



Canada's Digital Media Industry – \$3.8 Billion and Growing

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Market Overview:

There are over 3000 digital media companies operating in Canada, the majority of which are operating in the provinces of Ontario, British Columbia, and Quebec. Collectively, these companies employ over 55,000 people and generate over \$3.8 billion in total gross annual revenue, including over \$2.5 billion that can be directly attributed to interactive digital media activities. Moreover, in digital media sub-sectors such as gaming Canada ranks third in terms of economic activity, globally, at approximately \$2.0 billion.

Agencies:

- **Canada Media Fund** - Created in 2010. Offers \$368 million in funding for Canadian digital media creators, Canadian software development companies, or Canadian broadcasters.
- **Digital Canada 150** – A Federal initiative by which the government plans to promote the development of the Canadian Digital Media industry. Through the Business Development Bank of Canada, the government will invest \$300 million in venture capital for digital companies and \$200 million to support small and medium-sized businesses with digital technology adoption.
- **Canadian Digital Media Network** – A Canadian network that is connected with 3352 Startups and SME's, 2960 companies in the Information and Communications Technology (ICT) industry, and 166 academic institutions with R&D departments across the U.S and Canada. The CDMN offers a "Soft-Landing" program to mature startups and SME's that gives them exposure to business opportunities around the world. It provides the opportunity to work from a partnered accelerator, incubator or co-working space to obtain regional support and resources for the right connections to help open new markets, close international sales or connect with new partners.

Opportunities for U.S Businesses:

- The BC provincial government offers an Interactive Digital Media Tax Credit (ex. the IDMTC) to all eligible companies (which covers 17.5% of eligible expenditures), as well as a separate Digital Animation or Visual Effects Tax Credit (which also covers 17.5% of eligible expenditures). The province of Ontario also offers an Interactive Digital Media Tax Credit (OIDMTC), which provide tax credits that cover up to 40% of eligible expenditures. The province of Quebec also offers the Quebec Production of Multimedia Titles credit that covers up to 37.5% of eligible expenditures.
- Although no funding is provided for the CDMN's inbound (non-Canadian) "Soft-Landings," U.S companies interested in Canada will benefit from an extensive coast-to coast network; as well as CDMN support to identify the best opportunities as well as help to make the necessary connections to facilitate any and every opportunity.

- Major U.S Digital media companies that have expanded into Canada such as Microsoft, Nintendo, Electronic Arts, Industrial Light and Magic, and Sony Pictures Imageworks have listed tax credits and a talented labor force for their reasons for expanding north.

Upcoming Events and Conferences

- [International Startup Festival](#): July 9-12, 2014 – Montreal, Quebec
- [GROW Conference](#): August 20-22, 2014 – Whistler, British Columbia
- [Canada 3.0](#): October 28-30, 2014 – Calgary, Alberta
- [International CES](#): January 6-9, 2015 – Las Vegas, NV
- [InfoComm15](#): June 17-19, 2015 – Orlando, FL

Web Resources

- [Canada Digital Media Network](#)
- [Canada Media Fund](#)
- [Digital Canada 150](#)
- [List of Digital Media Tax Credits available in Canada](#)
- [Industry Canada](#)

For More Information

Please contact **Jared Byrne**, the Commercial Specialist in the Technology & Innovation sectors at the U.S. Commercial Service Canada, at Jared.Byrne@trade.gov or (403) 265-2116. You can also visit our website at <http://www.export.gov/canada>.

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