

HOW THE NFB SERVES CANADA IN THE DIGITAL AGE –

Speech presented to the CFTPA

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There are many concerns that crowd our agenda these days. We heard a range of them explored in the various sessions here. And one among many has been the question of new media. In fact, the new media that we talk about is part of a larger digital revolution, by which I refer to the whole network of ways in which we interconnect through digital media including the Net and mobile platforms. To my mind it is the issue, the one which will have the greatest long term consequences for us. It is already having the most profound social, cultural, economic and political impact, an impact that mirrors the depth of the industrial revolution of the late 18th and 19th century.

As of March last year it is estimated that 84% of Canadians were connected to the Internet with 80% of those on a high-speed line; 20.1 million Canadians (62% of the population) subscribed to a wireless service, exceeding the number connected to land lines.

Worldwide over 1 billion users are now connected to the Internet—close to 20% of the planet. 20% of all human beings. Connected.

The digital revolution affects us in every way from how we get information, watch programming, shop and, most profoundly, how we relate to each other.

If you are still skeptical consider this: President Obama—we all felt the power of his presence here yesterday-- raised nearly \$750 million for his presidential campaign, much of it by small donors giving incremental amounts on line. \$750 million—a record amount that exceeds what all of the candidates combined collected in private donations in the previous race for the White House. The dollars tell only a small part of the story. Social networking, through Internet and mobile, changed politics forever. The Obama campaign became masters of the online message, keeping and expanding their base while making everyone feel part of the Obama family. As we all know, President Obama is known as the BlackBerry president. His Rooseveltian fireside chats are now privileging YouTube over radio and television.

Even if our own political elites have yet to catch up, these shifts are not small things, sidebars to some main event. The digital revolution is the main event.

We are beginning to see some of the defining characteristics of the digital revolution: interactivity, accessibility, mobility and sense of personal ownership, with its consequences of the

merging of the private with the public; the blurring of the lines between creators and consumers; and the interweaving of the cultural and the social.

We heard a lot of talk about a wonderful borderless universe. But this seemingly borderless universe is not quite borderless. The parent companies of the top ten Web sites in Canada are American. They include such names as Microsoft, Yahoo, Google, Time Warner, News Corp, Disney. Virtual realms do not mean realms without context. If MySpace or YouTube allow anyone to upload, to partake of the audiovisual realm, it is within a particular kind of context, driven by certain sets of values and conditions.

Whoever controls the context, at the end of the day controls the message and the profits.

Context. Two weeks ago Facebook announced a change in their terms of service. It was a small change. Essentially, it gave them ownership of all material users put on the site in perpetuity even after users delete their accounts.

The subsequent outcry led CEO Mark Zuckerberg to revert to the previous terms of reference. But this is what those previous terms of reference say:

By posting User Content to any part of the Site, you automatically grant, and you represent and warrant that you have the right to grant, to the

Company an irrevocable, perpetual, non-exclusive, transferable, fully paid, worldwide license (with the right to sublicense) to use, copy, publicly perform, publicly display, reformat, translate, excerpt (in whole or in part) and distribute such User Content for any purpose, commercial, advertising, or otherwise, on or in connection with the Site or the promotion thereof, to prepare derivative works of, or incorporate into other works, such User Content, and to grant and authorize sublicenses of the foregoing.

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Profits. According to the Interactive Bureau of Canada the Canadian online ad market was worth well over \$1.2 billion in 2007, a 38% increase over the previous year and growing. On line advertisement is dominated by search engines. Currently Google controls 81.48% of the search market. Their ad placement companies DoubleClick and AdSense have 57% of the advertising market in the States; their next closest competitor, Yahoo, has less than 10% of the market. I imagine we would find comparable figures for Canada.

In the traditional broadcast world the disproportionate placement of Canadian ads on American programming was managed by the system of simultaneous broadcast to ensure the financial health of Canadian broadcasters. There is no such possibility in an online world.

Whoever controls the context controls the message and the profits.

Other solutions have to be found.

Other jurisdictions understand that mastering this revolution is essential to build a solid foundation for the future. In Britain, the government launched an initiative called “Digital Britain.” The minister for communications and technology has noted that: *“the digital and communications industries are worth more than £52 billion a year, and are considered by the U.K. government to be critical to every business in the country’s economy, acting both as a catalyst for creativity and allowing efficiency gains, as well as having a major impact on the U.K.’s culture and quality of life.”*

Last August New Zealand’s Minister for Communications and Information Technology released their country’s draft Digital Strategy. He noted:

“We understand that widespread, high-speed broadband is essential for New Zealand to participate in the contemporary world – and we will deliver it. We also recognise that connection alone is not enough – if we are to thrive, we need a digitally skilled population, online security and access to and support for New Zealand content. This Strategy goes beyond looking at the factors that enable digital development. Our vision of the future is that New Zealanders should be leaders in the digital world and use digital technologies, skills and opportunities to contribute to a prosperous, sustainable and vibrant society.”

Many other countries are pushing ahead in a similar vein: articulating a vision and investing substantially in it.

We in Canada are lagging behind. Various institutions are looking at pieces of the puzzle—most importantly the work that the CRTC is currently doing with the New Media hearings. I applaud Konrad von Finckenstein for the vision and urgency he is bringing to the task. But his work is framed by the dictates of the Broadcasting Act. That’s only part of the picture. We need a larger national vision and a national strategy. An essential first step is to understand that to create digital networks without Canadian content is to hand over control of essential parts of our economic, cultural and social well-being to others.

This is not an argument about restricting content. This is not an argument for barriers or creating walled gardens.

It is about diversity and it is about leveraging the creativity and talent and innovation of Canadian creators and companies, private and public sector, to enrich our lives and build the economies of the future that can be exported around the world.

This brings me to the National Film Board and the role we can and are playing at this transformative moment in history.

For many Canadians the NFB brings back memories of school and films that are “good for you.” Much like the view of Derek Du Bois in the film I showed.

The NFB has often seemed like a favourite spinster aunt, a perennial fixture at all the great occasions that bring families together, whether to celebrate or commemorate, in joy or in sorrow. We count on her being there. Even though her tongue may be sharp-edged, her presence is comforting. As long as she's there, no matter how bad things may seem, we feel it will be ok, the world will go on, the family will stay united and strong.

I must confess I had something of that attitude myself when I first came to the NFB seven years ago, from the private sector as the director of English Programming. Unlike many of my generation it was the first time I had ever worked in a public cultural organization.

What I discovered very quickly in coming to the Film Board was that far from being that faded spinster aunt, the NFB was a jewel—that within its rambling industrial-like headquarters on Cote de Liesse in Montreal lay an unparalleled quickness of mind, inventiveness of hand and passion of heart. The trouble was that it was a secret. In fact, one of the best kept secrets in Canada. Curiously enough, when I travelled outside of Canada the accolades were phenomenal: the NFB was greeted with a kind of awe reserved for royalty.

Let me give you a couple of recent examples:

Last October I was in Washington because the Academy of Motion Picture Arts and Sciences was co-hosting an homage to

the NFB with the American National Archives. Sid Ganis, the president of the Academy, flew in from LA for the event and delivered quite the eulogy on the importance and inspiration that the NFB has provided to Americans and the world.

From Washington I went on to Tokyo to sign an accord with the president of NHK, Japan's national broadcaster. Their annual budget at \$9 billion Canadian is well over a hundred and twenty times that of the Film Board. Yet, I was treated like a visiting head of state. Our ambassador to Japan was at the signing ceremony. NHK deemed it an honour to enter into this formal relationship with the NFB.

The NFB is one of the great cultural institutions of the world and a Canadian brand with incalculable but under-realized value. It is a production and distribution studio unlike any other; a studio that declared its allegiance to innovation, risk taking and socially-engaged media making in a way that did not exist anywhere else.

It was the antithesis of Hollywood and welcomed exactly because it provided an alternative, a different mode of creating and of engaging cinematically with the world. Not against Hollywood but other, providing that diversity without which we as a species could not survive. Cultural diversity is as essential in this regard as biodiversity.

There are a whole host of reasons why those special attributes and achievements of the NFB had become obfuscated. There were substantial budget cuts in the mid-'90s—fully a third of its budget was slashed; a lack of direct access to its audience because in the transition to television it was never granted its own licence; and the growth of a dynamic, private sector industry which took over, and quite rightly, what had been some areas of NFB's special expertise.

Yet the heart of the NFB, the vision that John Grierson—its remarkable founder—had enunciated remained intact. It just got somewhat buried.

So we went back to first principles: be the place where the unthinkable can be thought; the outrageous tested and dreams turned into reality.

Push boundaries, experiment and take risks.

Do what cannot be done elsewhere.

We committed ourselves to taking the risks that the private sector cannot.

Non-market risk taking means stepping into areas of “market failures,” such as in technological innovation but also in areas such as developing emerging creators, working with Aboriginal

and diverse filmmakers, offering a media voice to underserved communities, innovating in new forms of expression where the market on its own cannot afford to do so. These are public goods with long-term social and economic benefits for the industry, for communities, for the country.

The results of this return to our roots have been remarkable.

In the past six years we've had five Oscar nominations and two wins. We've had Emmy nominations, won best short film at Cannes twice, had feature documentaries in competition at Sundance over the last couple of years, an oversized presence at the world's two most important documentary festivals, IDFA in Amsterdam and Hot Docs in Toronto. I was thrilled that our co-production with PTV, *Passage*, picked up the Indie Award for Documentary on Wednesday night. This year Hot Docs is honouring the NFB with the kind of programming focus reserved for countries. As well, the festival is honouring our great Aboriginal filmmaker, Alanis Obomsawin, with a retrospective of her works. We have had a large presence at the world's major animation festivals, Annecy, Hiroshima, Zagreb, Ottawa. Last year, we won Canada's only Webby (the Oscar of the Web world), and we now seem to sweep regularly the top awards for feature documentaries and animation at Canada's equivalent of the Oscars—the Genie and Jutra awards.

We pushed innovations with a restless creative energy. Most particularly we understood that we had to come to grips with the digital revolution.

With our partner Bravo!Fact and MarbleMedia we were the first to create original productions for mobile phones in Canada.

We were among the first in the world to produce an interactive feature film, which we did with our partners at the Canadian Film Centre Media Lab.

We have been among the first to set the norms for the Web as a creative documentary medium in and of itself. Our project Filmmaker-in-Residence radically redefined engaged documentary making for a digital world, swept major new media awards nationally and internationally. But it did something else that remains unique: it bridged a gap between the social and the cultural and is one of the few media projects to have ever been featured in the *Journal of the Canadian Medical Association*.

We launched Canada's first e-cinema networks, linking five cities in Acadia, making available a rich cinematic offering of documentaries, animation and alternative drama in French, works normally only available in a major metropolitan centre.

We are pioneering stereoscope productions, a revolution that will change the nature of audiovisual experience in the years to come. For example, in a partnership with the Museum of Civilization in Québec City we produced an extraordinary short film about Champlain that blends documentary, animation and live action, all in 3D. It is on permanent exhibition in the Museum's Interpretation Centre at Place Royale.

This is a phenomenal record for a small agency that is operating on an annual budget that would finance a modest Hollywood feature.

Let me bring the strands of the argument together. On the one hand, we have this incredible creative laboratory and the other, a digital revolution. Bring those two together and you have an explosive mix essential to the task of seizing control of the digital space, managing it for the benefit of Canadians and setting foundations for the creative economies of the future.

That's what our national online screening room, which we launched last month and which Minister Moore referenced in his talk, is about; it is both experiment and proof of concept.

For example, the NFB is the caretaker of a remarkable Canadian audiovisual heritage: 13,000 films, 500,000 still images and an extensive sound library. Until now they have been a resource for historians and film buffs. We've looked after the

collection well but for the most part they remained lost from view. They were inert: not building anything; not creating opportunities; not opening doors. Imagine releasing the latent energy of those incredible works by putting them in the hands of Canadians. Imagine what can happen when you allow that treasure hoard into the world to seed new thoughts, provoke new reflections, inspire new work and create new economic opportunities.

The digital era makes possible this unearthing. It is like the famed philosopher's stone of the alchemists transmuting the inert into gold.

With a click of a button we connect to the pulse of Canadian life and creativity across the years. Much like the community screenings, fundamental to NFB's history, web broadcasting of our works and stories serves to bring Canadians together. It is the virtual church basement or school auditorium where Canadians of all generations can share their experiences, exchange points of view, construct together the Canada that is one of the most remarkable countries in the world.

Still all this is only part of the picture. We are doing our part; the CRTC is doing its part. Wayne Clarkson at Telefilm has articulated an important approach to digital. You in your creative endeavours are doing your part. What we need is to bring the parts together. We need a national digital strategy; one that will

ensure that we are building for the future of this industry and this country.

We need to ensure that the infrastructure meets the needs of today and tomorrow—that means advanced digital networks, broadband and wireless; we need rich Canadian content that is both multi-platform, cross-platform and unique creations to particular platforms; we desperately need training for new modes of production; we need to evolve business and financing models that currently remain locked within a linear traditional mode; we need to figure out how to create international digital co-production partnerships; we need to work a lot smarter at building digital brands that will capture the imagination of our audiences. Most of all we need vision.

I will do my part to ensure that we can bring the parties together to begin the necessary work for such a national digital strategy.

The opportunities are endless if, as institutions, as an industry and as a country, we are bold enough to seize them.

Thank you.....Merci!!!