

Support for Editorial Content application form completion instructions

Section A. Applicant identification

- A1.** The publishing firm's name should be the same as on the financial statements.
- A3.** Name and title of individual to which formal correspondence, award letters, contribution agreements and cheques, if applicable, will be addressed to.
- A4.** This field will determine the language of all official documents which will be sent to the publisher stated in A3.
- A7.** This is a mandatory field, please list the principal activity of the publishing firm (i.e. broadcasting, book publishing, magazine publishing, etc.)
- A8.** Please specify publishing industry associations only. Some examples are: AQEM, SODEP, Magazines Canada, CBP, AMPA, BCAMP, MMPA, etc. Do not include trade associations, circulation audit bureaus, etc.

Section B. Contact person for this application

- B.** Key contact for the magazine to whom both general and financial inquiries will be addressed. The preferred language of communication for this contact person can be different from A4.

Section C. Magazine information

- ◆ Please state ISSN if applicable.
- ◆ State previous title of magazine only if it has changed since your previous application.
- ◆ A full twelve (12) month cycle prior to application means having completed a full twelve (12) month cycle of publication at the time of application.
- C1.** Please answer ALL questions and make sure that you have answered each of them correctly.
- C3.** If you have checked the "other language" box, please specify.
- C4.** The number of regular issues published annually as stated in the masthead might differ from the number of issues published during the reference period stated in D1.
- C5.** If the magazine has no cover price or subscription rate, please check the N/A box. The cover price is the price stated in the last issue of the reference period indicated in D1.

Section D. Reference period

- D1.** Please ensure that dates in this section correspond to those on the financial documents submitted with the application.

Section E. Circulation information

E1. Circulation in this field is the TOTAL circulation of ALL issues for the twelve (12) month reference period indicated in D1. (The original signature required must be that of the person mentioned in A3.)

One-time promotion: A special promotion done on a timely basis, the purpose of which is to boost the paid circulation of a magazine (newsstand, subscriptions and other copy sales). A marketing tool sometimes used by new magazines, smaller circulation magazines or magazines wishing to reach an additional targeted market. SEC will allow this one-time promotion in order not to penalize a magazine which normally has a 50% paid circulation base. One-time promotions which are repeated or become part of the business model of the magazine will be considered to be unpaid circulation.

- E1.1** A magazine must have an average circulation of at least 2,500 copies or more per issue to be eligible under this component.
- E2.** Numbers reported should include all pages printed during the reference period. The letters C (Canadian), F (Foreign), A (Advertising) and N (Non-revenue) correspond to the letters used to mark one of the issues submitted with your application. Please see the definition of **Special issues**.
- E2.1** This section will help you calculate whether the magazine meets the Canadian editorial content as well as the advertising content criteria of this component.

Section F. Magazine financial information

Here are some definitions of terms used in sections F1, F2, and F3:

F1. Revenues

Advertising

Net advertising revenues (gross revenues less agency commissions and cash discounts).

Newsstand

Total net newsstand sales.

Subscriptions

All subscription revenues (irrespective of source and pricing).

List rental

Gross list rental revenues.

Web site / E-commerce

Net revenues (gross revenues less agency commissions).

Ancillary products

Gross revenues from all ancillary products and services (e.g. book sales, consumer/trade shows, conferences, radio/tv productions, etc.).

F2. Expenses

Editorial, design and assembly

All costs relating to the generation of editorial pages including, but not limited to, editors/writers salaries, freelance fees, photography, page design and assembly, travel, phone and fax. Do not include overhead operational costs.

Mechanical

Pre-press (proofs, digital files, film and plates), printing, binding and mailing preparation costs.

Circulation

All costs relating to the production and maintenance of a circulation list including, but not limited to, subscription or controlled circulation promotions/mailings, telemarketing, data entry, salaries and contract services.

Advertising

All costs relating to the sale of advertising including, but not limited to, salaries, commissions, travel, telephone/fax and promotion materials (include publisher costs in this category).

Distribution

Magazine postage costs, newsstand shipping and promotion costs, and other forms of magazine distribution costs.

General and administrative expenses

All costs not elsewhere captured, including corporate overhead costs, occupancy costs, furniture and equipment depreciation, etc.

Web site / E-commerce

All costs related to the creation, maintenance and operation of Web sites and e-commerce activities.

Ancillary products

All costs related to the creation, operation, sale and distribution of all ancillary products and services.

Important:

1. Please make sure that all editorial costs are entered in the editorial, design and assembly expenses as per the definition provided above. The total of the editorial, design and assembly expenses should be similar but not necessarily equal to the eligible editorial expenses in section G (depending on the percentage of Canadian editorial content in the magazine). This number is used to determine if a magazine meets the editorial expenses criterion.
2. In order for the staff of the CMF to more readily reconcile the revenues and expenses in the financial information sections of the application form, we ask that you indicate for each item, the name/number of each revenue and expense category as identified in the financial statements or income statement.

Section G. Eligible editorial expenses

Here are some definitions of terms used in section G:

Editorial personnel

Gross earnings and taxable benefits for Canadian and permanent resident personnel dedicated solely to writing, editing, illustration, photography and design (refer to the definition of **Editorial activities**). The maximum amount that may be claimed for each employee (gross earnings and taxable benefits) is \$100,000. In instances where an individual dedicated solely to editorial activities is engaged on a part-time basis, it is expected that the maximum amount will be reduced accordingly.

Benefits

The employer portion (net of payroll deductions from Canadian and permanent resident employees) relating to: statutory benefits such as Canada Pension Plan/Quebec Pension Plan, employment insurance and provincial health plans where applicable; non-statutory benefits such as group insurance coverage for medical, dental, disability, life insurance and other items.

Professional development for editorial personnel

Costs for editorial personnel to attend training courses, seminars and conferences directly related to Canadian editorial activities. Eligible costs will include registration fees and materials. Travel and accommodation expenses are to be reported separately as travel costs.

Design and assembly

Costs associated with the creative selection of typefaces and graphic elements by a Canadian or a permanent resident; the process of marrying the selected text and graphics into visually pleasing page format in a medium ready for production. Does not include pre-press costs such as proofs, digital files, films, plates, etc.

Freelance costs

Costs charged by a Canadian or a permanent resident and organizations that provide the following editorial related services on a contract basis: writing, editing, fact checking (verification of data), photography, translation, illustration, design and assembly. Eligible costs will include fees for services, reasonable travel and accommodation expenses, materials and supplies (equipment is excluded). Examples of materials and supplies are: photography—the photographer may incur and charge costs to purchase and develop film and styling—a freelancer may incur and charge costs to engage the services of models and rent appropriate premises.

Professional fees

Payments for professional services related to editorial content rendered by an individual or an organization that is not employed by the publishing firm. Includes fees for, or in respect to, services provided by, for example, consultants, lawyers, economists, physicians, and or any other individual the publishing firm consults for professional advice on editorial material.

Purchase of rights

Payments made to a Canadian or permanent resident creator or freelancer for the use of a work in the printed version of the magazine only, e.g. an article, a photography, an illustration, etc.

Purchase of articles

Costs associated with the acquisition of Canadian editorial material from other Canadian magazine publishers.

Telephone

Long distance charges for editorial purposes. Eligible expense for Category A magazines only.

Internet

Internet and e-mail fees for editorial purposes, not including installation costs. Eligible expense for category A magazines only.

Press agencies

Costs and/or fees to purchase Canadian data/content from independent organizations, e.g. Canadian Press, etc. Eligible expense for Category A magazines only.

Publications

Costs for subscriptions to and purchase of magazines and newspapers.

Research

Expenditures for: readership surveys to assess editorial content (not advertising) for directional/positioning purposes, polling surveys from which data may appear in issue(s) of a magazine; and access to specialized databases and archive services.

Travel

Economy class travel and accommodation for related editorial activities, including professional development activities. Eligible costs will be; transportation—airline, taxi, vehicle rental, parking and mileage costs; accommodation—hotel and other, and meals.

Important:

Please specify all eligible editorial expenses under the “other” categories of section G (editorial personnel, freelance costs and other). All publishers are responsible for clearly demonstrating the relationship between the financial figures in this section and the income statement and the publishing firm’s financial statements. In order for the staff of the CMF to more readily reconcile the eligible editorial expenses, please indicate the name/number of each expense as identified in the income statement.

Note:

Shipping and courier services incurred by the publishing firm are not eligible. Scanning expenses are allowable for editorial purposes only.

Section H. List all Canadian magazines published by the applicant for which financial assistance is NOT being requested.**Section I. Report on the use of financial assistance**

This report must be completed and submitted by 2009-2010 recipients to the program by July 31, 2010.

Please find the template to complete this report on this CD and on the departmental Website at the following address: www.canadianheritage.gc.ca/cmfc. To help you complete the report, please refer to the completed example at the same address.

Publishers must complete this section in as much detail as possible using the template provided to them. The report must be signed by the PUBLISHER of the magazine. Funds received must be spent on eligible editorial expenses only, as listed under the Eligible editorial expenses (Part I, section 5) and Part IV – Definitions. These expenses are of editorial nature and cannot be spent for example on circulation, printing, creation of a Web site, etc.

Should the report be submitted to the CMF be incomplete, insufficient, or cover ineligible expenses, the applicant will be contacted. Should the report not be submitted by the

deadline date or if it is incomplete or insufficient, any forthcoming funding will be withheld until this requirement is met.

It is in the publisher's best interest to describe in detail the impact that the CMF funding has had on the magazine. These reports will assist the Department of Canadian Heritage to assess the effectiveness of the contribution program in relation to its objectives.

Section K. Ownership and control

All applicants must complete section 1,4, and 5, that is:

- Owners, shareholders, partners or members information;
- Senior management information: publisher, editor, circulation manager, sales manager; and
- Control in fact.

Sections 2 and 3 are filled out only if they apply to the publishing firm.

Remember to clearly identify citizenship status.

All addresses must be the personal addresses of individuals rather than the business address of the publishing firm.