

# FACTOR Canada

## Comprehensive Artist

### Program Guidelines 2022-2023

*Published April 2022*

#### Program Overview

1. Comprehensive Artist is a full-length sound recording program accessible to artists rated 3 and eligible record labels. This program funds a portion of the cost of production or acquisition of an original full-length sound recording and contributes to the marketing and promotion of that [Sound Recording](#) under the [Marketing](#), [Tour Support](#), [Showcase](#), [Video](#) and [Radio Marketing](#) components.
2. Funding under the Comprehensive Artist program is a contribution to the total eligible budget to a maximum of \$122,500 per project, covering eligible costs incurred up to 24 months after the date of initial application. The percentage of FACTOR's contribution is as follows:
  - Sound Recording component – up to 50% of total eligible budget
  - Marketing component – up to 50% of total eligible budget
  - Radio Marketing component – 100% of total eligible budget
  - Video component - up to 75% of total eligible budget
  - Tour and Showcase components – the lesser of (i) the approved offer, (ii) the final subsidy calculation plus administration fee, or (iii) 75% of the total eligible budget.
3. Funding under this program is divided into two phases. Please see [Funding and Payments](#) for further details on maximum amounts, including information on how some of the funding is flexible, and some must be used for specific activities.

**In Phase 1, the maximum available funding is \$82,500 per project.**

**In Phase 2, you may receive an additional \$40,000 per project**, provided that the funded sound recording has met the qualifying threshold\* for the genre. Note that Phase 2 funding must be applied for within the later of two years from the original submission date or six months after the commercial release of the sound recording.

\*[The Qualifying Threshold](#) comprises unit sales, streams, and radio activity. It is set once per year and is based on best available Canadian industry data. See [Funding and Payments](#) for further details.

4. Review of applications takes six to eight weeks from the date of application.
5. Funding for this program is provided by Canada's Private Radio Broadcasters.

#### Application Deadline

6. Rolling deadline. Applications may be submitted at any time; however, please note that (a) only costs incurred after the date of application will be recognized; (b) recording must start within six months of application for the sound recording; and (c) applications for all component funding must be submitted within the later of six months after commercial release, or 24 months after the date of the Sound Recording application.

#### Who Can Apply?

- Artists rated 3 except as noted below\*
- Record labels rated Approved, 2, 3, 4 provided that the artist is rated 3\*

\*FACTOR's Board of Directors will consider exceptions for program eligibility to artists who have ever had: Music Canada Platinum Album Certification in Canada; and/or worldwide sales of any one album of 100,000 units or more; and/or worldwide sales of all album releases equaling 200,000 units or more (including stream-equivalent albums per Music Canada Certification process). The Board will assess the artist's need for public funding and how the proposed project will create opportunities for career growth. Contact your Project Coordinator to discuss.

7. The artist can be subject of a maximum of three approved Emerging Artist and/or Comprehensive Artist applications in the life of both programs.
8. Only the party that controls the Canadian commercial release rights and exclusive Canadian exploitation rights to the sound recording at the time of application may apply. Typically, this will be:
  - A **Canadian artist**, if the artist is "unsigned" or has not licensed the sound recording to another party. If the artist is a band that is not incorporated as a company, then an individual member of the artist band must be the Applicant. You must have both an approved Artist Profile and an approved Applicant Profile to apply;
  - A **Canadian record label** that has already signed the artist, or has licensed the sound recording, or has an option to license the sound recording. If the artist owns the underlying copyright in the masters but has licensed the sound recording to a record label, the label must be the Applicant. The record label must have an approved Applicant Profile and the Artist Profile must also be approved before the label can apply.
9. When a record label is the Applicant, it is expected to retain exclusive control of the Canadian exploitation rights in the funded album for at least two years after first commercial release, or termination of the General Agreement. See [Business Policies: Disposition of Masters](#).
10. FACTOR allows only one open Sound Recording application per artist at a time within any full-length sound recording program. A second Sound Recording application will be rejected. Applicants may reapply when the following conditions have been met:
  - a. The first project's Sound Recording component Completion is submitted, reviewed and closed by FACTOR;
  - b. The first sound recording is commercially released; and
  - c. Marketing plans for the first project are provided to FACTOR.
11. Artist managers may fill out the application on behalf of an eligible artist; however, the artist manager cannot be the Applicant.

## How to Apply

12. Before you can apply, you must have a reviewed and rated Applicant Profile, and access to the reviewed and rated Artist Profile. Please go to the [How to Apply page on the FACTOR website](#) for instructions on creating and sharing profiles, followed by how to submit an application.
13. FACTOR welcomes and encourages applications from people with disabilities. Please contact your Project Coordinator or our [general information account](#) to discuss options for accommodations throughout the application process, as well as our [Application Accessibility Support Fund](#).

## How This Program Works

14. There are six components to this program: [Sound Recording](#), [Marketing](#), [Radio Marketing](#), [Tour Support](#), [Showcase](#), and [Video](#). Please review the rules for each individual component to ensure your project is eligible.
15. All Comprehensive Artist applications must include the creation or (for record label applicants) the licensing of a new, previously unreleased qualifying album. The funding cannot be used to market a newly acquired title that has already been commercially released, except in very limited circumstances as approved in advance by FACTOR (for example, where the title was self-released by the artist to a limited market). See [Glossary: Qualifying Album](#) and [Commercial Release](#).
16. All applications to this program must include the Sound Recording component. You do not need to submit a detailed marketing plan for the proposed sound recording along with the Sound Recording component, but you must do so when applying for marketing support.
17. You may apply for any other component funding at the same time as the Sound Recording, or after the sound recording is approved. However, your first additional component application must be submitted no later than six months after the first commercial release of the funded sound recording. After that, you can apply for any remaining component funding up to the later of (a) 24 months after the initial Sound Recording application date; or (b) six months after the FACTOR-approved commercial release date.

18. You may add multiple, repeat Marketing, Tour Support, Showcase and Video components as is appropriate for your project's timeline, subject to the program or annual limits. You must submit a budget and/or complete project details online each time you apply for a component of your project, and to describe the goals, expected results, and timelines for completing each component and the project as a whole.
19. After approval, you can make changes to your project plan as long as you consult with your Project Coordinator to ensure your proposed changes to activities or costs remain eligible. For example, you may reassign a portion of project costs toward additional marketing or tour support, provided that you complete a component application.
20. Once the application is approved, changes to the proposed activities having a budget impact of 25% or less of eligible costs may be made without FACTOR pre-approval, subject to the cap, if any. All other changes must be approved by FACTOR.
21. The sound recording produced with this funding must be commercially released in Canada. You are expected to use best efforts to market the album in Canada and make it available to Canadian audiences. After completion of your Sound Recording component, 25% of the total eligible costs for the project across all remaining components (Marketing, Tour Support, Showcase, Video, Radio Marketing) should include Canadian goods and services related to the Canadian release. The remaining 75% of the total eligible costs for the project (after the Sound Recording component) can include international activities and costs.
22. FACTOR restricts the transfer of ownership and control of full-length sound recordings which it funds under its sound recording programs. Recipients of full-length sound recording funding are obliged, for a period of two years after commercial release, to notify FACTOR of their intention to sell, assign, license or otherwise transfer the control of the sound recording to another party. FACTOR may require 100% of the funding to be repaid when the sound recording is transferred to a non-Canadian label (including major labels). Please see [Business Policies: Disposition of Masters](#) or speak with your Project Coordinator for more details.
23. **Recipient Accessibility Support Fund:** FACTOR grant recipients are eligible for top-up support to their project funding for costs related to accessibility. FACTOR will allow applications in this fund for up to \$5,000 each fiscal year, not to exceed \$5,000 per project. Eligible costs claimed under this fund will be reimbursed at 100%. This fund is open to artists and staff of music companies associated with the project Artist or Applicant. Support for this fund is provided exclusively by Canada's Private Radio Broadcasters. See more details on [FACTOR's Accessibility page](#).

## Eligible Costs

24. See the [Component Guidelines](#) for the details of eligible and ineligible costs in each component.
25. Only those costs identified by the Applicant in the application and approved by FACTOR will be deemed eligible costs.
26. There is no minimum spend for any component. You may request recording costs or licensing costs in the Sound Recording component. If the request is for a license fee, licensing fees will be capped at \$60,000/FACTOR contribution of \$40,000.
27. Generally, eligible costs must be:
  - a. Incurred after the application has been submitted and paid before the final Completion deadline;
  - b. Bona fide costs paid out-of-pocket by the Applicant to providers that are not employed by or related parties to the Applicant; and
  - c. Paid to Canadians and Canadian owned and controlled companies, for goods and services delivered in Canada. Goods and services purchased from individual Canadians living outside of Canada or Canadian-owned businesses physically located outside of Canada are eligible costs.
28. **Ineligible costs** include, but are not limited to:
  - a. Equipment purchases and purchases of capital assets;
  - b. Taxes that are subject to rebate to the recipient (such as VAT, HST);
  - c. Musicians' union dues, penalties, fines, pension contributions and any other union-mandated payments;
  - d. CD, vinyl or other music media manufacturing and duplication costs, except where allowed within the allowance for promotional, not-for sale costs;
  - e. Donated services for musicians' fees.

29. Where FACTOR allows eligible costs to be expended in-house, those costs must be charged, in FACTOR's sole opinion, at verifiable fair market value with no mark-up. For in-house services, the party providing the services must be in the business of, or professionally employed to provide such services. Likewise, allowable costs paid to related parties must also be charged at verifiable fair market value with no mark-up. Please see the Component Guidelines for details.
30. Costs must be verifiable with invoices, receipts and proof of payment. Unless otherwise noted or explicitly allowed by FACTOR, proof of payment must be submitted upon Completion, as a condition of funding.
- a. Receipts must include:
    - i. The name and address of the organization or individual who provided the goods or services
    - ii. The name of the individual who purchased the goods or service
    - iii. The goods or services purchased in detail, such as item description, quantity, unit price, extended price, additional charges and applicable taxes
    - iv. The transaction date (including the dates of service or delivery if applicable).
  - b. Examples of eligible proof of payment include cheque, email transfer, credit card, interbank transfer, wire transfer, and money orders.
31. Cash payments
- a. Touring and showcasing expenses:
    - i. Incidental purchases under \$100 are eligible when supported by a cash register receipt
    - ii. Personnel fees for services are eligible with a signed [Receipt for Services form](#)
    - iii. Lease or purchase of goods and services must be supported by a detailed receipt issued by the payee.
  - b. For all other eligible activities:
    - i. Incidental purchases under \$100 (e.g. gas, small goods) must be supported by a cash register receipt; and
    - ii. Lease or purchase of goods and services under \$500, must be supported by a detailed receipt issued by the payee.
    - iii. Per diems under \$500 must be supported by a FACTOR-provided [Receipt for Services form](#) signed by the payee.
32. **Musicians' fees** — where applicable, fees paid to musicians will be recognized as follows:
- a. For sound recording work, musicians' fees will be capped at a rate of \$400 per studio session, to a maximum of one session per track. The day rate includes overtime pay for the session, if any.
  - b. "Leader fees" paid to third-parties will be eligible at up to double the day rate, but only if the session is contracted pursuant to a musician's union contract, and that contract is submitted to FACTOR. Royalty players (i.e., the artist and its members) may not claim a leader fee to FACTOR.
  - c. For live performances, musicians' fees will be capped at a show rate of \$300 per show. The show rate includes all paid performances in one calendar day.
  - d. Cash payments to musicians may only be eligible for FACTOR reimbursement if they conform to the policy on cash payments set out above. For reimbursement by FACTOR, the musician's fee must be supported by an invoice from the musician to the Applicant, along with proof of payment showing the invoice was paid.
  - e. Per diems paid to musicians will be recognized in addition to the above rates, to a maximum of \$50 per person per day. Claims to FACTOR for reimbursement of per diems paid in cash must be accompanied by a [Receipt for Services form](#).
33. **Travel costs** — travel costs follow the rates specified in the [Government of Canada Travel Directive](#).
- a. Accommodations are eligible to a maximum of \$300 per room, per night. Other caps may apply – see [Business Policies: Eligible Costs - General Terms](#).
  - b. Flight costs at economy rate only.
  - c. No dollar value will be attributable to air miles, frequent flyer points or similar programs. However, FACTOR may recognize a cash fee charged by the points provider.

- d. Applicants are urged to ensure that each person traveling is covered by trip cancellation, health/medical and accident insurance appropriate to the length and location of the visit to the country in which any funded travel occurs. If a trip or any portion thereof is canceled such that all or any portion of approved eligible costs is forfeit, the Applicant is required to recover the maximum amount available under its travel insurance. FACTOR will cover 50% of any remaining non-refundable costs.

34. In this program, FACTOR allows an administration fee to be added to the total eligible costs, calculated as a set percentage of those costs. The current schedule of Administration Fees is set out in [Schedule A of the Business Policies](#). The administration fee is intended to contribute to overhead costs such as occupancy, staffing, and other day-to-day costs of running a business, which costs cannot be claimed elsewhere in the budget. The administration fee is not required to be documented on Completion.
35. The administration fee is not required by FACTOR to be paid to a grant writer, administrator, or any other supplier. The amount and method of payment due to a grant writer or any other supplier is a matter of contract between the recipient and such supplier.
36. FACTOR always reserves the right to allow, disallow, or modify costs. It is advisable to discuss any significant changes to your budget before Completion. If you are uncertain about the eligibility of a cost, please contact FACTOR before incurring that cost. For a project and costs to remain eligible, Applicants must notify FACTOR immediately of any significant change to the original Application or budget submitted. A significant change would be one that impacts more than 25% of the budget.

## Funding and Payments

Comprehensive Artist funding is divided into two phases.

### Phase 1

Once you have accepted FACTOR's offer of funding, you are eligible for the maximum amount of **\$82,500**. Some of this funding can be used flexibly, in different components, while some of it must be used for specific costs.

#### The flexible amount is \$40,000 and can be used as follows:

- 50% of your eligible Sound Recording and Marketing costs to a maximum of \$40,000; and
- 75% of your eligible Tour Support and Showcase costs to a maximum of \$40,000 less any amount paid out to Sound Recording and Marketing. Additional annual and other limits apply to funding Tour Support and Showcase. See [Component Guidelines](#) for full details.

#### The specific amount is \$42,500 and can be used as follows:

- 100% of eligible Radio Marketing costs up to a maximum of \$5,000;
- 75% of eligible international Tour Support costs up to a maximum of \$15,000 (this international amount may be combined with the flexible Tour Support funding to a maximum of \$35,000);
- 75% of eligible international Showcase costs up to a maximum of \$2,500 (this international amount may be combined with the flexible Showcase funding to a maximum of \$7,500); and
- 75% of Video costs to a maximum of \$20,000.

### Phase 2

If your funded project meets the [qualifying threshold](#), you are eligible for a second phase of funding. The maximum amount is **\$40,000**. Some of this funding can be used flexibly, in different components, while some of it must be used for specific costs.

#### The flexible amount is \$35,000 and can be used as follows:

- 50% of your eligible Marketing costs to a maximum of \$35,000;
- 75% of your eligible Tour Support, Showcase and Video costs to a maximum of \$35,000 less any amount paid out to Marketing.

#### The specific amount is \$5,000 and can be used as follows:

- 100% of eligible Radio Marketing costs up to a maximum of \$5,000. Note: If you did not spend the full Radio Marketing funding in Phase 1 and your project is eligible for Phase 2 funding, you may apply for both Phases of Radio Marketing funding at once.

Please take note that annual and other limits apply to Tour Support, Showcase and Video funding. See [Component Guidelines](#) for full details.

37. Applicants to every FACTOR program must declare any other public funding received or expected to be received toward the same project costs they are claiming to FACTOR. FACTOR's contribution plus any other public funding cannot exceed 100% of the project's total eligible budget. See [Glossary: Public Funding](#).
38. To receive FACTOR funding, you must submit banking information for [direct deposit](#).
39. FACTOR issues advance payments with consideration to the timing of each component of the project. For this program, FACTOR may issue advance payment(s) for Phase 1 funding of 50% of the approved funding request for one or more active components. The remainder of the funding for each component is paid out when its Completion has been received, reviewed and accepted by FACTOR. If a project has further active components, FACTOR may issue further advances after initial components have been completed.
40. FACTOR may award the full amount requested in the application but 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, or for any other reason.
41. The funding received from the Comprehensive Artist program counts toward the Radio Contributions portion of the annual funding cap. See [Glossary: Annual Funding Cap](#).

## Project Completion

42. Please see the [Component Guidelines](#) for the detailed Completion requirements of each component.
43. If approved, you will be given a Completion deadline to finish your recording. On or before that deadline, you must compile and organize all invoices, receipts, and proofs of payment, then enter the amounts being claimed into the FACTOR Cost Report which can be downloaded from the Budget page of the Completion. Applicants must upload the Cost Report along with all related payment documentation, then complete and submit all other sections of the component Completion.
44. As part of your Completion, you must also upload a finished digital copy of the sound recording, lyrics, artwork, and metadata. If manufacturing physical copies for sale, you must deliver to FACTOR a finished physical copy of the sound recording, plus artwork, MP3s and lyrics, songwriting, and production credits.
45. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
46. **Logo and Acknowledgment Requirements:** You must acknowledge FACTOR on all physical and digital copies of the release, and/or wherever production credits for the track are listed, such as in the artwork and the metadata of the digital file. You must also provide the appropriate logo and acknowledgment on any press and marketing materials, promotional items, and audiovisual materials produced under this program. Please see [FACTOR's Logo and Acknowledgment Guide](#).
47. Recipients of \$100,000 or more in funding per project are required to submit an independent audited cost report on Completion. If an audit is required, the cost of the audit may be considered an eligible cost, capped at a maximum of \$10,000. Please review the [Business Policies: Audit by Third Party](#) for more detailed information.
48. Applicants should retain all their invoices, receipts, and proofs of payment for seven years for FACTOR and Revenue Canada taxation purposes.

FACTOR is committed to reflecting the diversity of the Canadian population in its programs and operations. We are committed to ensuring universal access to all funds and services, including all musical expressions and talent. We will also in our work encourage these values of diversity and inclusiveness within the broader Canadian music sector.

### Included in this PDF:

[Sound Recording Component](#)

[Marketing Component](#)

[Tour Support Component](#)

[Showcase Component](#)

[Video Component](#)

[Radio Marketing Component](#)





## Sound Recording Component Guidelines 2022-2023

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### Eligible Artists

1. To be eligible for funding under the Sound Recording component across all programs, the artist must be Canadian.

### Funding Limits

1. The funding limit for the Sound Recording component varies by each program. Please see the [Program Guidelines](#).

### Eligible Sound Recordings

2. Funding under the Sound Recording component must always be used to produce a qualifying album, and under some programs, to license an already produced but unreleased qualifying album. To be considered a qualifying album, the final sound recording must
  - a. Be performed by a Canadian artist and meet FACTOR's MAPL criteria for Canadian content (see [Business Policies: MAPL Certification](#));
  - b. Be a full-length album or [track equivalent album](#) of at least six tracks, or include at least 20 minutes of recorded material;
  - c. Be comprised of all new sound recording masters that, as of the date of application, have not been previously [Commercially Released](#); and
  - d. Have no more than 50% French lyrics. The lyrics may otherwise be in English or any language other than French. French-language sound recordings may be supported by [Musicaction](#).
3. It is a condition of funding in all full-length sound recording programs that the funded sound recording must be commercially released according to the terms of the General Agreement, subject to any extensions explicitly approved by FACTOR.
4. If you are working in a genre such as hip hop, dance, electronica, or reggae, and the music production involves samples, beats, riddims, dubplates, multiple producers or guest artists, please see [the Specialized Information tip sheet](#) for more information regarding eligible projects and costs.

### Eligible Costs - Sound Recordings

5. The eligible costs in this section are specific to the Sound Recording component. Please also review the Eligible Costs section in the [Program Guidelines](#). Applicants are strongly advised to read and understand these sections, and to contact FACTOR prior to submitting an application to ensure eligibility of the proposed costs.
6. FACTOR funding under the Sound Recording component will cover 50% of the total eligible budget, to the program maximum. Please see the [Program Guidelines](#).
7. FACTOR will only recognize the costs which it deems eligible and will remove ineligible costs from the budget. The FACTOR contribution may be reduced accordingly. If you have any questions about the eligibility of a particular cost, please contact FACTOR in advance.

8. Sound Recording component funding can be used to pay for the cost of recording and producing a high-quality qualifying album. Eligible costs can include
  - Studio time,
  - Hiring an engineer, producer and musicians,
  - Renting recording equipment,
  - Mixing and mastering, and
  - Graphic design for album artwork.
9. Ineligible costs for sound recordings include, but are not limited to:
  - a. Most expenses paid for in cash (see [Business Policies: Cash Payments](#));
  - b. Duplication and manufacturing expenses;
  - c. Management and legal fees;
  - d. Purchases of equipment, musical instruments and related supplies;
  - e. Transportation, per diem, food, hotel and hospitality expenses for local recording activities. These costs may be considered for out-of-town personnel (i.e. personnel based more than 300 km/3 hours ground travel from artist's home city) on a case-by-case basis. When approved by FACTOR, per diems for out-of-town personnel are capped at \$50/day.
  - f. Any [in-kind or donated services](#);
  - g. Fees and expenses for non-Canadian musicians and personnel (except as noted for members of the artist group);
  - h. Distribution costs, including fees and set-up costs;
  - i. Mechanical royalties and associated costs; and
  - j. Vocal lessons and instrument training.
10. Under some programs, record label Applicants rated 2 or higher may use the Sound Recording component funding to license an already-produced qualifying album.
11. Generally, costs must be paid to Canadian companies located in Canada or paid to Canadian citizens/permanent residents for work performed within Canada, the exception being non-Canadian members of the artist group. (See [Business Policies: Eligible Costs – General Terms](#)).
12. **Recording outside of Canada:** If you intend to record outside of Canada, you are encouraged to discuss it with your Project Coordinator in advance of making an application and provide a thorough explanation in your application. If approved, FACTOR may allow artist fees, travel costs and per diems for Canadian musicians (including non-Canadian artist members) and personnel traveling outside of Canada, on a case-by-case basis.
13. **Bringing a non-Canadian producer to Canada:** On a case-by-case basis, FACTOR may allow the costs of a non-Canadian producer coming to work in a Canadian recording studio located in Canada, provided that the majority of tracking and production occurs in Canada in a Canadian studio. Such costs may include travel, accommodation and producer fees. If you intend to request non-Canadian costs, you are encouraged to discuss it with your Project Coordinator in advance of making an application, and provide a thorough explanation in your application.
14. Costs to complete partially finished productions and remixes will be considered. Recorded but unfinished masters may qualify for funding to finish production of the sound recording, such as mixing, mastering, and artwork.
15. FACTOR will not recognize any costs related to songwriting or composition of music and lyrics, or any other costs related to the underlying copyrights in the compositions. Arranger fees may be recognized when they are paid to a third party (not the Artist) who is hired on a fee-for-service basis to create an arrangement specifically for the funded sound recording and where that arranger does not have ownership in any of the resulting copyrights.
16. Pre-production costs, such as rehearsal space fees or rentals, must be paid to third parties and may not exceed 25% of eligible costs in the Sound Recording component. FACTOR does not recognize any in-house costs for pre-production. Please note that FACTOR will only recognize pre-production costs incurred after the date of application.



17. Producer fees for projects produced by related parties will be capped to 25% of total eligible costs and a maximum producer fee of \$20,000/FACTOR contribution of \$10,000. For example: where the Applicant is a record label and the producer is an owner of the record label, FACTOR will contribute a maximum of \$10,000 to the producer fee.
  18. Session musicians' rates will be recognized at the maximums set out in the [Program Guidelines](#) under Eligible Costs.
  19. FACTOR will recognize a maximum number of sessions per musician equal to the number of tracks on the final project (i.e. one track equals one session).
  20. Generally, and unless otherwise explicitly allowed by FACTOR, in-house and/or related party transactions are capped at a maximum of 25% of the total eligible costs. Applicants must disclose all in-house, related party and non-arm's length transactions in the Expense Details section of both the Application Budget and Completion Cost Report.
  21. In general, you should avoid paying for expenses in cash, as FACTOR does not reimburse all cash expenses. Please see the [Program Guidelines](#) under Eligible Costs for detailed information on cash payments.
  22. **Self-Production Allowance:** recognizes artist members who complete production work on the sound recording. To claim a Self-Production Allowance as an eligible cost in the budget:
    - a. The artist, not a record label, must be the Applicant for the project; and
    - b. Artist members must complete all tracking, including their own engineering.
  23. The Self-Production Allowance is an in-house expense calculated as up to \$500 per track for a maximum of 10 tracks (\$5,000 maximum per project). The allowance covers studio rental, tracking, mixing, and mastering provided by the artist. Note that when the artist is the Applicant for the project, an artist's producer fee is ineligible.
  24. The eligible Self-Production Allowance costs are reduced by
    - a. Third-party studio rental fees,
    - b. Third-party mixing fees, and
    - c. The in-house expense limit of 25% of total eligible costs for the sound recording component. Note that the final Self-Production Allowance is an in-house expense.
- Tip:** To find the amount of in-house expenses the applicant can claim, add up the total eligible third-party expenses and divide that number by 3. The result is the total allowable in-house amount. To qualify for the full \$5,000 Self-Production Allowance, you must have a minimum of \$15,000 in eligible third-party expenses.
25. If the reductions bring the Self-Production Allowance to zero, then no Self-Production Allowance will be available, but all third-party costs will be allowed (subject to the [Program Guidelines](#)).
  26. Artists may claim the Self-Production Allowance and third-party producer fees and mastering fees.
  27. Production costs for tracks exceeding the Self-Production Allowance maximum of 10 can be claimed separately if completed by a third-party provider.
  28. [The Sound Recording Cost Report](#) includes a Self-Production Allowance tab to guide you through claiming the allowance upon completion. FACTOR encourages you to discuss the Self-Production Allowance with your Project Coordinator prior to submitting your application.
  29. Administration fees for the Sound Recording component are calculated automatically in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

30. Applicants must compile and organize all invoices, receipts and proofs of payment; then enter the amounts being claimed into the FACTOR Cost Report, which can be downloaded from the Budget page of the Completion. Applicants must upload the Cost Report and all related expense documentation, then complete and submit all other sections of the Completion (including Budget, Results, Component Information and Public Funding).
31. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
32. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all of your funding.
33. In addition to the program completion requirements, to complete the Sound Recording component the Applicant must:
  - a. Submit a copy of the finished sound recording in MP3 format, along with lyrics, songwriting and production credits. MP3s should be uploaded to the Component Information section of the Completion. See [Business Policies: Completions and Delivery of Completion Documentation](#) for details;
  - b. Upload a copy of the album artwork. This should be the finished graphics for the commercial release, and must include the required acknowledgement and logo(s);
  - c. Submit a [Supplier's Declaration and Undertaking](#) signed by the producer of the sound recording;
  - d. Submit a [Studio Work Log](#) for each production studio involved in the project. You may use the [FACTOR Studio Work Log Template](#), or any form of studio log as long as it includes: Studio Name, Studio Address, Recording Date(s), Start and End Time(s), a description of the work done, Artist Signature, Studio/Producer/Engineer Signature;
  - e. Complete the product submission of the commercially released album. After completion and no later than 30 days after commercial release of the funded sound recording (the product submission deadline) you must deliver to FACTOR via email, as a zip file or by providing a link to a preferred file sharing site (e.g. Dropbox): a digital copy in MP3 format of the final, as-released version of the funded sound recording, including the final, required metadata [thumbnail artwork, FACTOR logo and acknowledgement text (where possible), Canada wordmark (if applicable, where possible), Government of Canada acknowledgement (if applicable, where possible), track artist, track title, track time/duration, track number; and a digital copy of the final, as-released album artwork clearly showing the required logos and acknowledgments. If manufacturing physical copies for sale, a finished, retail-ready copy in any physical format may also be required.



# Marketing Component Guidelines 2022-2023

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## Eligible Activities

1. The Marketing component funding supports a range of activities in the marketing and promotion of a qualifying album. FACTOR-funded full-length sound recordings are qualifying albums.
2. To be considered a qualifying album, the sound recording must:
  - Be performed by a Canadian artist and meet FACTOR's MAPL criteria for Canadian content (see [Business Policies: MAPL Certification](#));
  - Be a full-length album or [track equivalent album](#) of at least six tracks, or include at least 20 minutes of recorded material;
  - Consist of all new, previously unreleased sound recording masters; and
  - Have no more than 50% French lyrics. The lyrics may otherwise be in English or any language other than French. French-language sound recordings may be supported by [Musicaction](#).
3. Typical marketing activities funded under this component include (but are not limited to):
  - Advertising and publicity campaigns in print, TV, radio and online media;
  - Digital and social media marketing initiatives;
  - Subscriptions to SoundScan;
  - Promotional appearances by the artist;
  - Production expenses related to an album release party (excluding hospitality costs).
4. Non-promotional live appearances, the production of video content, and commercial radio advertising are funded under the [Tour Support](#), [Showcase](#), [Video](#), and [Radio Marketing](#) components, respectively.
5. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all of your funding.

## Funding Limits

6. The funding limit for the Marketing component varies by each program. Please see the [Program Guidelines](#) for the program you are applying under.

## Eligible Costs - Marketing

7. The eligible costs in this section are specific to the Marketing component. Please also review the Eligible Costs section in the [Program Guidelines](#).
8. FACTOR funding under the Marketing component will cover 50% of the total eligible budget, to the program maximum. Please see the [Program Guidelines](#).
9. Applicants must submit a detailed budget on application. FACTOR will remove ineligible costs from the budget, and the FACTOR contribution may be reduced accordingly. If you have any questions about the eligibility of a particular cost, please contact FACTOR in advance.

10. Marketing funding is used to pay for the cost of marketing initiatives that are specific to the artist and approved qualifying album. Eligible costs can include, for example, publicity, radio tracking, print, radio and TV advertising, development of web assets, and digital and social marketing initiatives. The following expenses are eligible:
- a. Printed materials including posters, handbills, and banners without limit as to number of units or cost;
  - b. The cost of manufacturing or purchasing promotional CDs, vinyl LPs, dropcards, USB keys or any other sound recording media format at a maximum aggregate number of 500 units. Manufacturing receipts or account statements from the label or distributor showing the cost must be provided at Completion to claim promotional items;
  - c. Other promotional merchandise, such as t-shirts, buttons and other soft goods, at cost. Manufacturing or purchase receipts showing the cost must be provided at Completion to claim all promotional items;
  - d. Ongoing web maintenance costs (such as page re-design, updating content, programming, domain and hosting fees) that are artist-specific at a maximum of \$1,000 per month;
  - e. A SoundScan subscription if it is artist-specific (such as title reports, venue settlement);
  - f. Costs incurred by a third-party distributor and charged back to the recipient's account, provided that the recipient submits (a) an itemized list of expenses incurred, along with a detailed accounting of the charge-backs (supplier name, invoice date, invoice number, dollar amount, purpose of item) and (b) if requested by FACTOR, all of the required delivery materials and supporting documentation that would be demanded of the Recipient as if it had incurred those costs out-of-pocket, such as invoices, receipts, and proofs of payment;
  - g. Graphic design for digital or print assets, merchandise, and promotional materials;
  - h. Fees associated with song remixes; and
  - i. Marketing consultants contracted to plan and execute a marketing campaign.
11. Generally, and unless otherwise explicitly allowed by FACTOR, any in-house and related party transactions are capped at a maximum of 25% of the total eligible costs. In addition
- a. When the Applicant is a record label, personnel and salary costs for existing employees and contractors of the company working on the approved sound recording project will be accepted as eligible costs and not capped as in-house costs provided that the services are directly in support of the sound recording project and fall into the category of: marketing, publicity/PR, social media, digital marketing, graphic design and artwork, and new website design and development (not web maintenance). All such claims must be supported by a detailed [Employee Time Allocation Form](#). FACTOR may at its option request additional information including the employment agreement and/or job description; and
  - b. Artist members may provide services including those set out above; however, artist member fees for any work other than graphic design, artwork, or photography will be capped at 25% of total eligible costs.
12. Ineligible costs include:
- a. Costs which are not artist-specific, such as general company wages, services, supplies, and any other company overhead core cost or expense;
  - b. Any costs for initiatives previously claimed within another FACTOR supported project;
  - c. Contest prizes, unless they meet the definition of "promotional merchandise" set out above;
  - d. Costs associated with applications for prize or award nominations;
  - e. Donated services;
  - f. Ticket buys;
  - g. Artist management fees;
  - h. Distribution set-up fees; and
  - i. Memberships to music organizations (e.g. CIMA, provincial or territorial Music Industry Associations).
13. Administration fees for the Marketing component are calculated automatically in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

14. Applicants must compile and organize all invoices, receipts and proofs of payment; then enter the amounts being claimed into the FACTOR Cost Report, which can be downloaded from the Budget page of the Completion. Applicants must upload the Cost Report and all related expense documentation, then complete and submit all other sections of the Completion (including Budget, Results, Component Information, Public Funding).
15. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
16. Logo and Acknowledgment Requirements: all recipients of funding from this component must acknowledge FACTOR on all physical and digital materials, all press releases and promotional material funded by this component, and on the artist's website. See [FACTOR's Logo and Acknowledgment Guide](#).



## Tour Support Component Guidelines 2022-2023

*Published April 2022*

### Eligible Artists

1. To be eligible for funding under the Tour Support component across all programs, the artist must be Canadian. To be eligible in the Live Performance program, the artist must be rated 2 or 3. General artists who have a full-length FACTOR-funded sound recording project in progress can apply for tour funding by adding a Tour Support component to that project.
2. Artists eligible for support from the Radio Starmaker Fund (RSF) are eligible for Tour Support funding; however, FACTOR will not fund the same tour dates nor the same expenses as RSF. Therefore, you may only apply to FACTOR for non-RSF-funded tour dates. In addition, in the event of an oversubscription to the Live Performance program, FACTOR will give priority to applications from those artists who are ineligible to apply to RSF.

### Funding Limits

3. The funding limits for the Tour Support component are as follows:
  - Artist 3: **\$35,000**, of which a maximum of \$20,000 can be spent on domestic touring and up to the full \$35,000 can be spent on international touring.
  - Artist 2 and General (as a component of a sound recording or marketing project): **\$30,000**, of which a maximum of \$15,000 can be spent on domestic touring and up to the full \$30,000 can be spent on international touring.

These limits apply across all programs. This means that regardless of what program you apply under, or which Applicant applies, the amount of Tour Support funding available for the artist will not exceed the above limits in each FACTOR fiscal year. The [Remote Communities Allowance](#) will not count toward the annual limit.

### Eligible Tours

4. A tour date is a calendar date on which the artist is contracted to publicly perform during a tour. A tour date must be contracted and paid in some form of cash consideration, such as a guaranteed fee or a share of revenues, or a combination of both. The tour date must be able to be verified with proof of performance upon Completion. All performances taking place during one calendar day constitute one tour date.
5. When the Tour Support component is part of a sound recording or marketing program, there is no minimum number of tour dates that constitute a tour, and no limitation in the number of tour dates that are home shows, school shows, or return engagements (i.e. when the artist is booked to perform at a venue the artist has played previously on the same tour).
6. If the performance fees for the tour result in an average exceeding \$10,000 per paid performance, the tour is not eligible for FACTOR support. For clarity: unpaid dates will not be included in the calculation when determining the average performance fee.
7. "Residencies" (where the artist performs in the same venue on more than two consecutive nights, or on the same night in more than two consecutive weeks) are ineligible for Tour Support in all programs.



8. In the application, the Applicant must provide notes on their Goals and Expected Results, including a description of the tour, the artist's commercial history, notable successes, and current opportunities in the territory being toured, along with confirmation that the tour dates have been booked. Such confirmation could include a performance contract, the booking agent's itinerary, or an email from the venue or promoter that the tour date is confirmed. These confirmations should include the date, city, venue, capacity, set length and contracted performance fee.

## Eligible Costs – Tour Support

9. The costs set out here are specific to the Tour Support component. Please also review Eligible Costs in the [Program Guidelines](#). Applicants are strongly advised to read and understand these sections, and to contact FACTOR prior to submitting an application to ensure eligibility of the proposed costs.
10. **NEW:** Due to the impact of the Covid-19 pandemic on the music industry, eligible activities in the Tour Support component have been expanded. In addition to the travel costs outlined below, the funding can be used for virtual performances. Please refer to [FACTOR's Virtual Performances Guide](#) for more information.
11. FACTOR will continue to assess virtual Tour Support applications by total eligible expenses. **The offer amount and final payment will be based on 75% of total eligible expenses not to exceed other limits**
12. Funding under the Tour Support component will equal the lesser of (i) the approved offer, (ii) the final subsidy calculation plus administration fee, or (iii) 75% of the total eligible budget; to the program maximum.
13. Tour Support funding is calculated as a flat rate per eligible tour date (the "Total Subsidy"), the base rate of which is based on the number of eligible travelers, with additional amounts for the distance traveled and the venue capacity. Venue capacity must be verifiable.
14. An eligible traveler is a person who:
  - a. Is a credited, full-time member of the artist group; or
  - b. Is a hired musician or eligible crew member whose paid services have been engaged by the artist for the duration of the tour;
  - c. Is not receiving funding to attend the tour under the [Business Travel component](#); and
  - d. Has been approved by FACTOR as an eligible cost.
15. A hired musician is a musician who is hired to provide their services on a contracted, project basis, in exchange for wages. If claimed as an eligible cost, the hired musician must be Canadian, unless otherwise approved by FACTOR. A full-time member of the artist group, or an eligible crew member, cannot also be claimed as a hired musician.
16. An eligible crew member is a person hired by the artist for a tour to provide only the services of tour manager, driver, road/equipment technician, lighting technician, sound mixer, merchandise seller, or childcare support hired to care for the artist's children, or a combination of the foregoing, in exchange for wages. If claimed in the final Completion budget, eligible crew must travel with the artist for all or a substantial portion of the tour. Eligible crew must be Canadian unless otherwise approved by FACTOR. A full-time member of the artist group, or a hired musician, cannot also be claimed as an eligible crew member.
17. A signed agreement or deal memo for hired musicians and eligible crew must be submitted on application. It should set out at a minimum the names of the contracting parties, a description of the services to be provided, the rate of pay, and the dates for which the person is being hired. A [Sample Deal Memo](#) is available on the FACTOR website.

The tour subsidy will calculate automatically when you apply in the online system. For reference, see the rates in the chart below:

Tour Date	A = Base Rate	B = Territory	C = Venue Capacity	D = Subsidy per Tour Date
First Tour Date	Add up the eligible travelers. The result equals A.  First eligible traveler = \$200  Each additional eligible traveler = add \$75  To a max. of 8 eligible	Multiply A using these rates. The result equals B.  Canada =0  US X 50%  UK/Europe x 80%  Rest of World x 140%	Multiply (total of A+B) using these rates. The result equals C.  Under 200 = 0  200-349 = x 25%  350 – 499 = x 40%  500+/major festivals =x 50%	A+B+C=D
For each Tour Date	Do as above	Do as above	Do as above	Do as above
			Then calculate the sum of column D.	THE SUM OF THIS COLUMN IS THE TOTAL SUBSIDY

18. Although Tour Support funding is calculated as a subsidy, you may be asked to submit a final budget on Completion. FACTOR will only recognize and reimburse up to 75% of the eligible costs in your budget. If you claim costs that are ineligible, FACTOR will remove them from the budget and your subsidy may be reduced accordingly. If you have any questions about the eligibility of a cost, please contact FACTOR in advance.

19. Remote Communities Allowance: You may claim an additional airfare subsidy for any eligible travelers who reside in Canada in a Remote Community and who must fly out to work on the tour as follows:

- a. “Remote Community” means the home is more than 300 kms or 3 hours’ ground travel from the following international airports: Toronto, Detroit, Vancouver, Montreal, Calgary, Edmonton, Ottawa, Winnipeg, Halifax, Victoria, Kelowna/Okanagan Valley, Quebec City, St. John’s, Saskatoon, or Regina.
- b. Generally, the additional subsidy only applies when the eligible costs include airfare for the eligible traveler to fly from the international airport nearest their home at the start of the showcase, and returning to that same airport, or another of the listed airports, at the end of the tour. FACTOR may allow exceptions if flying out of the closest international airport is not geographically or financially efficient. Please contact your Project Coordinator to discuss.
- c. The subsidy will be added as one lump sum per each traveler per tour on top of the calculated subsidy. The Allowance amounts are:

Alberta - \$300	Northwest Territories - \$800	Quebec - \$300
British Columbia - \$300	Nova Scotia - \$300	Saskatchewan - \$300
Manitoba - \$300	Nunavut - \$1,000	Yukon Territory - \$800
New Brunswick - \$300	Ontario - \$600	
Newfoundland & Labrador - \$600	Prince Edward Island - \$300	

- d. The Remote Communities Allowance will not count toward the artist’s annual funding limit. However, it will count towards the final calculation of the offer amount.

20. When a tour includes a conference showcase date, the corresponding conference registration fees are eligible, and the official showcase invitation must be included with the application. Please note that if you are including a showcase date within a tour, you cannot also apply for the same conference performance as a separate Showcase component.

21. Eligible costs for tours include:

- a. Artist and hired musician fees to a maximum of \$300 per performance (or \$300 per day if the artist performs more than once in a day). When the Applicant is the artist, FACTOR will recognize donated services for artist members to a maximum of \$150 per artist member per day. Donated services in total cannot exceed 25% of total eligible costs. Please see [Business Policies: Donated Services](#);
- b. Travel fares, registration and accommodation expenses that are booked and paid before submission of the tour application, provided that those costs must be clearly connected to the tour;
- c. Per diems to a maximum of the number of days on the tour (including travel days) plus two days before the first tour date and two days after the last tour date. Per diems are recognized to a maximum of \$50 per person per calendar day;
- d. Vehicle costs and airfare;
- e. Basic vehicle maintenance costs resulting from tour travel, such as oil changes. FACTOR reviews these costs on a case-by-case basis, and the dates of the costs must be consistent with the dates of the tour;
- f. Use of a privately-owned vehicle, tallied at an all-in gas and mileage rate of \$0.58/km. If the all-in private vehicle rate is claimed, then gas receipts will not be eligible. A [Vehicle Log](#) is available on the FACTOR website;
- g. Local ground transportation (such as taxis and public transit costs) and parking costs up to a maximum of \$100 per day;
- h. Fees related to obtaining a P2 visa;
- i. Pre-tour expenses, such as rehearsal time, capped at 15% of total eligible costs;
- j. Musical supplies subject to normal wear and tear, such as guitar strings, drum skins, and batteries, up to a maximum of 10% of the total cost of the purchase. Date of the purchase receipt must be consistent with the date of the tour;
- k. Printed materials, such as handbills, posters, banners etc., capped at \$400;
- l. Costs of designing, manufacturing and producing items of non-music merchandise sold on the tour (e.g. t-shirts, tote bags). For non-Canadian tours, the costs of non-music merchandise items manufactured outside of Canada may be eligible. Manufacturing receipts or account statements from label or distributor showing the per-unit cost must be provided at Completion to claim these costs;
- m. The costs of not-for-sale promotional CDs, vinyl, and dropcards to an aggregate maximum of 500 units. Manufacturing receipts or account statements from label or distributor showing the per-unit and total cost must be provided at Completion to claim these costs;
- n. Merchandise shipping costs within Canada and to destinations outside of Canada;
- o. Third-party artist management fees and commissions up to 20% of verified performance income. A statement, invoice or settlement sheet showing commission payable must be provided at Completion to claim this cost; and
- p. Third-party booking agency fees and commissions up to 20% of negotiated and verified performance income. A statement, invoice or settlement sheet showing commission payable must be provided at Completion to claim this cost.

22. Buy-on fees for the tour will be reviewed by FACTOR on a case-by-case basis and may be refused or capped as FACTOR deems reasonable.

23. Ineligible costs for tours include but are not limited to

- a. Vehicle repairs to a privately-owned or rental vehicle that would ordinarily be covered by a comprehensive insurance policy;
- b. Capital purchases of musical instruments and equipment, or PA equipment;
- c. Office rent, office staff wages, and the rental and purchase of office equipment, and any other kind of company overhead charge;
- d. Any costs related to a person who is receiving funding to attend any or all the tour dates under the [Business Travel component](#). Such persons cannot be claimed as eligible travelers for the purposes of the subsidy calculation;

- e. Vehicle rental expenses for a privately-owned vehicle;
  - f. Traffic tickets;
  - g. Make-up, costume and wardrobe expenses;
  - h. AFM/CFM dues;
  - i. Donated services except as described above;
  - j. Booking and/or management fees where the Applicant is self-booking and/or self-managing; and
  - k. Any expenses such as hotel rooms, advertising, equipment and personnel costs paid for by the promoter and then deducted from gross ticket revenue prior to the split point (i.e. the calculation of the artist's revenue share, if any). These are deemed by FACTOR to be promoter's costs and are not eligible for FACTOR reimbursement.
24. Generally, and unless otherwise explicitly allowed by FACTOR, eligible costs are those paid to Canadians and Canadian owned and controlled service suppliers, the exception being non-Canadian artist members. Eligible crew must be Canadian unless otherwise approved by FACTOR. FACTOR may make an exception if the cost of hiring non-Canadian musicians and tour personnel who are resident in the territory being toured is significantly more cost effective; however, this must be approved in advance by FACTOR.
25. In-house costs are allowed in this component. Generally, and unless otherwise explicitly allowed by FACTOR, in-house and related party transactions are capped at a maximum of 25% of the total eligible costs. In any event, artist members' performance fees will not count towards the in-house cap.
26. Administration fees for the Tour Support component will be calculated automatically in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

27. **NEW:** In person Tour Support components are not required to submit a cost report and supporting expense documentation upon completion. However, FACTOR reserves the right to request this information and perform a full or partial audit after reviewing the Completion. Failure to comply could result in a lowered offer or default status in the FACTOR system. Please ensure that you keep invoices, receipts, and proofs of payment for eligible costs.
28. In addition to the above, a cost report and supporting expense documentation are required upon Completion for virtual Tour components. Please refer to [FACTOR's Virtual Performances Guide](#) for more information.
29. Recipients must still complete and submit all other sections of the Completion (including Results, Component Information and Public Funding). In addition, to complete the component and receive the final payment (if any), recipients must
- a. Submit proof of performance that each performance took place and was performed as contracted. As proof of performance, FACTOR will accept a copy of the promoter's settlement sheet or the booking agency's final statement. These must indicate the date, city and venue and indicate the final payment received. Tour itineraries, posters and print ads will not be accepted as proof of performance; however, FACTOR may accept ticket stubs or media reviews on a case-by-case basis; and
  - b. If there is a change of personnel, you must indicate those changes in the Eligible Travelers tables in the Component Information section of your Completion and provide an explanation of the changes in the "variance" box within that section. You must also submit corresponding deal memos for any new eligible travelers.
30. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.

31. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all your funding.



# Showcase

## Component Guidelines

### 2022-2023

*Published April 2022*

## Eligible Artists

1. To be eligible for funding under the Showcase component across all programs, the artist must be Canadian.
2. Artists eligible for support from the Radio Starmaker Fund (RSF) are eligible for Showcase funding; however, FACTOR will not fund the same showcase dates nor the same expenses as RSF. Therefore, you may only apply to FACTOR for non-RSF-funded showcase dates.

## Funding Limits

3. The funding limit for the Showcase component is **\$7,500 per artist** of which a maximum of \$5,000 can be spent on domestic showcasing and up to the full \$7,500 on international showcasing, across all programs. This means that regardless of what program you apply under, or which Applicant applies, the amount of Showcase funding available for the artist will not exceed \$7,500 in each FACTOR fiscal year. The [Remote Communities Allowance](#) will not count toward the annual limit.

## Eligible Showcases

4. Applicants must apply at the latest one calendar day in advance of the showcase date and no earlier than six months in advance of the showcase.
5. A sample list of [Eligible Showcase events](#) is available on the FACTOR website. This is not an exhaustive list of eligible events; if your event is not on the list and you believe it is eligible as per the policy below, contact your Project Coordinator before applying. You will be asked to provide supporting documentation about the nature of the event and why it should be recognized.
6. Showcase confirmation (such as an official invitation or a performance contract) must be included with your application.
7. FACTOR defines a showcase as a performance for a target audience of music industry professionals more so than the general public. Eligible showcases are often part of a larger music industry event or conference. The event organizer's goal for the showcase must be to provide an opportunity for artists to attract the interest of potential industry partners, such as booking agents, managers and record labels. The showcase must be organized and presented by a party that is unrelated to the artist. The artist must be invited by the event organizers to showcase either through a curation process that is open to the public, or by invitation along with other artists who are unrelated (for example, not signed to the same label or manager).
8. A "no-case" (an unofficial showcase that takes place during the dates of a conference or festival, but is not officially recognized or promoted by that conference or festival) may be eligible provided it is organized to coincide with a significant music event and you can demonstrate that music industry professionals have been invited to the no-case and can be reasonably expected to attend. As with all eligible showcases, the no-case must be organized and presented by a third party.



9. Other private showcases, including ongoing series or annual events, may be considered by FACTOR if they are organized by a third party; feature multiple, unrelated artists; are intentionally targeted toward industry professionals; and offer genuine new business opportunities for the participating artists. Preference will be given to events where the organizers or the attendees have created explicit opportunities for engagements through the organization of meetings, or other methods, where artist representatives can meet potential buyers.
10. A private showcase organized by the artist's own record label, publisher, manager or other music business that features only artists represented by the organizer, will not be recognized as an eligible showcase.
11. Each Showcase component within an application can cover multiple performances at any one showcase event. For clarity, if the artist is invited to showcase at an event and performs three times while there, that is one showcase and equals one subsidized date, not three.
12. Each showcase must take place at least 300kms or 3 hours' drive away from the artist's home city. If the artist members live in different cities, then the showcase location must be least 300 kms or 3 hours' drive away from the city where half or more of the artist members live.
13. Applicants must provide specific details as to the strategic merits of the showcase in the Goals section of the application. You must upload a list of industry personnel whom you have invited to the showcase, including their name, title and company.

## Eligible Costs – Showcase

14. The costs set out here are specific to the Showcase component. Please also review Eligible Costs in the [Program Guidelines](#). Applicants are strongly advised to read and understand these sections, and to contact FACTOR prior to submitting an application to ensure eligibility of the proposed costs.
15. Eligible activities in the Showcase component have been expanded. In addition to the travel costs outlined below, the funding can be used for virtual performances. Please refer to [FACTOR's Virtual Performances Guide](#) for more information.
16. FACTOR will continue to assess virtual Showcase applications by actual expenses. The offer amount and final payment will be based on 75% of total eligible expenses not to exceed other limits
17. Funding under the Showcase component will equal the lesser of (i) the approved offer, (ii) the final subsidy calculation plus administration fee, or (iii) 75% of the total eligible budget; to the program maximum.
18. Showcase component funding is calculated as a flat rate per eligible Showcase (the "Total Subsidy"), the base rate of which is based on the number of eligible travelers, with additional amounts for the distance traveled.
19. An eligible traveler is a person who:
  - a. Is a credited, full-time member of the artist group; or
  - b. Is a hired musician or eligible crew member whose paid services have been engaged by the artist for the duration of the showcase;
  - c. Is not receiving funding to attend the showcase under the [Business Travel component](#); and
  - d. Has been approved by FACTOR as an eligible cost.
20. A hired musician is a musician who is hired to provide their services on a contracted, project basis, in exchange for wages. If claimed as an eligible cost, the hired musician must be Canadian, unless otherwise approved by FACTOR. A full-time member of the artist group, or an eligible crew member, cannot also be claimed as a hired musician.

- 21. An eligible crew member is a person hired by the artist for a showcase to provide only the services of tour manager, driver, road/equipment technician, lighting technician, sound mixer, merchandise seller, or childcare support hired to care for the artist’s children, or a combination of the foregoing, in exchange for wages. If claimed in the final Completion budget, eligible crew must travel with the artist for all or a substantial portion of the showcase. Eligible crew must be Canadian unless otherwise approved by FACTOR. A full-time member of the artist group, or a hired musician, cannot also be claimed as an eligible crew member.
- 22. A signed agreement or deal memo for hired musicians and eligible crew must be submitted on application. It should set out at a minimum the names of the contracting parties, a description of the services to be provided, the rate of pay, and the dates for which the person is being hired. A [Sample Deal Memo](#) is available on the FACTOR website.
- 23. The showcase subsidy will calculate automatically when you apply in the online system. For reference, see the rates in the chart below:

Showcase	A = Base Rate	B = Territory	C = Subsidy per Showcase
For each showcase	Add up the eligible travelers. The result equals A.  First eligible traveler =\$800  Each additional eligible traveler = add \$100  To a max. of 8 eligible travelers	Multiply A using these rates. The result equals B.  Canada = 0  US X 50%  UK/Europe x 80%	A+B=C

- 24. Although the Showcase funding is calculated as a subsidy, you may be asked to submit a final budget on Completion. FACTOR will only recognize and reimburse up to 75% of the eligible costs in your budget. If you claim costs that are ineligible, FACTOR will remove them from the budget and your subsidy may be reduced accordingly. If you have any questions about the eligibility of a cost, please contact FACTOR in advance.
- 25. [Remote Communities Allowance](#): You may claim an additional airfare subsidy for any eligible travelers who reside in Canada in a Remote Community and who must fly out to work on the showcase as follows:

- a. “Remote Community” means the home is more than 300 kms or 3 hours’ ground travel from the following international airports: Toronto, Detroit, Vancouver, Montreal, Calgary, Edmonton, Ottawa, Winnipeg, Halifax, Victoria, Kelowna/Okanagan Valley, Quebec City, St. John’s, Saskatoon, or Regina.
- b. Generally, the additional subsidy only applies when the eligible costs include airfare for the eligible traveler to fly from the international airport nearest their home at the start of the showcase, and returning to that same airport, or another of the listed airports, at the end of the tour. FACTOR may allow exceptions if flying out of the closest international airport is not geographically or financially efficient. Please contact your Project Coordinator to discuss.
- c. The subsidy will be added as one lump sum per each traveler per tour on top of the calculated subsidy. The Allowance amounts are:

Alberta - \$300	Northwest Territories - \$800	Quebec - \$300
British Columbia - \$300	Nova Scotia - \$300	Saskatchewan - \$300
Manitoba - \$300	Nunavut - \$1,000	Yukon Territory - \$800
New Brunswick - \$300	Ontario - \$600	
Newfoundland & Labrador - \$600	Prince Edward Island - \$300	

- d. The Remote Communities Allowance will not count toward the artist's annual funding limit. However, it will count towards the final calculation of the offer amount.

26. Eligible costs for showcases include:

- a. Artist and hired musician fees to a maximum of \$300 per performance (or \$300 per day if the artist performs more than once in a day). When the Applicant is the artist, FACTOR will recognize donated services for artist members to a maximum of \$150 per artist member per day. Donated services in total cannot exceed 25% of total eligible costs. Please see [Business Policies: Donated Services](#);
- b. Travel fares, registration and accommodation expenses that are booked and paid before submission of the showcase application, provided that those costs must be clearly connected to the showcase;
- c. Per diems and accommodations to a maximum of five days for a domestic showcase and seven days for an international showcase. Per diems are recognized to a maximum of \$50 per person per calendar day;
- d. Vehicle costs and airfare;
- e. Basic vehicle maintenance costs resulting from traveling to and from the showcase, such as oil changes. FACTOR reviews these costs on a case-by-case basis, and the dates of the costs must be consistent with the date of the showcase;
- f. Use of a privately-owned vehicle, tallied at an all-in gas and mileage rate of \$0.58/km. If the all-in private vehicle rate is claimed, then gas receipts will not be eligible. A [Vehicle Log](#) is available on the FACTOR website;
- g. Local ground transportation (such as taxis and public transit costs) and parking costs up to a maximum of \$100 per day;
- h. Pre-showcase expenses, such as rehearsal time, capped at 15% of total eligible costs;
- i. Equipment purchases up to a maximum of 10% of the total cost of the purchase. Date of the purchase receipt must be consistent with the date of the showcase;
- j. Musical supplies subject to normal wear and tear, such as guitar strings, drum skins, and batteries; however, capital purchases of musical instruments and equipment, or PA equipment, are considered equipment purchases (not supplies), and are subject to cap.
- k. Printed materials, such as handbills, posters, banners etc., capped at \$400;
- l. Costs of designing, manufacturing and producing items of non-music merchandise sold at the showcase (e.g. t-shirts, tote bags). For non-Canadian showcases, the costs of non-music merchandise items manufactured outside of Canada may be eligible. Manufacturing receipts or account statements from label or distributor showing the per-unit cost must be provided at Completion to claim these costs;
- m. The costs of not-for-sale promotional CDs, vinyl, and dropcards to an aggregate maximum of 500 units. Manufacturing receipts or account statements from label or distributor showing the per-unit and total cost must be provided at Completion to claim these costs;
- n. Merchandise shipping costs within Canada and to destinations outside of Canada;
- o. Third-party artist management fees and commissions up to 20% of verified performance income. A statement, invoice or settlement sheet showing commission payable must be provided at Completion to claim this cost; and
- p. Third-party booking agency fees and commissions up to 20% of negotiated and verified performance income. A statement, invoice or settlement sheet showing commission payable must be provided at Completion to claim this cost.

27. Generally, and unless otherwise explicitly allowed by FACTOR, eligible costs are those paid to Canadians and Canadian owned and controlled service suppliers, the exception being non-Canadian members of the artist group. FACTOR may make an exception if the cost of hiring non-Canadian musicians and tour personnel who are resident in the territory of the showcase is significantly more cost effective; however, this must be approved in advance by FACTOR.

28. In-house costs are allowed in this component. Generally, and unless otherwise explicitly allowed by FACTOR, in-house and related party transactions are capped at a maximum of 25% of the total eligible costs. In any event, artist member performance fees will not count towards the in-house cap.

29. Ineligible costs for showcases include but are not limited to:

- a. Vehicle repairs to a privately-owned or rental vehicle that would ordinarily be covered by a comprehensive insurance policy;
- b. Annual membership fees;
- c. Showcase and awards application expenses and award show ticket purchases;
- d. "Buy-on" fees for a private showcase or no-case;
- e. Office rent, office staff wages, and the rental and purchase of office equipment, and any other kind of company overhead charge;
- f. Any costs related to a person who is receiving funding to attend the showcase under the [Business Travel component](#). Such persons cannot be claimed as eligible travelers for the purposes of the subsidy calculation;
- g. Vehicle rental expenses for a privately-owned vehicle;
- h. Traffic tickets;
- i. Make-up, costume and wardrobe expenses;
- j. AFM/CFM dues;
- k. Funding to attend songwriting circles or music reviews panels (otherwise known as "date with a tape" events) at music industry conferences;
- l. Booth fees;
- m. Donated services when the Applicant is a party other than the artist;
- n. Donated services for hired musicians and eligible crew; and
- o. Booking or management fees where the Applicant is self-booking or self-managing.

30. Administration fees for the Showcase component are automatically calculated in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

31. In person Showcase components are not required to submit a cost report and supporting expense documentation upon completion. However, FACTOR reserves the right to request this information and perform a full or partial audit after reviewing the Completion. Failure to comply could result in a lowered offer or default status in the FACTOR system. Please ensure that you keep invoices, receipts, and proofs of payment for eligible costs.
32. In addition to the above, a cost report and supporting expense documentation are required upon Completion for virtual Showcase components. Please refer to [FACTOR's Virtual Performances Guide](#) for more information.
33. Recipients must still complete and submit all other sections of the Completion (including Results, Component Information and Public Funding). In addition, to complete the component and receive the final payment (if any), recipients must:
  - a. Submit proof of performance that the showcase performance took place. As proof of performance, FACTOR will accept any of the following: flyers, posters, programs, print ads, photographs, ticket samples, videos, live show reviews from external publications, or confirmations from publicists/promoters/radio promoters; and
  - b. If there is a change of personnel, you must indicate those changes in the Eligible Travelers table in the Component Information section of your Completion and provide an explanation of the changes in the "variance" box within that section. You must also submit corresponding deal memos for any new eligible travelers.
34. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
35. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all your funding.



## Video Component Guidelines 2022-2023

*Published April 2022*

### Eligible Artists

1. To qualify for the Video component in all programs, the artist must:
  - Be Canadian; and
  - Not be signed under an exclusive artist recording agreement to a non-Canadian label for Canada, nor may the sound recording for the proposed video be directly licensed to a non-Canadian label for Canada.

### Funding Limits

2. The funding limits for the Video component are as follows:
  - Artist 3: \$40,000 per FACTOR fiscal year, across all programs; and
  - Artist 2 and General\*: \$20,000 per FACTOR fiscal year, across all programs.

\*Note: General artists are not eligible for the Video program; however, the Video component is available to General artists through all full-length sound recording and marketing programs.
3. FACTOR funding under the Video component for all programs is up to 75% of the total eligible budget.

### Eligible Videos

4. The Video component funds the production of high-quality music videos and visual content that supports sound recordings by Canadian artists. Examples of eligible materials and activities include, but are not limited to:
  - a. Traditional music videos (i.e. for a single track from a qualifying album)
  - b. Promotional videos
    - i. Documentary or “behind-the-scenes” vignettes
    - ii. Album or tour trailers
    - iii. Electronic Press Kits
    - iv. Other promotional video media intended for online distribution
  - c. Pre-recorded live performance videos
  - d. Lyric videos
  - e. Visual albums (i.e. a single, self-contained video that incorporates two or more tracks from a qualifying album)
  - f. Interactive videos
  - g. Live streaming of performances or other marketing activities
5. The company or individual engaged to create the video content produced within this component must be Canadian. Exceptions may be made for non-Canadian companies that are working within Canada. These cases should be discussed with FACTOR in advance of application.
6. Applicants must submit a production plan and video treatment that outlines the creative direction of the video content, including notes on script, action, “look and feel”, and so on, where applicable.

7. Where possible, FACTOR must be recognized in the end credits, including the FACTOR logo, acknowledgments, and the Canada wordmark. This includes all digital and physical copies of the video wherever production credits for the track may be listed, even if the video content is being licensed, co-produced, shared or released outside of Canada by a third party. Be sure to read our [Logo and Acknowledgment Guide](#) for the proper formatting as this may affect your funding.
8. The funded video must be released for public viewing no later than six months after Completion. A later release may be allowed with FACTOR's permission.
9. As a condition of funding, FACTOR reserves the right to use all or a portion of the funded video(s) for FACTOR's own promotional purposes.

## Eligible Costs – Video

10. Funding in a Video component must be used to pay for the cost of producing video-based marketing materials, such as hiring a producer, videographer, video editor, production personnel and talent, rental equipment and facilities, and post-production.
11. Applicants must submit a detailed budget on application. FACTOR will remove ineligible costs from the budget, and the FACTOR contribution may be reduced accordingly. Please consult the [Business Policies: Eligible Costs – General Terms](#). If you have any questions about the eligibility of a particular cost, please contact FACTOR in advance.
12. Generally, costs must be paid to Canadian companies located in Canada or paid to Canadian citizens/permanent residents for work performed within Canada. However, if the production is taking place outside of Canada, FACTOR may allow, on a case-by-case basis, costs related to Canadian personnel traveling to work on the video production in a non-Canadian location, such as airfare, hotels, salaries and per diems. If you intend to request non-Canadian costs in your application budget, you are encouraged to either discuss it with FACTOR in advance or provide a thorough explanation in your application.
13. If a production company is used and charges an “all-inclusive” fee, a copy of their itemized cost breakdown (“top sheet”) listing all in-house and sub-contractors costs is required when submitting your Completion to FACTOR. FACTOR reserves the right to audit any of the costs included in that all-inclusive fee, and to reject any costs it deems ineligible. It is advisable to inform the production company of this rule ahead of time, so that proper documentation can be provided when requested by FACTOR.
14. Generally, and unless otherwise explicitly allowed by FACTOR, in-house and related party transactions are capped at a maximum of 25% of the total eligible costs.
15. **Ineligible costs** for Video include:
  - a. Non-Canadian producer fees and related costs;
  - b. Non-Canadian production costs such as equipment rentals, facilities fees, and costs related to non-Canadian talent unless pre-approved by FACTOR;
  - c. All in-kind and donated services; and
  - d. Artist member performance fees.
16. Administration fees for the Video component are automatically calculated in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

17. Applicants must compile and organize all invoices, receipts and proofs of payment; then enter the amounts being claimed into the FACTOR Cost Report, which can be downloaded from the Budget page of the Completion. Applicants must upload the Cost Report and all related expense documentation, then complete and submit all other sections of the Completion (including Budget, Results, Component Information and Public Funding).



18. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
19. In addition to the program Completion requirements, to complete the Video component the Applicant must
  - a. Submit a permanent link to streaming copy of the video(s) (e.g. YouTube, Vimeo, artist's website): and
  - b. Submit a [Supplier's Declaration and Undertaking](#) signed by each video producer.



## **Radio Marketing Component Guidelines 2022-2023**

*Published April 2022*

### **Eligible Activities**

1. The Radio Marketing component funding is used to buy radio ads and promotional campaigns at radio; and to engage Canadian commercial radio stations or radio broadcast groups, Canadian-owned satellite radio broadcasters such as SiriusXM Canada, as well as Canadian community and campus radio stations, as marketing partners.
2. The Radio Marketing component is intended to complement your other project activities. If you have radio marketing costs that exceed the Radio Marketing component limit of \$5,000 per project, these are eligible for reimbursement in a Marketing component, subject to the rules and limits of the program under which you are applying.
3. The Radio Marketing component application must be submitted no earlier than six months prior, and no later than six months after the commercial release of a single track from the album, or the whole album, whichever is later.

### **Funding Limits**

4. FACTOR will allow Radio Marketing component applications up to \$5,000 per funding phase, per project. Eligible costs claimed under the Radio Marketing component will be reimbursed at 100%. The funding provided under the Radio Marketing component is in addition to any other project funding in any other component of the program.
5. Funding for this component is provided by Canada's Private Radio Broadcasters.

### **Eligible Costs – Radio Marketing**

6. Costs will be considered eligible dating from: (i) for FACTOR-funded Sound Recordings, the date of application for the Sound Recording component or (ii) for non-FACTOR-funded Sound Recordings, the date of commercial release.
7. The funds must be spent on direct Canadian radio station costs such as advertising buys. Non-traditional radio marketing costs, such as website advertising, are eligible; however, only expenses related to websites owned and operated by licensed commercial radio stations as well as community and campus radio stations will be considered eligible.
8. The funds may not be used toward costs of hiring a promotions company, radio plugger, any travel costs, lodging, costs for showcasing, equipment etc.
9. The funds cannot be spent with CBC/Radio-Canada, its subsidiaries, or other Canadian public broadcasters. Campus and community stations are eligible, as are commercially licensed stations funded by public donations, such as CKUA.
10. No administration fees are available for this component.

### **Component Completion**

Please review the [Completion Guide](#) for detailed instructions.

11. Applicants must compile and organize all invoices, receipts and proofs of payment; then enter the amounts being claimed into the FACTOR Cost Report, which can be downloaded from the Budget page of the Completion. Applicants must upload the Cost Report and all related expense documentation, then complete and submit all other sections of the Completion (including Budget, Results, Component Information, Public Funding).
12. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.
13. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. For ads that are shorter than 30 seconds, FACTOR will allow the abbreviated acknowledgement "Funded by FACTOR." For longer ads, FACTOR will accept "Funded by FACTOR and Canada's Private Radio Broadcasters." Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all of your funding.