## CANADA MUSIC FUND SUPPORT FOR LIVE MUSIC EVENTS

# FREQUENTLY ASKED QUESTIONS Updated April 6, 2021

### 1. What is this new initiative that aims to support workers in the live music sector?

In the Fall Economic Statement delivered on November 30, 2020, the Minister of Finance announced additional funding to support the planning and the presentation of events and shows in response to COVID-19, split between the Canada Council for the Arts (CCA) and three programs at the Department of Canadian Heritage (PCH). \$40 million is being allocated to PCH in the form of grants and contributions to the following programs:

- \$15 million via the Canada Music Fund (CMF)
- \$5 million via the Building Communities through Arts and Heritage (BCAH)
- \$20 million via the Canada Arts Presentation Fund (CAPF)

The total amount of \$15 million available for the CMF will be split between the Anglophone and Francophone markets.

### 2. Who will be responsible to administer the funding for the music industry?

PCH will deliver these funds through the CMF. FACTOR and Musicaction will administer these resources via a separate component from regular programs for the Anglophone and Francophone markets respectively.

### 3. What is the purpose of this new initiative named - Support for Live Music Events?

The purpose of this initiative <u>is to stimulate the employment of Canadian artists, technicians and other supporting workers & service providers</u> by contributing financial support for live music events (i.e., concerts, tours and showcases) featuring Canadian artists that can be presented before an in-person audience and/or through digital dissemination, in the current uncertain context.

Funding will allow companies, organizations and artist-entrepreneurs to generate earning opportunities for artists and cultural workers in the live music sector.

#### 4. Is this initiative the new phase of the Emergency Support Fund?

No, this is a separate initiative that supports the planning and presentation of COVID-19-safe events — including both live and <u>digital</u> — and to provide work opportunities in these sectors.

# 5. As part of my regular activities, my organization is eligible for more than one program covered by this initiative; can I submit applications for this Fund to more than one of the participating programs?

Yes. Three programs at PCH (CMF, CAPF and BCAH) and the CCA will administer funds under this initiative. Thus, organizations that receive <u>funding regularly</u> from more than one of PCH programs and/or CCA would be allowed to present a funding application to each of these programs **IF** they are distinct projects. To fully ensure no duplication, applicants will be required to indicate in their application that:

- a) They did not apply to the other programs for the same project; and,
- b) Their project does not cover the same expenses as their regular CMF funding.

### 6. How will funding be distributed?

As of March 10, 2021, in the afternoon, applicants will be able to access the guidelines for this initiative and submit **ONE** funding application for one or multiple projects. They will be reviewed as they come in and throughout fiscal year 2021-22, until the total budget is spent.

Eligible expenses incurred after an application has been submitted may be considered. Expenses incurred before receiving written confirmation of funding approval are at the risk of the applicant.

Per-project funding through the time-limited fund could be up to 100% of eligible costs and must be used towards the eligible expenses listed below to cover the Canadian portion of your music-related activities (i.e., related to Canadian artists).

### 7. Who can apply for funding?

Current CMF recipients, including artist-entrepreneurs, as well as eligible recipients of the 2020 Emergency Support Fund such as, among others, artist managers, booking agents, concert promoters, for-profit festivals and venues (including alternative concert venues) may apply.

### 8. As the applicant, what is my role?

You become the project leader. The applicant has full responsibility for all aspects of the project, including the conception of the proposed live music event, its implementation and its presentation. Given the objectives of the initiative, the applicant must ensure that all artists and workers that are part of the event are paid. The applicant must include all proposed expenses in the application, even if those activities are sub-contracted to other individuals or organizations.

For instance, if a concert promoter holds the rights to the presentation of a live music event and applies for funding, the venue presenting that concert is not eligible to apply for support for that same event. Consequently, the costs incurred by that venue would be covered in the application submitted by the concert promoter.

# 9. If I am a firm or an organization that can apply for funding, are there other specific eligibility criteria to meet?

Yes. As mentioned above, current CMF recipients, including artist-entrepreneurs, as well as eligible recipients of the 2020 Emergency Support Fund may apply. To present an application, you must be a Canadian-owned entrepreneur or organization in the music industry AND must support the career development of Canadian artists and/or offer musical programming by Canadian artists.

Moreover, specific criteria must be met:

- Managers and booking agents: At least 50% of revenues from the last fiscal year completed before the pandemic (or March 2020) came from music-related activities related to **Canadian artists** OR at least 50% of the artists on their roster must be **Canadian artists**.
- **Concert promoters:** At least 50% of revenues from last fiscal year completed before the pandemic (or March 2020) came from music-related activities related to **Canadian artists** and/or demonstrate having been essential in the ecosystem i.e., in the development of **Canadian artists**.
- Festivals: At least 50% of the programming in its last edition was musical performances by Canadian artists and/or demonstrate that the festival is essential in the ecosystem i.e., in the development of Canadian artists.

#### Venues:

- Must have permanent spaces, with infrastructure for musical performances, such as a stage, a sound and lighting system, etc.
- o A minimum of 25% of the 2019 programming was live musical performances
- At least 50% of the 2019 musical programming was performances by Canadian artists and/or the venue must demonstrate that it is essential in the development of Canadian artists.
- Other types of organizations in the Canadian music industry that are not currently supported through the CMF may apply for funding for an eligible live event, provided they demonstrate that they have been essential in the development of Canadian artists.

#### 10. What is the maximum amount of funding a recipient can receive?

Applicants will be able to apply only **ONCE** for the fiscal year period of 2021-22. The maximum amount per request is \$100,000 per eligible applicant for one or multiple projects. It is expected that applications will vary considerably in size and scope depending on the context of presentation. The proposed application could consist of many concerts over the course of the year.

Note that even if a company, an organization, or an artist-entrepreneur is eligible, submitting an application does not guarantee funding. Further, funding being limited, FACTOR and Musicaction will allocate funding on a competitive basis assessing the merits of the application based on the Initiative's objectives and priority areas.

# 11. I applied to the Comprehensive Envelope Funding program; can I submit an application for this support?

Yes, current CMF recipients may apply for a project, that includes one or more events and is distinct from the planned investments they presented in their Comprehensive Envelope Funding application.

Note that priority will be given to equity-seeking populations and Indigenous-led organizations as well as applicants that do not traditionally receive CMF funding.

# 12. Can I use this financial support exclusively for my operating expenses (i.e., I am unable to present live music events because they are prohibited in my region)?

To apply for funding, you must present a live music event project or projects (i.e., concerts, tours and showcases). If you cannot present live music events in person in venues and/or outdoors, activities in a virtual format may be eligible as long as they feature Canadian artists and meet the objective of stimulating employment of artists, technicians and other supporting workers and service providers in the Canadian live music sector (see the section on what activities and expenses are eligible for funding below).

### 13. Who is not eligible for funding?

The following music entrepreneurs and organizations are ineligible for funding:

- 1. Foreign-owned music companies (firms not owned and controlled by Canadians) operating in Canada and their related associations.
- 2. Radio and television broadcasters and music streaming services, including online streaming platforms.
- 3. Venues whose primary live music programming does not feature individual artists or help develop the careers of Canadian artists, such as, musicals, retrospective/ tribute shows, dinner theatre, charity or corporate shows, etc.
- 4. Venues whose capacity is greater than 2,500.
- 5. Venues associated with a city/municipality or an educational institution.
- 6. Not-for-profit artistic festivals, professional performing arts series (arts presenters) and other applicants that will be supported by BCAH, CAPF and CCA, EXCEPT for the organizations that receive <u>funding regularly</u> from more than one of the PCH programs and/or CCA; in that situation, you are allowed to present a project to each of these programs if <u>they are distinct projects</u>.

Also, to fully ensure no duplication, clients will be required to indicate in their application that:

- a) They did not apply to the other programs for the same project; and,
- b) Their project does not cover the same expenses as their regular CMF funding.

#### 14. What activities and expenses are eligible for funding?

Eligible activities are live music events (i.e., concerts, tours and showcases) that feature Canadian artists, inperson in venues and/or outdoor settings and/or in a virtual format. More than half of the songs performed by the artists must be original Canadian material.

Note that any proposed project must stimulate the employment of Canadian artists, technicians and other supporting workers & service providers.

### 15. Does it have to be a ticketed event to receive funding?

No. This initiative mitigates the significant financial risks associated with presenting live music events in the current uncertain context, and as such, there is no requirement to generate revenue.

## 16. Eligible expenses include but are not limited to the following examples:

- Fees and services of artists and cultural workers and related costs;
- Recording and streaming costs of the performance (audio and visual);
- Marketing and promotion expenses;
- Venue rental;
- All related staging costs;
- Rental of equipment, including equipment required for digital dissemination;
- Transport and storage of equipment, including equipment required for digital dissemination;
- Travel expenses (transportation, accommodation and meals, etc.) as per the <u>Government of Canada's</u> Travel Directive;
- Non-capital goods and services necessary to ensure public safety and compliance with local public health quidelines, including personal protective equipment and sanitation materials;
- Insurance; and
- Administrative expenses.

The funds must be spent in the 2021-22 fiscal year.

### 17. What activities and expenses are ineligible?

The funds must be used to cover the expenses of a project that is not supported by regular CMF funding.

Ineligible expenses include but are not limited to the following examples:

- Live music events where more than half of the songs performed by artists are covers or non-original material (this does not apply to the repertoire of classical music, traditional jazz, world music or traditional music);
- Musicals, retrospective/tribute shows, dinner theatre, charity or corporate shows;
- Expenditures associated with non-Canadian artists or international-focused elements of the project;
- Ongoing operational costs;
- Hospitality;
- Equipment purchases such as computers, staging, lighting, sound;
- Merchandising; and
- Any other administrative costs identified in the guidelines.

#### 18. What artists are eligible to perform at a funded event?

Canadian artists that will perform at funded events must have commercially released at least six eligible Canadian sound recording tracks no more than three years prior to the application or plan to release within one year of the performance and must meet the definition of Canadian artist. See FACTOR's Commercial Release requirements in section 38.0 of FACTOR's Business Policies.

## 19. Are recordings only released and made available on YouTube and Social Channels considered a commercial release?

No, see section 38.0 of FACTOR's Business Policies.

# 20. Do recordings by artists that will perform at the events need to be released through a label, or can they be self-released?

Releases do not need to be via label; however, they must be made in accordance with contracts in place among the different players. See FACTOR's Commercial Release requirements in section <u>38.0 of FACTOR's Business Policies</u>.

# 21. Is it necessary to use artists that are FACTOR- or Musicaction-approved or have previously received FACTOR or Musicaction funding?

No. Artists that perform at funded events through this initiative need not have previously received support through the Canada Music Fund via FACTOR or Musicaction. Artists must be Canadian (see definition in guidelines).

For Canadian artist-entrepreneurs that are the project lead, they do not need to demonstrate how they are "essential" to the Canadian music industry. However, their application must be aligned with the objective of the initiative in that their events will remunerate other Canadian artists and Canadian cultural workers.

## 22. One of my proposed events will feature a performance by a DJ. Do the songs they play need to be Canadian?

Yes, more than half of the songs performed by the artists must be original Canadian material. The only genres that this does not apply are performances that feature the repertoire of classical music, traditional jazz, world music or traditional music.

# 23. If the project is an online performance, does it matter who owns the IP? Or, is it a requirement that the applicant own any resulting IP?

No, as long as the event has the permissions to the appropriate rights.

# 24. In a case where there is new Canadian content IP created during the project or as a result of it, who owns the IP?

Under this initiative, the majority of Canadian content which will be performed would already have been created and assigned copyright, given that eligible Canadian artists that perform at events must have released at least six eligible Canadian sound recording tracks no more than three years prior to the application or plan to release within one year of the performance.

However, if new content is created from a funded event, the IP must respect all contracts already in place. The initiative does not dictate who would own that IP.

#### 25. Can new Canadian content IP resulting from a funded project they be licensed to non-Canadians?

Yes. However, as stated above, this initiative is for the remuneration of Canadian artists and Canadian cultural workers, for events in Canada. Thus, all expenses must be made in Canada. If that requirement is met, then the resulting Canadian content IP after the conclusion of the event, may be licensed to non-Canadians for future use.

### 26. Must you have all your talent confirmed to apply?

No. However, commitments on interest may be required and contracts can be requested as part of supplementary materials.

# 27. Are international showcases eligible – either for showcases outside of Canada or for bringing international buvers to Canada?

No. This initiative is for the remuneration of Canadian artists and Canadian cultural workers, for events in Canada. While your events may have international aspects, non-Canadian activities and expenses are not eligible.

### 28. If I hire the same technician for 10 events, do I count them once or ten times in my application?

You must include the total employment for <u>each proposed concert</u>. That is, if your application includes a 15-date tour with the same 10 employees for each show (i.e., sound, lighting, staging, etc.), the total employment for that tour would be 150 (15 X 10).

#### 29. What is the deadline to submit an application for funding?

There is no deadline; it is an ongoing process until the budget is exhausted. Applicants will be eligible to apply once for fiscal year 2021-22 for all events in their proposed application.

### 30. How do I apply for funding?

For the Anglophone market: www.factor.ca/live

For the Francophone market: http://musicaction.ca

## 31. Where should I apply if I have Francophone and Anglophone artists in my project?

If the majority of the artists that would perform in your proposed events are Francophone, apply to Musicaction. If most of the artists are Anglophone, apply to FACTOR.

# 32. Can I submit an application for events featuring Anglophone artists to FACTOR and an application for events featuring Francophone artists to Musicaction?

No. You may only submit one application for this initiative to the Canada Music Fund, either to Musicaction or FACTOR.

### 33. How will applications be assessed?

FACTOR and Musicaction will allocate funding on a competitive basis assessing the merits and the feasibility of the application. The administrators will evaluate the extent to which the applications align with the objectives and the priority areas of the initiative. Priority will be given to equity-seeking populations and Indigenous-led organizations as well as applicants that do not traditionally receive CMF's funding. As there is no deadline, applications will be considered on a first-come, first serve basis.

Note that even if a company, an organization or an artist-entrepreneur is eligible, submitting an application does not guarantee funding.

### 34. What are the reporting requirements for funding?

Recipients must submit a final activity report and financial report, which will make it possible to assess the use and impact of the financial contribution received. This must include the number of artists and cultural workers engaged and employed through the project as well as the demographic profile and identification of artists and cultural workers from equity seeking populations, where applicable.

#### 35. If my project generates revenue, would my funding amount be deducted?

No. However, both your projected revenue and expenses must be included in your application, which will be assessed by FACTOR/Musicaction.

# 36. Is an organization such as a live music venue still eligible for this funding if it has been forced to close its doors to the public due to public health measures?

Yes, as long as the organization is applying for funding for a virtual presentation of live music events (i.e., shows, tours and showcases) in a virtual format (see eligible activities and expenses section).

# 37. To be eligible, a venue must have a capacity less than 2,500. What is the initiative's definition of capacity?

Capacity is the maximum number of patrons a venue is legally allowed, usually in accordance with fire codes. It is not related to the maximum number of patrons allowed by local health authorities during the pandemic. That is, if a venue with a capacity of 5,000 is not eligible, even if local health authorities only permit 1,000 patrons due to COVID-19.

Venues with a capacity under 2,500 may apply directly for the initiative, should they meet all other eligibility criteria. Other applicants may not use venues with a capacity greater than 2,500 for their funded events.

#### 38. My organization is not eligible - can we partner with an eligible organization to apply?

Yes. To increase the reach of this investment, eligible applicants are encouraged to partner and collaborate with other businesses and organizations in the live events sector that may not be eligible for this initiative.

### 39. Are not-for-profit, religious or charitable organizations eligible to apply?

Regardless of the status of your organization, to apply for funding you must be a current CMF recipient, including artist-entrepreneurs, as well as an eligible recipient of the 2020 Emergency Support Fund (specific criteria is described into the other specific eligibility criteria section). In addition, to present an application, you must be a Canadian-owned entrepreneur or organization in the music industry AND must support the career development of Canadian artists and/or offer musical programming by Canadian artists.

Note that the CMF does not support live activities that are not for a particular artist and their career development, including charity shows.

### 40. Can multiple companies apply for the different parts of the same event?

No. An event can only be supported once through this initiative. (i.e. a promoter and venue can not apply for the same event).

Companies are encouraged to collaborate. However, there can only be one project lead (see earlier question regarding "project lead") that is responsible for all of the events in the application.

Companies that are collaborating with the project lead for that application may apply as a project lead for other, distinct projects.

# 41. I own multiple companies that present projects that would be eligible for this initiative. Can I submit separate applications for each company?

It depends on your commercial structure. A group of companies in which the same person, group of persons, or entity holds the majority of shares with full voting rights or has control in fact of these companies is allowed to apply separately for this initiative. However, each application, must be for a distinct event or events.

## 42. I own a company with multiple branches including a festival and a venue. May I submit an application for each branch?

No. A company is only permitted to apply once for this initiative, even if it has multiple branches. However, that company may collaborate with other applicants on other projects that are distinct from the one in their application.

# 43. I am an annual music festival. What defines a "project" versus programming and booking of three days of concerts?

If normally funded for your annual programming, the project for this program must be separate from your annual programming.

#### 44. If I have multiple partners, can each partner apply separately?

No, not for the same event. One application per event.

#### 45. Can a company that has been in business for less than a year apply?

Yes, but the applicant would have to show that they are essential in the development of Canadian artists.

#### 46. Are conferences eligible for business development?

No. Funding is for live music events featuring Canadian artists that employ Canadian cultural workers.

#### 47. If I receive funding from another source (i.e. provincial program), can I apply?

Yes. However, total contributions received from public sources must not exceed 100% of eligible project costs.

#### 48. What if my event is cancelled?

If a live event is cancelled and unable to be rescheduled, recipients will be able to apply the funding to eligible non-recoverable costs.

49. My organization is receiving other federal support funding (e.g., Canada Emergency Wage Subsidy, Canada Emergency Business Account, Canada Emergency Commercial Rent Assistance for Small Businesses). Can we apply to this initiative?

Yes. This additional measure is meant to complement the broad measures already announced by the Government. However, organizations may not claim funding from multiple sources to cover the same costs.

50. Will a project that has multiple sources of funding be considered stronger than one that relies solely on funding from this initiative?

Not necessarily. Applicants must submit a budget for their projects, including details on projected revenues and expenses. FACTOR and Musicaction will assess the feasibility and realism of the overall application, including the financial projections, in determining eligibility and funding amounts.

Click here to see a view-only copy of the Contact & Applicant Form.

Click here to see a view-only copy of the Project Application Form.

#### **Definitions**

A **Canadian artist** is defined as a citizen within the meaning of the Citizenship Act or a permanent resident of Canada within the meaning of the Immigration and Refugee Protection Act. The term «Artist» refers to an artist solo performer, a musical group or collective. In the case of music publishing activities, an "artist" refers to a songwriter or composer. A group or a musical collective is considered Canadian if at least 50% of its members, including the lead singer are Canadian. In the case of an orchestra featuring no principal artist, the orchestra must be based in Canada.

**Equity-seeking groups** are communities that face significant collective challenges in participating in society. This marginalization could be created by attitudinal, historic, social and environmental barriers based on age, ethnicity, disability, economic status, gender, nationality, race, sexual orientation and transgender status, etc. Equity-seeking groups are those that identify barriers to equal access, opportunities and resources due to disadvantage and discrimination and actively seek social justice and reparation.