvostek	Craig Cardiff	Gerald Reilly	John Butler	Mark Adam	Paul Hessey	Shawn Jonasson	
Anne-Marie Smith	Craig Follett	Gerd Krause	John Debique	Mark Ceaser	Paul Kuzbik	Shayne Modien	
Anthony Farrauto	Craig Hudson	Gerry Hebert	John Dunham	Mark Day	Paul Wohlstetter	Shea Dahl	
Ariane Mahryke	Crissi Cochrane	Gillian Hillier	John Fettes	Mark Green	Paula Danylevich	Shea Malcolmson	
Lemire	Curtis Cochrane	Gino Olivieri	John Kandle	Mark Marshall	Pedro Barbosa	Sheila Hash	
Art MacIntyre	Curtis MacDonald	Glen Deveau	John Parker	Mark Patric	Perry Williams	Sheldon Evacheski	
Ashton Ehnes	Cynthia MacLeod	Glen Erickson	John Paul Peters	Mark Phipps	Peter Bevan-Baker	Shelley Jacobson	
Avi Diamond	Damian Rambaran	Glen Strickey	John Shields	Mark Watson	Peter Elkas	Shena Yoshida	
Awane Jones	Dan Davidson	Glen Willows	Johnny Oliver	Marko Simmonds	Peter Hicks	Simon Martin	
Basia Bulat	Dan Leveque	Gordon Rees	Jon Mullane	Marley Parker	Peter Hum	Stefan Babcock	
Ben Leggett	Dan Rowswell	Gourmet Delice	Jonathan Weisz	Marty Ballentyne	Peter Katz	Stephane Bouchard	
Beth Moore	Dane Deviller	Greg McIntosh	Jordan Burnell	Mary Kastle	Peter North	Stephen MacDougall	
Bill Borgwardt	Daniel Heikalo	Gregg Bolger	Jordan Safer	Matt Davis	Peter Richards	Stephen Maguire	
Billy Bruhmuller	Danny Greenspoon	Heather Kelly	Josh Keller	Matt Foy	Peter Wark	Stephen Rossiter	
Blair Holder	Danny Miles	Heidi Fleming	Josh L Hogan	Matt Kliffer	Phil Greer	Steve Derpack	
Bob Kronbauer	Darcy Clayton	Helen Britton	Julia Chan	Matt Littlefair	Pierre Cook	Steve Dodd	
Bobby McIntosh	Darrek Anderson	Hilary Leftick	Julia Ryckman	Matthew Hiscock	PJ Smith	Steve Fernandez	
Borza Ghomeshi	Darryl Sterdan	Hilary Welch	Justin Wachtel	Matthew Wojnarowicz	Ralph Alfonso	Steve Gedrose	
Brad Moore	Darwin Baker	Ian Gosbee	Kali Malinka	Maxwell Roach	Ramachandra Borcar	Steve Kraus	
Brandon Hoffman	Dave Brinston	Irma MacPherson	Kalle Wainio	Megan Nash	Rayanne Doucet	Steve Tilley	
Brenda Grunau	Dave Kapp	J.P. Hoe	Karen Hood	Meghan Celsie	Renald Jauvin	Steven Himmelfarb	
Brenda Lee Katerenchuk	Dave Moore	Jack Jonasson	Karla Ferguson	Mel Dahl	Rhea March	Steven King	
Brent Blazieko	Dave Parenteau	Jack Walton	Kate Ferris	Melanie Hankewich	Richard Haubrich	Steven Meyer	
Brett Greene	David Adams	Jackson Feist	Kate Matthews	Melanie Laquerre	Rick Fenton	Sue Irving	
Brian Hetherman	David Christensen	James Lague	Kate Wattie	Melanie Stone	Rick Garvin	Sue Urquhart	
Brian Wright-McLeod	David Cox	James Sutton	Kathy Conway	Melissa Kaminsky	Rik Reese	Susan Krepert	
	David McLeod	Janelle Mailhot	Keitha Clark	Melissa Spence	Rob Gallo	Tamara Schadeck	

# FINANCIAL RESULTS

During the 2011-2012 fiscal year FACTOR:

- Received \$8,433,847 from the Department of Canadian Heritage through the Canada Music Fund, and \$10,072,972 from Canada's private radio broadcasters, including satellite radio.
- Offered \$16,831,612 in loans and grants.
- Paid out \$15,074,694 in loans and grants. This includes first installment payments and final payments to completed projects.
- Paid out \$345,000 in support to regional affiliates.
- Received \$473,874 in loan repayments.

## FINANCIAL RESULTS

<b>Revenue</b>	2011 - 2012	2010 - 2011
<b>Public</b>		
Canada Music Fund Contributions		
New Musical Works	6,268,184	6,268,184
Collective Initiatives	2,165,663	2,165,663
Sub-Total	8,433,847	8,433,847
<b>Private</b>		
Canada's Private Radio Broadcasters' Contributions		
Basic Contributions	5,629,510	5,339,644
Canadian Content Development	2,084,796	1,946,253
Over and Above	1,908,666	2,058,551
Satellite Radio	450,000	407,633
Sub-Total	10,072,972	9,752,081
<b>Total Revenue</b>	<b>18,506,819</b>	<b>18,185,928</b>
<b>Funds Expended</b>	2011-2012	2010-2011
New Musical Works	9,931,672	7,940,000
Collective Initiatives	3,037,577	2,785,610
Emerging Artist	1,844,352	2,104,386
Sponsorship	261,093	143,913
Regional Affiliate Support	345,000	330,000
Sub-Total	15,419,694	13,303,909
<b>Loan Repayments</b>	(473,874)	(706,961)
<b>Total Funds Expended</b>	14,945,820	12,596,948
<b>Administrative Costs</b>	2011-2012	2010-2011
Total Administration	<b>1,717,155</b>	<b>2,401,651</b>

Charismatic young jazz vocalist Sophie Milman found international success after her FACTOR supported album *Make Someone Happy* won the Juno Award for Vocal Jazz Album of the Year in 2008. Topping the Billboard jazz and iTunes charts in Canada, the United States, France and Japan, FACTOR has provided sound recording, marketing and promotion, showcase, tour and video support for her career since 2003.



SOPHIE MILMAN

“LET’S FACE IT. IT’S HARD TO MAKE A LIVING AS AN ARTIST. WE’RE UP AGAINST AN INCREDIBLE NUMBER OF CHALLENGES INCLUDING THE RISING COSTS OF TOURING AND THE FALLING REVENUES FROM RECORD SALES. FACTOR HELPS US GET OUR START AND IT HELPS US KEEP THE MOMENTUM GOING. IT HAS BEEN RESPONSIBLE FOR THE LAUNCH OF SOME OF CANADA’S GREATEST SUPERSTARS AND SOME OF ITS MOST TALENTED, CRITICALLY ACCLAIMED NICHE ARTISTS. IT’S OUR NOT-SO-SECRET WEAPON AND WHEREVER I GO, FROM THE US TO JAPAN, I BRAG ABOUT THE SUPPORT WE RECEIVE AT HOME. FACTOR HAS HELPED CREATE AND SUSTAIN CANADA’S ARTISTIC COMMUNITY AND IS A SOURCE OF PRIDE AND INSPIRATION. I AM FOREVER GRATEFUL FOR THE HELP IT HAS GIVEN ME AND ARTISTS LIKE ME OVER THE YEARS”.

**SOPHIE MILMAN**

Over their 10-year career, The Wailin' Jennys have received FACTOR support for marketing and promotion, domestic and international tours and showcases, as well as videos. Their 2004 album *40 Days* won the Juno for Roots and Traditional Album of the Year, winning this same award again in 2012 for their release *Bright Morning Stars*.



“AS THE JENNYS CELEBRATE 10 YEARS OF MAKING MUSIC, WE GREATLY APPRECIATE THE ROLE THAT FACTOR HAS PLAYED IN THE DEVELOPMENT OF OUR CAREER. WE HAVE BECOME A MULTI-AWARD WINNING, INTERNATIONALLY-RENOWNED CANADIAN ROOTS ACT IN PART BECAUSE OF THE GENEROUS SUPPORT OF FACTOR. TOUR AND MARKETING GRANTS HAVE ALLOWED US TO BUILD OUR FAN BASE ALL OVER THE GLOBE AND ALBUM LOANS HAVE ASSISTED IN PRODUCING WORLD-CLASS RECORDINGS. WE KNOW THAT THE REACH OF OUR MUSIC HAS BEEN SIGNIFICANTLY WIDENED BY FACTOR’S ASSISTANCE AND WE ARE EXCEEDINGLY THANKFUL THAT SUCH AN ORGANIZATION EXISTS”.

**NICKY MEHTA, RUTH MOODY AND HEATHER MASSE, THE WAILIN' JENNYS**

# PROJECT REQUESTS AND FUNDING COMMITMENTS FOR 2011 - 2012

## PROJECT REQUESTS AND FUNDING COMMITMENTS

<b>Applications</b>	<b>2011 - 2012</b>	<b>2010 - 2011</b>
Applications Submitted	3881	3,181
Applications Approved	1783	1,622
<b>Percentage of Applications Approved</b>	<b>46%</b>	<b>51%</b>
<b>Funding</b>	<b>2011-2012</b>	<b>2010-2011</b>
Funding Requested	43,610,145	39,856,898
Funding Offered	16,831,612	15,860,096
<b>Percentage of Funding Offered vs Requested</b>	<b>39%</b>	<b>40%</b>

## OUTSTANDING COMMITMENTS AS OF MARCH 31, 2012

Projects must be allowed to be completed in their own time. Imposing artificial deadlines on the completion of projects would certainly have an adverse affect on final project results. FACTOR has adapted its funding administration to support current industry practices by utilizing a blended funding model, which allows for adherence to Treasury Board regulations, while not interfering with production and market roll-out. On March 31, 2012, FACTOR had \$18,122,204 in outstanding commitments to approved projects.

Please note that requests, submitted, commitments and approved numbers detailed in this Annual Report relate to applications received between April 1, 2011 and March 31, 2012.

# FACTOR

THE FOUNDATION ASSISTING CANADIAN TALENT ON RECORDINGS  
WITH SUPPORT FROM CANADA'S PRIVATE RADIO BROADCASTERS

## FINANCIAL STATEMENTS

MARCH 31, 2012

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June 28, 2012

## **Independent Auditor's Report**

### **To the Board of Directors of The Foundation Assisting Canadian Talent on Recordings**

We have audited the accompanying financial statements of The Foundation Assisting Canadian Talent on Recordings, which comprise the statement of financial position as at March 31, 2012 and the statement of operations, changes in net assets and cash flows for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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*PricewaterhouseCoopers LLP, Chartered Accountants  
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2  
T: +1 416 863 1133, F: +1 416 365 8215*



**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Foundation Assisting Canadian Talent on Recordings as at March 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**(Signed) "PricewaterhouseCoopers LLP"**

**Chartered Accountants, Licensed Public Accountants**

# The Foundation Assisting Canadian Talent on Recordings

## Statement of Financial Position

As at March 31, 2012

			2012	2011
	General fund \$	Capital asset fund \$	Total \$	Total \$
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	2,545,532	-	2,545,532	13,011,577
Accounts receivable	786,939	-	786,939	1,158,462
Other receivable	76,055	-	76,055	33,434
	3,408,526	-	3,408,526	14,203,473
<b>Investments</b> (note 3)	23,021,772	-	23,021,772	9,358,030
<b>Capital assets</b> (note 4)	-	1,535,223	1,535,223	1,528,068
	26,430,298	1,535,223	27,965,521	25,089,571
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities (note 5)	175,066	-	175,066	303,283
<b>Net assets</b> (note 7)	26,255,232	1,535,223	27,790,455	24,786,288
<b>Commitments</b> (note 6)				

Approved by the Board of Directors of The Foundation Assisting  
Canadian Talent on Recordings

 Director  Director

The accompanying notes are an integral part of these financial statements.

# The Foundation Assisting Canadian Talent on Recordings

## Statement of Operations

For the year ended March 31, 2012

			<u>2012</u>	<u>2011</u>
	<b>General fund \$</b>	<b>Capital asset fund \$</b>	<b>Total \$</b>	<b>Total \$</b>
<b>Revenue</b> (schedule 1)	18,506,819	-	18,506,819	18,185,928
<b>Expenditures</b>				
Loans and awards (schedule 2)	14,945,820	-	14,945,820	12,596,948
Administrative expenses (schedule 3)	1,717,155	-	1,717,155	2,401,651
	16,662,975	-	16,662,975	14,998,599
<b>Excess of revenue over expenditures before the following</b>	1,843,844	-	1,843,844	3,187,329
<b>Investment income</b>	639,962	-	639,962	383,201
<b>Unrealized gain on investments</b>	614,733	-	614,733	26,342
<b>Depreciation of capital assets</b>	-	(94,372)	(94,372)	(80,173)
	1,254,695	(94,372)	1,160,323	329,370
<b>Excess (deficiency) of revenue over expenditures for the year</b>	3,098,539	(94,372)	3,004,167	3,516,699

The accompanying notes are an integral part of these financial statements.

# The Foundation Assisting Canadian Talent on Recordings

## Statement of Changes in Net Assets

For the year ended March 31, 2012

					2012	2011
	General fund \$	Contingency reserve fund \$	Capital asset fund \$	Stabilization fund \$	Total \$	Total \$
<b>Balance - Beginning of year</b>	13,022,158	931,082	1,528,068	9,304,980	24,786,288	21,269,589
Excess (deficiency) of revenue over expenditures for the year	3,098,539	-	(94,372)	-	3,004,167	3,516,699
Interfund transfers (note 7)	10,134,535	(931,082)	101,527	(9,304,980)	-	-
<b>Balance - End of year</b>	<b>26,255,232</b>	<b>-</b>	<b>1,535,223</b>	<b>-</b>	<b>27,790,455</b>	<b>24,786,288</b>

The accompanying notes are an integral part of these financial statements.

# The Foundation Assisting Canadian Talent on Recordings

## Statement of Cash Flows

For the year ended March 31, 2012

	2012 \$	2011 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures for the year	3,004,167	3,516,699
Adjustments for non-cash items		
Amortization of capital assets	94,372	80,173
Unrealized gain on investments	(614,733)	(26,342)
	<u>2,483,806</u>	<u>3,570,530</u>
Changes in non-cash working capital items		
Accounts receivable	371,523	28,473
Other receivable	(42,621)	(19,292)
Accounts payable and accrued liabilities	(128,217)	116,902
	<u>2,684,491</u>	<u>3,696,613</u>
<b>Investing activities</b>		
Purchase of investments	(37,212,241)	1,124,846
Sale of investments	24,163,232	-
Purchase of capital assets	(101,527)	(62,502)
	<u>(13,150,536)</u>	<u>1,062,344</u>
<b>Increase (decrease) in cash and cash equivalents during the year</b>	(10,466,045)	4,758,957
<b>Cash and cash equivalents - Beginning of year</b>	<u>13,011,577</u>	<u>8,252,620</u>
<b>Cash and cash equivalents - End of year</b>	<u>2,545,532</u>	<u>13,011,577</u>
<b>Cash and cash equivalents are allocated as follows</b>		
General fund	2,545,532	6,976,847
Contingency reserve fund	-	257,958
Stabilization fund	-	5,776,772
	<u>2,545,532</u>	<u>13,011,577</u>
<b>Cash and cash equivalents comprise</b>		
Cash	697,607	754,605
Cash equivalents	1,847,925	12,256,972
	<u>2,545,532</u>	<u>13,011,577</u>

The accompanying notes are an integral part of these financial statements.

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### 1 General

The Foundation Assisting Canadian Talent on Recordings (FACTOR or the Foundation) was incorporated as a not-for-profit organization without share capital on June 17, 1982, under the Canada Corporations Act.

FACTOR provides funding by way of loans and grants to Canadian individuals and groups in the music recording industry in order to promote and foster Canadian talent. FACTOR receives and disburses funds, pursuant to agreements with the Government of Canada, under the Department of Canadian Heritage's New Musical Works and Collective Initiatives programs. The current contract with the Government of Canada expires on March 31, 2015. Financial contributions received from Canada's private radio industry are likewise distributed by FACTOR to individuals and groups in the Canadian music industry.

Pursuant to the Income Tax Act (Canada), FACTOR is classified as a not-for-profit organization and therefore is not subject to income taxes.

### 2 Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

#### Fund accounting

FACTOR follows the deferral method of accounting for contributions.

The general fund accounts for the Foundation's general operating activities. The net assets represent the accumulation of surplus private and Government of Canada contributions, loan repayments and investment income earned thereon after interfund transfers.

The capital asset fund records capital asset purchases and proceeds of disposition, major building improvements and the related depreciation of these assets.

During the year, the contingency reserve and stabilization funds have been wound up and all their assets have been transferred to the unrestricted general fund (note 7).

In the prior year, the contingency reserve fund represented amounts that had been reserved by the board of directors to ensure FACTOR is able to meet legal and other obligations and commitments, other than the loans and awards described in note 6, in the event of the termination of the funding contract with the Government of Canada.

In the prior year, the stabilization fund represented a portion of broadcasters' transaction obligations set aside to provide the Canadian music industry with a stable source of future funding.

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### Revenue recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection thereof is reasonably assured. Restricted contributions are deferred and recognized as revenue as the related expenses are incurred.

Investment income is recognized as revenue when earned.

### Cash and cash equivalents

Cash and cash equivalents include short-term deposits with maturities of less than 90 days and are recorded at fair value.

### Investments

Investments comprise marketable securities and guaranteed investment certificates (GIC). The investments are held-for-trading and are recognized at fair value. Gains and losses are reflected in excess (deficiency) of revenue over expenditures for the year in which they arise.

### Loans

Loans to artists, producers and record companies are advanced to finance costs directly associated with recordings as well as the promotion and marketing of those recordings. These loans must be repaid directly from royalty proceeds of projects financed by the program. Due to the uncertainty of ultimate collectibility, loans are expensed when the monies are advanced. Repayment of these loans is recorded as a recovery of loans and awards when cash is received from the recipient.

### Capital assets

Capital assets are recorded in the capital asset fund at cost and are amortized over their estimated useful lives on a declining balance basis at the following annual rates:

Building	4%
Computer equipment	30% - 100%
Furniture and equipment	20%

### Impairment of long-lived assets

The Foundation tests for impairment whenever events or changes in circumstances indicate the carrying value of the assets may not be recoverable. Recoverability is assessed by comparing the carrying value to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates the carrying value of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds fair value.

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### Contributed services

Members of FACTOR's board of directors, members of the National Advisory Board and unpaid volunteers from the music industry donate their time without monetary compensation. Because of the difficulty of determining the fair value of the contributed services, the value of these services is not recognized in the financial statements.

### Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification, as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and FACTOR's designation of such instruments.

Financial assets/financial liabilities	Category	Measurement
Cash and cash equivalents	Held-for-trading	Fair value
Investments	Held-for-trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

### Held-for-trading

Held-for-trading financial assets are financial assets typically acquired for resale prior to maturity or that are designated as held-for-trading. They are measured at fair value at the statement of financial position date. Fair value fluctuations, including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in the current year's revenue.

### Loans and receivables

Loans and receivables are accounted for at amortized cost, using the effective interest method.

### Other financial liabilities

Other financial liabilities are recorded at amortized cost, using the effective interest method and include all financial liabilities.

# The Foundation Assisting Canadian Talent on Recordings

Notes to Financial Statements

March 31, 2012

## 3 Investments

	2012 \$	2011 \$
Guaranteed investment certificates	-	7,540,575
Marketable securities	23,021,772	1,817,455
	<u>23,021,772</u>	<u>9,358,030</u>

## 4 Capital assets

	<u>2012</u>		
	Cost \$	Accumulated amortization \$	Net \$
Land (note 13)	596,000	-	596,000
Building (note 13)	1,047,831	189,787	858,044
Computer equipment	401,376	353,554	47,822
Furniture and equipment	190,859	157,502	33,357
	<u>2,236,066</u>	<u>700,843</u>	<u>1,535,223</u>
	<u>2011</u>		
	Cost \$	Accumulated amortization \$	Net \$
Land	596,000	-	596,000
Building	999,448	155,043	844,405
Computer equipment	351,524	301,853	49,671
Furniture and equipment	187,567	149,575	37,992
	<u>2,134,539</u>	<u>606,471</u>	<u>1,528,068</u>

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### 5 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities comprise the following amounts:

	2012 \$	2011 \$
Trade accounts payable	33,910	25,263
Professional fees	55,935	40,000
Vacation accrual	46,471	31,222
Bonus accrual	20,000	-
Other	18,750	-
Retirement allowance	-	206,798
	<hr/>	<hr/>
	175,066	303,283

### 6 Commitments

#### Loans and awards

As at year-end, FACTOR is committed to advancing funds in the future totalling approximately \$11,398,835 (2011 - \$11,338,266) as loans and awards to recipients. Because certain conditions must be met before such loans are made, these amounts have not been recorded as liabilities.

The following is the breakdown of the amounts by year that remain outstanding as at March 31, 2012:

	Initial commitment \$	Payment made to date \$	Remaining commitment balance \$
2008	35,000	17,500	17,500
2010	138,236	57,963	80,273
2011	3,057,813	1,460,924	1,596,889
2012	14,891,155	5,186,982	9,704,173
	<hr/>	<hr/>	<hr/>
	18,122,204	6,723,369	11,398,835

#### Leases

As at year-end, FACTOR is committed to various operating leases for equipment expiring in 2013. The approximate future annual minimum lease payments are as follows:

	\$
2013	<hr/> 20,000

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### 7 Interfund transfers

During the year, the cash and cash equivalents and investment balances of the contingency reserve and the stabilization funds were transferred to the unrestricted general fund in the amount of \$10,236,062 (2011 - \$nil). As well, \$101,527 (2011 - \$62,502) was transferred from the general fund to the capital asset fund. These transfers were approved by the board of directors.

### 8 Financial instruments

Financial instruments measured in the statement of financial position at fair value are based on the following fair value measurement hierarchies:

- Level 1 - quoted prices (unadjusted) in active markets for identical financial assets or financial liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the financial asset or financial liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - inputs for the financial asset or financial liability that are not based on observable market data (that is, unobservable inputs).

The levels used to determine fair value measurements for those instruments carried at fair value in the statement of financial position as at March 31, 2012 were as follows:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through earnings				
Cash and cash equivalents	-	2,545,532	-	2,545,532
Marketable securities	23,021,772	-	-	23,021,772
	<u>23,021,772</u>	<u>2,545,532</u>	<u>-</u>	<u>25,567,304</u>

The fair values of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their carrying values, given their short maturities.

### 9 Financial risk management

The Foundation's investment activities may expose it to a variety of financial risks, including credit risk, liquidity risk, interest rate risk, market risk and currency risk. Management's investment policy is to minimize risk in the portfolio with increasing returns and has therefore invested in a portfolio of marketable securities comprising pooled funds which in turn invest in fixed income and equity securities and GICs. The following provides an overview of the risks associated with these investments.

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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### Credit risk

As previously noted, the Foundation invests its assets primarily in a portfolio of marketable securities and GICs. These financial instruments involve the risk that the counterparty cannot or will not fulfill its obligations in respect of such financial instruments. The carrying value of financial assets represents the maximum credit risk exposure.

### Liquidity risk

Liquidity risk is the risk FACTOR will not be able to meet its obligations as they come due. The financial liabilities of FACTOR are short-term in nature, as all amounts are payable within one year. FACTOR has invested in marketable securities and GICs for which a secondary market exists and thus these funds are determined to be liquid. FACTOR has sufficient funds to settle its current obligations.

### Interest rate risk

Interest rate risk is the risk that a change in interest rates will adversely affect the fair value of fixed income securities or cause fluctuations in future cash flows of a financial instrument. The Foundation is subject to interest rate risk on its cash GICs and investment in fixed income pooled funds. If a shift in interest rates of 1% were to occur, investment value would be increased or decreased by \$953,000.

### Market risk

Market risk is the risk the future cash flows of a financial instrument will fluctuate due to changes in market prices. The Foundation is exposed to fluctuations in the yield on its investments in marketable securities.

The sensitivity analysis below presents the impact on the fair value of the Foundation's marketable securities due to a 5% change in the respective fund benchmarks, using historical correlation between fund returns as compared to the return of the benchmarks, with all other variables held constant.

	Increase \$	Decrease \$
Russell Fixed Income Pooled Fund	771,000	(771,00)
Russell Canadian Dividend Pooled Fund	92,000	(92,000)
Russell US Equity Pooled Fund	135,000	(135,000)
Russell Overseas Equity Pooled Fund	111,000	(111,000)

### Currency risk

The Foundation invests in equity securities that hold investments priced in currencies other than the Canadian dollar. The Foundation is therefore exposed to currency risk as the value of the investments denominated in foreign currencies will fluctuate due to changes in exchange rates. The sensitivity analysis below presents the impact on the fair value of the Foundation's marketable securities had the Canadian dollar strengthened or weakened by 5% in relation to all currencies, with all other variables held constant.

# The Foundation Assisting Canadian Talent on Recordings

## Notes to Financial Statements

March 31, 2012

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	Increase \$	Decrease \$
Russell Canadian Dividend Pooled Fund	7,000	(7,000)
Russell US Equity Pooled Fund	130,000	(130,000)
Russell Overseas Equity Pooled Fund	121,000	(121,000)

### 10 Capital management

The Foundation's objectives when managing capital, defined as working capital (current assets less current liabilities), are to maintain financial strength and manage liquidity requirements while providing funding to Canadian individuals and groups in the music recording industry in order to promote and foster Canadian talent. The Foundation is not subject to externally imposed capital requirements.

The Foundation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Foundation's objective is met by retaining adequate net assets to provide for the possibility that cash flows from revenues will not be sufficient to meet future cash flow requirements.

### 11 Related party transactions

During the year, FACTOR approved loans and/or grants, in the normal course of operations, to related organizations in the amount of \$1,220,244 and extended payments in the amount of \$1,017,926. Total outstanding commitments to these parties amounted to \$964,393 as at March 31, 2012. The parties are related by virtue of the fact the recipients have representation on the FACTOR board of directors.

In the prior year, management accrued \$446,596 relating to payments to a former employee, out of which \$206,798 was outstanding as at March 31, 2011. During the year, this amount has been fully paid.

### 12 Comparative figures

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

### 13 Subsequent events

In October 2011, the Foundation signed a purchase and sale agreement to sell FACTOR's building and related land for \$1,670,000, net of related commissions and legal fees of \$95,000. The closing date of the transaction was June 28, 2012.

In addition, in April 2012, the Foundation entered into a lease agreement to rent office space with a commencement date of June 20, 2012. The lease is for a period of ten years with an option to extend for an additional five years.

# The Foundation Assisting Canadian Talent on Recordings

Schedule of Revenue

Schedule 1

For the year ended March 31, 2012

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	2012 \$	2011 \$
<b>Public</b>		
Canadian Music Fund contributions		
New Musical Works Program	6,268,184	6,268,184
Collective Initiatives Program	2,165,663	2,165,663
	<hr/>	<hr/>
	8,433,847	8,433,847
<b>Private</b>		
Broadcasters' contributions		
Tangible benefits	5,629,510	5,339,644
Canadian content development		
Basic	2,084,796	1,946,253
Over and above	1,908,666	2,058,551
Satellite radio	450,000	407,633
	<hr/>	<hr/>
	10,072,972	9,752,081
	<hr/>	<hr/>
	18,506,819	18,185,928

# The Foundation Assisting Canadian Talent on Recordings

Schedule of Loans and Awards

Schedule 2

For the year ended March 31, 2012

	2012 \$	2011 \$
<b>New Musical Works Program</b>		
Sound recording	3,365,935	2,963,227
Marketing and sound recording	2,303,042	1,804,566
Domestic and international touring	1,917,949	1,192,424
Domestic and international showcasing	861,403	793,580
Video grants	511,322	333,405
Domestic and international business development	496,504	427,594
Label, manager and distributor business development	475,517	425,204
	<u>9,931,672</u>	<u>7,940,000</u>
<b>Collective Initiatives Program</b>		
Collective initiatives and songwriters' workshop grants	<u>3,037,577</u>	<u>2,785,610</u>
<b>Broadcasters</b>		
Emerging artists	1,844,352	2,104,386
Sponsorships	261,093	143,913
	<u>2,105,445</u>	<u>2,248,299</u>
<b>Other</b>		
Regional affiliates	345,000	330,000
Loan repayments	(473,874)	(706,961)
	<u>(128,874)</u>	<u>(376,961)</u>
	<u>14,945,820</u>	<u>12,596,948</u>

# The Foundation Assisting Canadian Talent on Recordings

Schedule of Administrative Expenses

Schedule 3

For the year ended March 31, 2012

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	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Salaries and benefits</b>	1,126,424	1,153,890
<b>Retirement allowance</b>	-	446,596
<b>Occupancy costs</b>	100,793	85,800
<b>Equipment rentals and repairs</b>	37,890	159,333
<b>Automobiles and travel</b>	119,614	94,733
<b>Publicity, promotion and meetings</b>	18,699	96,480
<b>Regional affiliates and travel</b>	19,402	28,706
<b>Professional fees</b>	95,617	136,154
<b>Office and general</b>	25,303	33,301
<b>Consulting</b>	83,303	72,013
<b>Professional development</b>	37,022	32,253
<b>Courier and postage</b>	15,796	22,311
<b>Telephone and communications</b>	23,035	22,663
<b>Insurance</b>	14,257	17,418
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	1,717,155	2,401,651

**FACTOR**  
THE FOUNDATION ASSISTING CANADIAN TALENT ON RECORDINGS  
WITH SUPPORT FROM CANADA'S PRIVATE RADIO BROADCASTERS

Canada

We acknowledge the financial support of the Government of Canada through the Department of Canadian Heritage Canada Music Fund and of Canada's Private Radio Broadcasters.