



MUSIC BUSINESS DEVELOPMENT FUND GUIDELINES

Emerging Companies Level and Established Companies Level

This program is designed to support culturally relevant and commercially viable music companies in Manitoba by investing in new or expanded business activities. Funding is available for initiatives that are not artist specific, but that are intended to grow the capacity of the companies that contribute to the economic growth and sustainability of the music industry in Manitoba.

PROGRAM OBJECTIVES

To encourage the growth and development of competitive, sustainable and commercially viable companies within the Manitoba music industry by providing financial support for costs associated with increasing capacity, improving industry skill levels and developing infrastructure.

PROGRAM REQUIREMENTS FOR APPLICANTS

Emerging companies eligibility requirements:

Applicants must be resident Manitoba music companies operating as music managers, labels or music publishers (representing at least one Manitoba based recording artist or composer) or are a music presenter. Companies must be Manitoba-owned and operated and registered as a business enterprise for a minimum of one year. They must be primarily involved in music presentation or the management, marketing and/or distribution of music-recording products.

Established companies eligibility requirements: Applicants must be resident Manitoba music companies operating as music managers, labels or music publishers (representing at least two Manitoba based recording artists or composers). Companies must be Manitoba-owned and operated and registered as a business enterprise for a minimum of two years. They must be primarily involved in the management, marketing and/or distribution of music-recording products.

Contact person: The contact person can be a representative of the applicant (e.g., manager, label, grant writer).

Ineligible applicants: Government departments, public agencies or other public institutions, and public or private broadcasting companies are not eligible. Not-for-profit organizations and charitable ventures are not eligible.

Manitoba residency requirement: A Manitoba resident means an individual who is legally entitled to be and remain in Canada, is currently a resident of Manitoba and has been for not less than three hundred and sixty-five (365) days prior to the date of application to Manitoba Film & Music. In the case of partnerships, a minimum of 50% of the partnership must meet this residency requirement.

Minimum age: Please be advised that the minimum age for application to Manitoba Film & Music's programs is 18. In situations where the applicant does not meet the minimum age requirement, a parent or legal guardian may apply on their behalf, providing they agree to the terms and conditions provided in the program guidelines and contract.

First-time applicants: Manitoba Film & Music wants to help you create the best application possible. Please set up a one-on-one consultation with us to ensure you understand our programs and all the requirements by contacting the [Music Programs Coordinator](#) prior to applying.

Artist/applicant in 'good standing': No new applications will be approved if an applicant or artist has a file overdue and/or is behind in their loan repayments to Manitoba Film & Music. Note: Loan repayments are due up to March 31, 2020, and then forgiven. Applicants can only make one application to the program per deadline and any previously funded business development application must be closed prior to applying for additional support.

Business registration and bank information: The applicant must be registered as a business or incorporated in Manitoba. Contact the [Companies Office](#) to register your business name. In the case of applicants under the age of 18, a parent or legal guardian must be a signee on the business registration. This business/incorporation must have a valid Manitoba chequing account to be used for this project.

Other funding: Applicants to Manitoba Film & Music are encouraged to also apply to FACTOR, Canada Council for the Arts, and MUSICACTION if they meet these agencies' eligibility requirements, and indicate the amount applied for on the application. Inquiries to FACTOR may be directed to the agency's regional evaluation coordinator at Manitoba Music, (204) 942-8650.

Currency: All monies indicated are in Canadian dollars.

APPLICATION PROCESS

Emailed applications only: Manitoba Film & Music is only accepting applications by email to music@mbfilmmusic.ca. Applications must be in a downloadable Google Drive or Dropbox folder, and labeled "Artist Name – Program Applied For." All documents must be in PDF format. Application materials will **not** be returned. All submissions become the property of Manitoba Film & Music.

Emerging companies: All applicants must submit a detailed business plan, including information about your company, your artists (if label or manager) and initiatives you wish to undertake as part of this program.

Established companies: All applicants must submit a detailed two (2) year business plan including information about your artists, your company and initiatives you wish to undertake as part of this program.

Applicants for either stream must also include a detailed budget outlining proposed expenditures and dollar amounts being requested, including projected revenue and expenses. Funding amounts will be based on eligible activities and expenses incurred.

Applicants must demonstrate the financial ability to manage and complete the proposed activities. This includes written proof of adequate financing as well as financial statements for the last year of completed operations (this information will not be presented to the jury).

Once an application and budget amount are approved, changes to the proposed activities resulting in a budgetary impact of 25% or less may be made without Manitoba Film & Music's pre-approval. All other changes must be approved by Manitoba Film & Music.

In summary, all applicants must provide:

- A company biography;
- Financial statements from the most recent year of operation (will not be presented to the jury);
- A detailed budget outlining eligible expenditures, as well as projected yearly revenues and expenses;
- A finance plan illustrating the ability to complete the proposed activities;
- An outline of desired outcomes and methods of evaluation; and
- Emerging companies: Business plan for initiatives that applicant is seeking funding for; or
Established companies: Two (2) year business plan for initiatives that applicant is seeking funding for.

EVALUATION PROCESS

All applications will be submitted to a qualified independent assessment panel for review. Business plans will be evaluated based on the overall quality of the plan, projected results, opportunity for economic and company growth as well as the overall benefit to the Manitoba music industry.

The level of financial participation will be determined on a case-by-case basis and determined by the overall strength of the submission, as well as the long term benefit the project will have on the Manitoba company applying.

Processing and evaluation of applications will commence as soon as possible after the deadline dates. All applicants will be notified of the results within eight weeks.

FINANCIAL PARTICIPATION

Financial participation will be in the form of a grant and no recoupment will be necessary. Applicants may only apply to this program once per fiscal year (April 1–March 31) at the emerging companies level and once every two (2) years at the established companies level. Applicants cannot apply to more than one program level at a time.

Emerging companies level: Financial participation may be up to 75% of the approved budget to a maximum of \$3,000 per application.

Established companies level: Financial participation may be up to 75% of the approved budget to a maximum of \$15,000 per application.

Three Award Rule: A company may only receive a total of three awards from this program per level. In order for Manitoba Film & Music to accept additional applications once the limit has been reached, the company would need to show additional investment and Manitoba Film & Music would only support new initiatives that have not been previously funded.

Emerging companies eligible expenses: Funding provided under this program may be used toward a wide range of company development activities. Examples could include overhead costs such as: staff salaries (capped at 25% of budget), day-to-day office costs, equipment and supplies, rent and occupancy costs, general or administrative training courses and costs associated with incorporating your business and/or presenting costs associated with a specific concert or online concert.

Established companies eligible expenses: Funding provided under this program may be used toward a wide range of company development activities. Examples could include overhead costs such as: staff salaries (capped at 70%), day-to-day office costs, equipment and supplies, rent and occupancy costs, general or administrative training courses and/or costs associated with incorporating your business,

Administrative fee: An administrative fee is recognized as an eligible cost. Manitoba Film & Music will recognize up to a maximum of 15% of the final accepted total costs of the project or \$1,500, whichever is the lesser, as the administrative fee.

Funding contributions: Applicants must disclose all other sources of financial assistance for the project. Manitoba Film & Music's contribution to the project combined with any other funding, including government or terrestrial radio programs cannot exceed 100% of the total eligible budget.

Manitoba Music funding: Where an applicant receives support for expenses from Manitoba Music that are also claimed as part of a Manitoba Film & Music business development grant, the combined contribution cannot exceed 75% of budget.

Funding schedule: Funds will be disbursed according to a pre-arranged schedule subject to satisfactory reporting requirements. The schedule will be as follows: 60% of the amount approved upon the

completion of a satisfactory agreement with Manitoba Film & Music and 40% upon the completion and review of your completion report with acceptable proof of payment (cancelled cheques, eTransfer receipts, credit card receipts and money orders).

In-house costs: Up to 25% of eligible costs for emerging companies and up to 70% of eligible costs for established companies may be in-house and/or related party transactions. Applicants must disclose all related party and non-arm's length transactions in the submitted budget.

Ineligible expenses: Any expenses incurred before the application is submitted are not eligible. In-kind transactions, donated services and recoupable expenses will not be recognized. Capital costs related to permanent structures will not be recognized. Funds from this program may not be used for any costs incurred by or on behalf of a specific artist, travel costs to industry events or costs associated with company parties, meals or receptions. Artist fees and per diems are not eligible expenses.

REPORTING

All invoices/receipts involved with this application, as well as their corresponding **proof of payment**, are required to be submitted for the project to be considered complete.

Manitoba Film & Music accepts only the following as satisfactory forms of proof of payment:

- Copy of credit card statement clearly indicating payee and amount disbursed, or
- FRONT AND BACK of a cleared cheque, or
- Copy of bank transfer/eTransfer receipt, or
- Copy of money order.

Applicants will be asked to provide an interim report outlining the progress of their activities, as well as a final report detailing measurable outcomes of the success of activities, including actual results against projected targets and year-over-year company growth.

Verification of services: Manitoba Film & Music will perform a test of invoices and cancelled cheques, and this shall include contacting suppliers and/or payees for verification of submitted invoices and costs.

Receipt copies: Applicants must keep original copies of receipts submitted with their final reporting. Only photocopies of original receipts should accompany the final reporting paperwork. Any final reports submitted with original receipts will be returned to the applicant for resubmission in the proper format.

Payment types: Cash payments will only be accepted for those expenses that are less than \$150 and are substantiated by receipts from verified vendors. Cash payments to non-verified vendors or in amounts greater than \$150 will not be accepted. Artist fees of \$300 or less that are paid in cash are exempt from the \$150 payment limit.

Manitoba Film & Music reserves the right to review and amend the Music Business Development Fund program guidelines at any time.

All required forms are available on the Manitoba Film & Music website under [music programs](#).