IPF Guide:
Web Series Best Practices

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Preface

While it wasn't so long ago that a web series was considered a promotional offshoot of a television series, or a way to prove that your content was good enough for television, online video and web series are now a serious, viable and growing medium. Web series are attracting millions of views and dominating online activity. Cisco Systems has said that online video will be bigger than Facebook and Twitter by 2017. A recent white paper from independent tech analyst Ovum also says that by 2017, more than 20% of audience viewing hours will be delivered via the internet. This same study says that approximately 4% of current U.S. viewing is delivered via the web, as calculated by Nielsen. This is expected to increase based on continuing growth in tablet and smartphone ownership.

It seems impossible to imagine content not being delivered to us in the way we want it and when we want it. We have on-demand services dominating traditional broadcasters, and we're seeing the rise of a new wave of content distributors like Hulu, YouTube, Amazon, Funny or Die, Yahoo, AOL, etc. Audiences are now empowered and encouraged to find content that speaks to them, not just what someone has programmed for them.

This landscape has inevitably shifted some creative power back into the hands of producers. You don't necessarily have the barriers of entry that once existed; you don't have to submit to the "gatekeepers" like broadcasters and wait on notes and rejections. So where does that leave you, a producer? If you're reading this, it likely also means you may want to make a web series. Creating a series that will live online is incredibly exciting, liberating and indeed challenging.

There is no one way to make a series and there is no checklist of definitive steps to take to ensure success. But there are things that you can take into consideration that will help the process. There are certainly elements that are emerging that will help make your project work in this new space. This Guide to Best Practices for Web Series is authored by the producers of Independent Production Fund funded projects who have lived through the experiences of web series production, with additional notes from the Management of the Independent Production Fund. These are personal perspectives and should not be considered definitive in this ever evolving world of drama web series production. A big thank you from the IPF to all who have shared so generously so much good advice!

Introduction

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So… what is working? An overview.

There are no rules or standards, but the scripted content and distributors that seem to be most successful are related to comedic content. Think about the early distribution and content platforms that began emerging in the past few years – Funny or Die, College Humor, My Damn Channel, new YouTube MCNs like Jash, Above Average, etc.

Genre content is also doing very well. Sci fi, fantasy, gaming – these are all for audiences that are ready and willing to discover new content and engage in a meaningful way. YouTube channels such as Geek & Sundry are paving the way for new models of content creation and distribution. They have expanded from a YouTube partner, to a MCN (multi-channel network) to having content licensed for Hulu.

All different subjects can work because indeed all different people are online. As a viewer yourself, you likely have many interests, and will gravitate towards more than one genre. The key is content that is good, content that has a specific voice and content that engages their audience. So, how do you do that?

Everything should be determined by your content – who your audience is, where your series belongs and what interactive activities would benefit the series. Some audiences will be passive – they will watch your series, like it, follow it, retweet it, repost it, but otherwise won't interact. Some audiences will be more active – they will want to play a game, use clues to solve the puzzle, have the content automatically pushed to their phone in real time. What will work for your series will be unique to your story and audience. Interactive content should be an organic extension or else it will not make sense and will either be ignored or push audiences away.

Always think of your audience and what makes sense for them – will this be interesting for them? Will it be a positive addition to their overall consumption? Will they share it? If it doesn't make sense and there isn't a "yes" to these types of questions, it may not be a good use of your time, money and resources.

Okay, so you want to produce a web series. First things first – why are you doing this? And who are you doing this for?

- Content always has to come first. If you want to make a web series, you have to yourself be operating in that space, watching, consuming content so that you inherently understand the experience of being the audience, you know why people will watch and like your content. Being an engaged viewer first will enable you to understand the language of the world, and allow you to be able to create content that will resonate online.

- What is special about your content? What is the niche? Traditional broadcasters will make shows that appeal to the largest possible audience, while being online caters to smaller but more specific and dedicated audiences. How are you going to differentiate your series from what exists? Do market research for content and what audiences are responding to.

- You are making more than a dramatic, linear series. Your content must take into consideration the concerns and behaviors of the medium. Similar to the way a television series must build to commercial breaks, digital series must consider things like reducing abandonment - how to keep people paying attention and not clicking open another tab on their browser; how to increase engagement so the audience will not only watch longer, but come back to watch more, or even (ideally) repeat viewership.

- Have a unique voice. Why would someone want to watch this? If there isn't a reason for them to watch, there is nothing to talk about, or engage with. You must have a distinct POV and evoke something in the audience or they won't be compelled to engage, share, watch further, etc. Creatively,

you get to do whatever you want. You can be the driving force behind your series. You can cast people you want to cast, you can do the stories you want to do, people will see that and they will respond.

- You have to work backwards – who is the audience for your passion? That is where a concept should originate and evolve from. There has to be a reason for the series to exist – somewhere for it to live and an audience it will speak to in a specific way.

- Although "everyone" is online and the audience of online video and web series is growing, there are still key demographics you should target and keep in mind so you can know your likely audience. Although, it is certainly not always the case, this audience is often still very much an 18-35 age group, skewing male. Is your audience outside this? Are they underserved? How will you find them to tell them you have something to offer that they are lacking?

- When you're trying to build an audience online, you have to go where they already are. You can't force them to come to you.

- Use and respect social media. Use it to not only to extend your story and reach your audience, but to allow the audience to be a part of telling the story. Engage the audience in more than just a one-way manner – there needs to be more than just updates from you to them. Have dialogue, ask opinions, respond if people are talking about your series, or something that relates to your series.

- Never underestimate the basics – they can very often be the most important factors for the success of your series. Interact with your audience both on your formal channels – Facebook, Twitter, YouTube, Tumblr, etc., but also be ready to respond to them without it being prompted from you – respond to comments, questions, and share response videos. Stimulate dialogue with your audience with questions. Reward them with relevant incentives.

Think (big) before you act

- Program for the platform. Much like broadcasters have certain tastes or "brands", so too will digital platforms. You can tell the difference between an HBO series and a FOX series, even if they are both comedies. Look at a platform and try to identify what their "brand", or focus, is, and figure out how your series will fill a void that you think they need to fill. Some platforms will have a different focus in both creative content as well as format – My Damn Channel for example programs similar to traditional broadcasters in that they typically will release a series on a weekly basis, or on a daily schedule depending on the series, but it will be consistent, without variation. College Humor is very specific about the content fitting in with their "voice" so they may be more collaborative as opposed to acquiring content. Funny or Die traditionally creates one-off viral videos. Netflix is clearly for long-form serial content. Jash is more obscure and absurd comedy doing things that aren't necessarily for a broad, commercial audience. Hulu is more mainstream and universal in their series. Get to know the portals and it will help inform your distribution plan for your content.

- Creatively, you are creating a world, not just a series. With original online or web series, you can't assume that people have seen episode number one or two – they may first come across the fifth episode. So you have to create a space the series exists in so that someone can immerse themselves into it and become familiar enough that they can engage and enjoy the series.

- Find partners – these aren't always financial as they can also be promotional or for distribution. Be strategic in finding partners. Is there somewhere with similar audience that will embed your series? A popular blog? Is there an existing series that will promote your new series and you can promote theirs? Cross-collaborations can be a very powerful tool. You likely won't have money to offer, so figure out what you can trade, what you can bring to the table. If there are popular YouTube personalities or channels that fit with your audience or niche, send them your video and ask them to like it. You simply can't enter the digital world solo, you have to have different types of partners to work with, or you will be buried.

- Casting: can you get a big name actor to appear in your series either as a regular or in a guest role? Look for performers who engage online and bring in built-in audience with them. There are many actors who have many, many more posts on tumblr than they have credits on IMDB.

If you build it, you still have to tell them to come (and put it somewhere they'll go)

- It's about engagement – turn a casual viewer into a marketer (or a "super fan"). You are able to offer a level of engagement in content that audiences are not used to having access too previously. They will take an ownership stake in the series and will therefore have a vested interest in the series doing well.

- Empower your fans to be more than just passive viewers. Enable their ability to distribute and promote your material through their social channels. For example, creating gifs, or other meme-like material can encourage fan-made responses. There may even be chances to monetize this content – for example, if there are fan-made videos on YouTube, try to run ads against this material when possible. Audiences can be fantastic creators and partners.

- Create, enable, and engage in conversation around your content. You want people talking about your series. This will increase engagement and make your series more valuable when you're looking for potential partners – tangible, measureable numbers in terms of an engaged audience to show a potential distributor, partner, brand, etc. This will be through the measures of social media – likes, subscribers, tweets, posts, etc.

- Be well versed in the technical aspects that will help yield your series the best results. What player is easiest for people to view, share, embed, etc.? If you post on Facebook for example, it may be best just to post an image so that they click through and watch your content on a YouTube player as opposed to the untraceable Facebook player.

- It seems like it should go without saying, but you have to be engaged in the ongoing life of your series as well. Regardless of when and how you release, your series will be online and available long after you launch it. You should be constantly looking for opportunities to attract new audiences. Is there an event or something occurring in the news that is relevant to your series that you can use to drive new views? Is there someone who has just discovered your series and is now engaging? There needs to be someone there to take advantage of that!

Carly McGowan

Carly is the Manager of the *Independent Production Fund* and the *Cogeco Program Development Fund* and a Consultant for the *Bell Fund*.

Statistics

Over the past four years, the IPF has invested in 26 English language web series of different genres including thrillers, youth, musical, comedy and drama. Through the years we have learned a lot and want to share some of our findings, below you will see a snapshot of some of the quantitative details about our series. Note that, as in television, the story is different with French language projects.

Distribution

All our series have different distribution and promotion plans. The most common platform is YouTube with 75% of our series being released there. The next most common are: Blip (15%), Hulu (10%) and Daily Motion (10%). Of course, series can be released in different places and about half of our series have been released on multiple platforms.

All of the IPF funded web series have some sort of social media presence but not all platforms are right for reaching all audiences. Instagram works well for some audiences, others only stick to Facebook. It is important to identify where your audience is most likely to find your content and engage with your series. More detailed information about this can be found in the marketing section of this guide. For our web series, the most commonly used social media platform is Twitter and the second most popular is Facebook. 95% of our series use multiple social media channels. On average, each series tends to use 4 different channels.

Views

As web series producers, you're most likely familiar with the question "How many views does your series have?" That's what everyone always wants to know. We get that question alot, as I'm sure you do. Everyone wants to know what the views are like on the projects we've supported. Frankly it's not always a simple answer. Many series are released on multiple sites/platforms. Sometimes simultaneously, sometimes after one deal ends they move on. Thus the view numbers are spread out across sites so they are not readily obvious to viewers. Of course, views are not the only measure of success, but they are always interesting to know. The internet is over saturated with content so getting anything seen is often the hardest challenge web series producers encounter. The 26 English language series we have funded have all had different experiences when engaging audiences online. Combined, all of the English series the IPF have funded have garnered over 9 million views as of January 2013 for over 68 hours of linear content. Of the series we've funded, a handful have led the charge with 23% of the web series accounting for 84% of the views.

Through the years, web series producers have become more knowledgeable about online distribution, release and promotion. Alongside this evolution of web producers, audiences have become more comfortable with consuming content online. Keeping this in mind, it's not surprising that we have seen a definite increase in average views per series over the years. The average number of views per project for web series funded only in 2010 is just over 150,000. Comparatively, the average views per project for web series funded in 2012 is almost 900,000. Of course, each series has a different number of episodes, running time and a wide variety of "additional content" – all of which impact the comparative measure of "views".

Budgets

Throughout the four rounds of funding for the IPF Web Drama Series Program, we've seen budgets stay pretty consistent. In 2010 the average budget was $237,563 with the IPF contributing $119,000 on average. By 2013 those numbers have increased a bit with the average budget sitting at $275,394 and the average contribution from IPF at $123,333.

Promotional Budgets

One of the main challenges facing web series is marketing. With such tight production budgets, there are not the resources to do traditional marketing and promotion despite there being a strong connection between promotion and views. The majority of web series spend less than $10,000 on marketing/promotion. However, it is clear that there is a correlation between marketing spend and views. Of the 26 series, only 4 spent over $20,000 on marketing. Tellingly, these series account for over half the cumulative views of all IPF supported series. That said, there are two notable exceptions which, once combined, have over 3 million views. In these two cases, they either have a very strong social media presence or have the assistance of an established brand with a strong social media audience.

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Financing & Budgeting

Where's the Money?

The IPF has been the main source for funding dramatic web series in Canada since 2010. The reality is that these micro-budget productions experience significant challenges to finding financial support as they don't easily fit into existing funding models. Budgets and financing seem like a bit of a chicken and egg scenario when you are trying to make any media project. What is driving the financing – is it the cost of the project, or does the project cost what you can raise?

As in any business, when looking at potential funders, you need to think about how your project will benefit them as a stakeholder and examine how it fits with their goals and mandates, even if that is a fan interested in more of your great content as is the case when crowd funding.

Sources of web series funding in Canada

IPF

As an equity investor, the IPF looks at what the probability of success for the project will be. What is the content?   What is the business plan? Is there a clear marketing and distribution plan? It is a very forward thinking fund (the first web series fund in Canada), and is open to different and sometimes unconventional models. Bear in mind that the mandate of the fund is more than supporting emerging talent. As an investor, IPF has funded a large variety of scripted dramatic web series targeting audiences from preschool to adult in different genres but each one had a clear plan for reaching audience and potential return on investment.

Provincial Agencies

Since the beginning of the IPF web series program, there have been several provinces on board to add their support and invest in the web series. Their money tends to flow to the provincially based companies to support intra-provincial industry growth. In some provinces, web series are also eligible for labour tax credits. It is a good idea to look into opportunities for financial support on the provincial level.

British Columbia	Creative BC	www.creativebc.com
Alberta	Alberta Media Fund	www.culture.alberta.ca/mediafund
Saskatchewan	Creative Saskatchewan	www.creativesask.ca
Manitoba	Manitoba Film + Music	www,mbfilmmusic.ca
Ontario	Ontario Media Development Corporation	www.omdc.on.ca
Quebec	SODEC	www.sodec.gouv.qc.ca
Nova Scotia	Film & Creative Industries Nova Scotia	film.ns.ca
Prince Edward Island	Innovation PEI	www.innovationpei.com
Newfoundland & Labrador	Newfoundland & Labrador Film Development	www.nlfdc.ca
Northwest Territories	Northwest Territories Film Commission	www.nwtfilm.com
Yukon	Yukon Film and Sound	www.reelyukon.com
Nunavut	Nunavut Film Development Corporation	www.nunavutfilm.ca

Sponsors/Brands

It is very challenging to bring a brand or sponsor on board. This is for several reasons and something that traditional media faces as well:

1. If you don't have a proven audience (and large numbers), it is hard to sell your unique value proposition.

2. It can be very hard to align your content with their brand message.

3. It needs to be entertainment content first, not promotion for a product or brand. Violating this expectation will likely mean that your project will be ineligible for funding and may impact tax credit eligibility.

4. Do research on branded entertainment or content marketing before including this in your plan. For example : cmpa.ca/industry-information/cmpa-studies-presentations

IPF web series have seen some limited success with Brands/Sponsors. Generally, these were series that were coming from producers with existing relationships or had celebrity draw. More often, you may have the opportunity for product placement where the brand doesn't offer money but you are permitted to feature the product.

There are many things to take into account if sponsors are part of your plan including corporate fiscal cycles that will inform their marketing budgets and international reach. That said, there is a demand for content and the right partner could help you not only finance your project but reach audiences in interesting ways. For example: Guidestones integrated Pizza Pizza into season 1's storylines (it made sense as the main characters were university students) and then they showed teasers for the series on the in-store televisions. It was an interesting way to engage a captive audience waiting to pick up their pizzas!

Crowdfunding

The good news? There are successful examples of crowd funding campaigns specific to web series such as Video Game High School or Space Janitors. The bad news? There are more than a few that were not successful. There are many many articles, vlogs, blogs, books and websites to tell you how to run a successful crowd funding campaign. Cowd funding is not reliable unless you have an excellent hook or an existing fan base to tap. Crowd funding still holds advantages for community building more than funding. A few things to bear in mind:

1. It is really hard. This is a campaign. It is a lot of work. You will need a content plan and time and resources dedicated just for your crowd funding.

2. You will need to budget (time and money) for fulfillment.

3. Crowd funding can be great for building community.

4. This is not a reliable source of funding.

5. There are implications for the money which impact tax credit eligibility and eligibility for other funds etc.

Co-Production

There can be opportunities to access funding either from different provinces or different countries.

Cash Flow

Cash flow is of vital importance on these low budget productions. There must be a plan. Tax credits in your financing can take 18-24 months to be paid out. Deferrals are not cash. Careful planning is required in order to manage your required payments in a timely fashion. Bear this in mind when making deals. It is very difficult to arrange interim financing unless you are an established production company due to the small scale of these

budgets, and in most cases the access to this money is very costly. The cost for borrowing $100K for 12-24 months have ranged from $5K-$12K including the set-up costs and interest.

I found the money! Where does it go?

In more traditional models of film and television producers only deal with pre-production, production, and post-production on a project (not including reporting), and often hand over the finished product to a distributor or broadcaster who takes the reins for the marketing/release/promotion of the project. For web series, the production team not only crafts the story, characters and produces the series, but must also market, promote, find, and engage the audience as well. It is vital to plan out your resources accordingly – this is a long term commitment. The work around promotion and launch requires allotting funds and time and can be a full time job. You need a lot of assets and additional content to fuel your release. Online audiences demand content to engage with beyond your series. This means dedicating time and resources from preproduction to a long time after launch. Web series are generally a 'long tail' proposition, and long term community engagement and promotion is critical to building audience. This means budgeting for this eventuality, and can complicate your cash flow.

Locations

Production strategy is often dictated by your content. Most web series are shot in small locations, on location and feature a much pared down 'lean and mean' crew. This will make it easier to move locations and occupy a small footprint, and will also mean accessing locations that big shoots cannot and using available resources in those locations. Some of the IPF web series have required studios due to content and VFX requirements; seek out smaller spaces and commercial studios. Shooting at off-peak times should help with access not only to locations and studios, but also to cast, crew and equipment.

Cast and Crew

As with any low budget production, it can be a challenge to find crew and cast willing to work for what you can afford. While it can be very helpful to stretch your budget and extend opportunities to emerging crew, it can help your shoot run more smoothly if key positions are crewed with experienced contributors. They can help your shoot run more smoothly and help with creative budget alternatives (or pull favors). Make sure you are up front in the commitment you are asking. Good crew and cast will believe in your project, or you, and collaborate to make the best project possible. In the interest of avoiding strife, it can be good to consider a locked pay scale based on level of responsibility or role. For example: paying all of the actors the same rate, paying the key crew the same rate (1st AD, Art Director, DOP) and then the rest of the crew the same rate, or just pay everyone (including yourself) the same rate per day. Generally on these budgets everyone is taking a pay cut from normal rate, they are committing to you or to the project and being fair ensures this is possible. Some productions consider including deferrals as part of their negotiations. This is allowable but it is unlikely that there actually will be significant revenue to share. It is important to be upfront. Remember that, although they are committing to the project, it should not cost people to be a part of it (even if they are volunteering). Be sure to budget to feed everyone (even if it is pizza from the local store), help with transport, and allot funds to reimburse people for out of pocket expenses (kit fees and expendables).

Equipment

There are hard costs which are often harder to negotiate. Luckily, the advent of digital cinema has presented a lot more options in terms of affordable HD camera equipment and at-home/prosumer editing solutions. Good sound is vital and should not be scrimped on, both on-location and in post. Music is equally important and there are a lot of creative commons solutions and sometimes a direct artist-to-artist appeal can work to secure rights to music you thought unattainable. You will need to clear all rights (music, performance, art etc.) prior to release or you will not be able to monetize your web series, and may even face copyright infringement issues.

Scheduling

Besides the money, your other key resource is time. Rush costs money so taking the time to prepare and plan can save you in the long run. Rehearsals beforehand can save time on the day. Planning your shoot at low production times will ensure better access to cast, crew, locations, and equipment. Usually this time is between November and March. Sometimes staggered shooting blocks may be required either due to availability, production planning, or audience input. Try to block schedule as much photography together as possible. It is important to allow time for post and VFX if required. In most cases, you are paying less and that means that your work will sometimes get put lower on the priority list. However, a longer production and/or post schedule will likely mean more strain on your cash flow.

Return on Investment...

Cold. Hard. Truth. It is highly unlikely that you will get rich making your web series. Don't let this discourage you, it is an opportunity. The challenge is that there is no one clear business model as yet because the ability to exploit this type of content is deeply dependent on the audience, genre and many other factors. The following are the main sources of revenue that the IPF web series have benefited (or attempted) from:

Advertising Revenue

Most of the portals will take your content on an exclusive or non-exclusive basis in return for promotional support and hosting. In exchange, you will be offered a share of the revenue that your project yields. The more popular your content, the higher the CPM you can garner. The more views, the more revenue will flow and the higher your share. Example: YouTube, Hulu etc.

Subscription Fees/Pay Wall

There are new portals emerging that curate content in exchange for a subscription fee or use pay walls to require payment to access content. A few of the IPF series have found homes on these to mixed results. Example: JTS.TV.

Sponsors

A sponsor may come on board later in the production process, sometimes their contribution is to produce affiliated content that is branded but relates to the series.

Distribution/Licensing

Licence fees are not consistent and a reflection of a more traditional business models, but web series may be licensed for MCNs or portals (very rare), broadcaster portals (rare), or television broadcast (rare). Distributors offering advances or minimum guarantees for web series at this point are extremely rare, but a few of the IPF web series have joined forces with distributors in order to gain better access to international sales potential or VOD and SVOD platforms. Other things to consider if more traditional licensing and distribution models suit your web series: how can this be versioned and closed captioned? A selection of the IPF web series are editing a feature length cut of their web series or editing versions that would fit in conventional television timeslots. This needs to be seriously contemplated in the writing stage. It is very challenging to successfully produce scripted content that works both in short form and long format without shooting additional pieces to tie content together. In theory, this is a way to deliver the project in a way that can be distributed in traditional models.

DVD/Downloads

DVD sales are becoming less and less common especially though self-distribution. More likely would be downloadable content or EST. It is very challenging to get your content on iTunes without an aggregator, but not impossible. If your content is available for free elsewhere it is important to consider why the audience will buy your content. The IPF web series are not seeing a lot of success with this monetization plan.

Merchandising

Your ability to make money from merchandising will depend on the popularity of your series and the engagement from your community. IPF web series have offered a multitude of merch for fans that has ranged from downloadable songs, T-Shirts, Mugs, USBs to graphic novels and even a mobile app. Things to consider are fulfillment and shipping, and payment methods. Using existing e-commerce sites can help ease this process. Example: Café Press, Zazzle etc.

Spin-Offs

This is not the long term goal of all web series creators, but, in some cases, the pay-off is the next iteration of the story, be it a TV series, a book or a game. As the audience has grown for some of the IPF web series creators, there has been interest in expanding the brand.

Marcia Douglas

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Working with Micro-Budget Crews

So you've just landed a web series. The money is extremely tight, right? No worries. Time to crew up! Assuming you have your writers' room in place, here are a few tips to get you on your way and keep your micro-budget crew happy.

Finding a Crew

Your job is really to hire a few key department heads. They'll have people they work with and will help you figure out how many assistants / dailies are required. Start with costume designer, production designer and director – they need the longest prep time. Get a DoP as soon as you have draft scripts. Then hair/makeup, transportation, gaffer, key grip, and so on (Yes, treat transportation as a department, not just a person – it's a lot of work). Where, oh where to find these people? I encourage you to GET RECOMMENDATIONS FROM OTHER PRODUCERS that work at this budget level. There are over a dozen of these teams every year under the IPF, and there are other web series collectives like the IWCC – we're a friendly group and we'll share contacts and make intros. Easy! DON'T BE AFRAID TO INTERVIEW CANDIDATES. If you have department heads that are fine with overtime, excited about your project and are creatively on the same page, then you're laughing. If you are looking for more experienced department heads, consider a winter shoot. It can be a quiet time when they'll take on lower budget contracts.

Interns

Avoid the temptation to undercrew. There will be many times you will need more than one PA or "runner". They are a crucial part of the crew and worth every penny. The transport coordinator could use a PA with a license. If you are in a studio, promote a PA to 2nd AD, or "backstage manager" to make it easier to have eyes in the back of your head and manage cast sign-ins. Start interns a few days early for printing sides. I've had luck with excellent interns completing university programs like Ryerson in Toronto who require on-the-job hours to complete their courses. Yes, they're over-trained for PAs, but they "get it" and will be willing to help. Make sure they are comfortable with assigned tasks before required driving, physical activity, etc. Encourage the camera team, grips and gaffers to learn the runners' names. Not required, but cool!

Budgeting

Most crew members who have more than one prep day prefer flat fees. Otherwise, budget by the day. A fair wage on a mirco-budget is between $150 – $300 per day, with higher fees for for people who have a significant creative role like DoP. Give the DoP, Director, 1st AD, Gaffer, Hair/Makeup and Continuity a few prep days. Give the gaffer and DoP a wrap day to drive stuff around. Your production designer and costume designers may need a lot of prep time, so I would suggest a flat rate agreement. Same for transport. Pay everyone something; even interns. Even if it's just a small honorarium. Sacrifice crew gifts for some extra pay – it goes a long way. Hair/makeup will need money for their kit. The camera department will need expendables. The costume and production designer might want extra fees for driving their own car. Keep a small emergency fund of $500 or so for last minute help like an extra hand on grip/electric, etc.

Locking Them In

Coming to a very clear understanding of wages and expectations is extremely important. Get a deal memo template from another producer and get each crew member to sign on before you shoot. The deal memo should include their rate and ALL extra costs. Get their HST number if they have one. Have them fill out a provincial tax credit form if your province offers an interactive tax credit. If they have a lending company, make

sure the company name is on the deal memo. Be clear and fair with your payment schedule. Cheque-in-hand on last day is best, but if you have to defer a portion of fees for a later drawdown, be clear about how that all works well in advance so they can plan their finances.

Keeping Them Happy

A crew is a machine, and good food and hot coffee is the fuel. Establish a clear plan early on and stick to it (ie. are you a Tim Hortons production, or a fancy Starbucks-runs production?). Get a list of food allergies and requirements early and give it to every caterer. Make sure one person (and only one)has the final say on call-sheets and gets them out early, and more importantly, accurately. Make sure everyone can quickly find each other – walkie talkie rentals are cheap, and a good crew contact list is free. Make sure everyone is aware that there will likely be some overtime; don't spring it on them at 8pm. If you know there is one tough day in the shoot, make sure they have a day off afterwards. Most crews don't need to be "entertained" in down time. Everyone knows about 'Hurry Up and Wait' and will happily be posting Vines and Instagrams in breaks. Be quick to laugh and carry the spirit of the production. Work hard to get them home as soon as possible. Put EVERY-ONE in the credits. TV doesn't do that – can you believe it? Anyway...Triple check the spelling of their names. Schedule a full crew picture if you are doing stills. Email them an individual thank you with a pic from set that features them. If you are filming behind the scenes material, make sure to ask everyone if they want to be in it, and respect it if they say no.

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Davin Lengyel

Davin Lengyel is an award-winning television and digital producer. He co-produced "Pure Pwnage", a web-series seen by over 10 million viewers and adapted into a Gemini-nominated primetime television series for Showcase. Davin has produced numerous series, including his current project "Space Janitors". Entering its third season on Geek & Sundry, Space Janitors has received over 2.5 million views and won a Canadian Screen Award for "Best Original Program or Series produced for Digital Media – Fiction" and a Canadian Comedy Award for "Best Web Series".

Working with Unions

The key to a smooth working relationship with unions is time. Each union has its own New Media guidelines or side letters, and contracts and payment paperwork. The more time you can allot in pre-production to fully avail yourself of the rules and regulations the better you will be equipped to handle each situation as it arises… and they will arise…

Key Issues and Tips

Budgeting – "Know Your Limit, Play Within It"

It is crucial to budget for the total cost for each role, not just the minimum daily fee. When budgeting for an ACTRA production it is best to include two of hours of Overtime for each workday and additional Travel time if shooting outside of the GTA. It is key to include Fringes if hiring individuals from the Writers Guild of Canada, Directors Guild of Canada and the various crew unions.

The crews are pretty much "for hire" and the genre of the production is not really as relevant to those on the floor as it is to the "creatives" (Director, Performer, Writer). Even under the DGC, the Directors Schedule has a section with extensive New Media provisions. The crew is hired on Tier level. However, IA 411 has a Side Letter (No. 1) in their agreement that recognizes that New Media is still economically unrecognizable and that production of derivatives can form part of their regular workday. For a completely separate new media production, such as a web series, it is entirely negotiable with the exception of fringes at 10% of straight time earnings.

> *ACTRA Cast Budgeting Tip – There are two payment options that can help you keep the cost down: 1. Shoot five (5) episodes in one workday 2. Take advantage of 50% off of the daily rate for a four (4) hour call when an episode is five (5) minutes or less. [IPA – Clause E202 & E203]*

Be prepared for the ACTRA requirement to post a Bond to guarantee performer fees. This means that you will need to put 50% of your performer fees in an escrow account prior to beginning your shoot. So, you will be tying up a lot of cash up-front.

Insurance – "You Have to Pay to Play"

In addition to production insurance, ACTRA requires specific insurance to cover their performers. There are two options for this insurance: workers' compensation or Accident on Set coverage.

Accident on Set is administered through a branch of ACTRA and is widely used because of its ease of access.

> *TIP: Workers' Compensation and Accident on Set coverage must be in place before any actors are allowed on set. FYI: The Accident on Set office closes daily at 4pm!*

On Set Rules and Regulations – "I fought the law and the law won"

As stated, there are multiple rules and regulation for each Union. It is in your best interest to learn the rules that pertain to day-to-day production. It is inevitable that on every production you will encounter new challenges. You need to familiarize yourself with the most common rules that need to be adhered to on a daily

basis:

1. Meal penalty
2. Travel time
3. Turnaround
4. Overtime
5. Upgrades (ACTRA)
6. Background Performer regulations (ACTRA)
7. Payment schedules

Each Union has a specific clause so familiarize yourself with these to the best of your ability.

Contracts and Payment Paperwork – "Remittance Forms Are the New Black"

It can be very easy to be intimidated by the multiple forms and paperwork required for each individual union. Take a breath and take your time. Mistakes cost you money.

Contracts: It is very important to have the correct information in the contracts, including the correct Agency address, SIN and Union numbers, and contracted days.

> **TIP: If a specific day is listed in the contract, you have to pay for that day, unless you follow the change date procedure and file the required paperwork.**

> **TIP: Ask the following questions: Does the individual have a GST #? Are they incorporated? Whose name is on the cheque – the actor, a company or the agency?**

ACTRA Work Reports must be completed on set and signed by an Actor upon their release from a workday. Ensure the accuracy when listing times (call, wardrobe / make-up, meal times, wrap) because these are the official 'time cards' for each workday and are the basis for the remittance forms.

Remittance Forms: Each remittance form has its own idiosyncrasies. Although remittance forms show the majority of formulas that you will require, be forewarned that they don't have all the formulas you will need.

> **TIP: ACTRA remittance forms require you to manually add the day rate plus any additional fees, such as Overtime, for each actor and each day.**

CMPA – "Membership Has Its Privileges"

You do not have to be a member of the CMPA to produce under the Canadian Union agreements. There are associated administration fees in each of the agreements for CMPA members and non-members and these payments are determined by a percentage of the gross payroll. One of the benefits of being a CMPA member is that the percentage of these payments are lower and that there is also a cap – for non-members the percentage is higher and there is no cap. For example, if a CMPA member is using ACTRA talent, that member would remit to the CMPA 2% of their Performers' Gross Payroll to a cap of $5,000 per production. A non-member remits 2.5% with no cap.

> **TIP: CMPA members also benefit from arbitration representation if a grievance is filed against their production.**

TIP: To hire ACTRA talent a production company has to sign the Voluntary Recognition Agreement, becoming signatory to the IPA. Once a production company has signed the VRA, they are not longer able to hire non-union talent, so having a single purpose production company that can sign the VRA maybe the best option for companies that produce content with either union or non-union talent.

Link to ACTRA Toronto Independent Production web page:
www.actratoronto.com/producers/independent-production

Advantages of Working under Union Agreements

The key advantage to working with Unions is the level of talent that will arrive on set. In Canada, we have world-class performers, crews, writers and directors. By being able to accommodate the requirements of each Union, you will have access to top tier talent, which inevitably will make your day run smoother, your show look better and can facilitate award winning performances.

Another benefit to working with Unions is that any grievances are handled through pre-established guidelines, with union representatives who can assist with any negotiations.

Disadvantages of Working under Union Agreements

Clearly the disadvantages of working with Unions are the multiple forms of paperwork and administrative fees as well as the performer rates and benefits that you must comply with. It can be difficult for a small production to process the paperwork in a smooth and timely manner. In addition, with New Media micro-budgets, there is little to no room for administrative fees when all the funds are allocated to what's on-screen.

Furthermore, many new media productions do not fit into the current constraints of the Union regulations. As a result, it can often be challenging to determine if you are able to fully execute your vision while playing by the rules.

In conclusion, keep in mind that union representatives are available and interested in talking to digital producers to assist in answering questions or potentially overcoming any hurdles. Their doors are always open, especially if you come to them before you have started production or before a possible grievance has occurred.   There may be some flexibility in interpreting their regulations that they can help you identify, which would be to your advantage. Talk to them before you confirm your budget.

Links to National Collective Agreements from the CMPA website: ACTRA, DGC, IATSE Local 411, NABET 700 CEP, WGC

www.cmpa.ca/industrial-relations/national-collective-agreements/national-collective-agreements

Lisa Baylin

As VP, Content & Production at *iThentic*, Lisa Baylin has developed multiple digital assets ranging from online video platforms to convergent and stand-alone Facebook games and has had to opportunity to produce various digital series including the Emmy Award winning transmedia series GUIDESTONES.

Know Your Audience

Hello prospective Web Series producer,

Welcome to a weird, always-evolving world of uncertainty! It's going to a be a very unpredictable ride not unlike the early days of sea voyage, when people launched well-provisioned ships with clear courses and set out to sea. They were equally as likely to make their intended destination as they were to find adventure, or destruction, or desolation, or starvation, or never to be heard from again... People use the Wild West as a metaphor in this business, but I like to use the ocean because it is much more vast and deep, and it is full of unpredictability that is completely out of your control.

Embrace the uncertainty. Stay nimble. Be flexible. Be willing to change your plans to ride a wave. Be willing to weather a storm. Don't dump your cargo at the first sight of an imperial cruiser. Have a plan with clear goals. Set your sights on achievable targets. Don't let other people's success embitter you – learn from their strategies, or, more likely, how they responded to an opportunity. Also, research your peers and watch what they are doing carefully, even the ones who are doing poorly – learn from their mistakes. Consume the media, and experience the medium you are now servicing – become an active part of it. You are in charge of every element of your product from inception to maintaining its presence online 10 years later – you have to live and breathe this product in this ever-changing landscape for it to find success.

Barring a few notable exceptions, you will not make money in this medium.

You may bring in some revenue, but, most likely, it will never compare to the amount of money and time you have spent on the project and its release. In a best-case scenario, you will be paid a livable wage to produce and release a series. But, the chances it will generate revenue as a web series release alone are next to nil. So figure out what else it can do for you: can it become a comic book, a TV show, a movie, an app, a DVD/VOD sale, or is it just a resume piece or calling-card?

Clearly define your goals. Set your own definition of success on this project BEFORE you embark on it.

You need to know what your product is and how you want it to be consumed – then you need to figure out quickly if that is how your target audience consumes their product.

Every project is different and this space is CONSTANTLY changing.

Your release plan HAS to be built around your audience.

- WHO ARE THEY?
- WHAT ARE THEIR HABITS?
- WHERE DO THEY GO?
- WILL THEY PAY FOR IT?

These are all questions you need to know the answer to BEFORE you even start making your series if you want it to improve your chances of meeting your self-defined success parameters.

BUILD YOUR SHOW FOR AN INTENDED AUDIENCE.

KNOW THAT AUDIENCE.

BE THAT AUDIENCE.

Are they binge-viewers?

If so, release your whole series at once.

Are they casual daily viewers?

If so release at a specifically scheduled time every day.

Are they passive?

If so, push your content to them via email.

Are they young and cooler than you?

If so, make your content super short like vine or instagram.

Are they a hard to find niche?

Then put WAY more money into advertising on release.

Are they trend-followers?

Then put an influencer they care about in your show.

Is your audience one that loves to dig into complex characters?

Then give them longer episodes.

Is your audience fickle?

Then make every episode feel like something different and new and keep them short.

Is your audience is passionate about something?

Then don't give them pandering bullshit you think will sell to them.

What are the viewing habits of your audience?

Moms at home on their computers during the day have different needs from high school boys or engineers that love Firefly. Episode lengths and release times and days that are ideal for each of these are quite different. Be sure to get this information from your audience research before you make the show or through experimentation after you have launched.

> *A research tip: Organizing a log of sites with web series that come out regularly that are relevant to your show in some way, checking back with them regularly, and keeping an eye on what it is that other people are doing is incredibly important. Broadcasters do this, and we have to be our own broadcasters.*

You content will never be the best thing there is on the web – deal with it.

Your show will never have the budget, or time, or stars, or release platform, or advertising, or support that it deserves or needs. It will always be a lesser version of what you want it to be – EVERYTHING ever produced in the film and TV industry is. Someone else will ALWAYS have more of those things than you.

How do you compete with them then? You find a reason for people to care about YOUR show over everything else out there. Find a way to connect to your viewers in a way that is unique and meaningful; make them feel like they are connected to the creator of the thing they love. THAT IS THE SINGLE BIGGEST ADVANTAGE OUR MEDIUM HAS OVER OTHERS. Talk to them. Engage them. Listen to them. Treat them like respected friends and colleagues, even if you can't stand some of them. Give them the opportunity to invest emotionally in your content and into the team that makes that content. Get them to pour as much love as they can into your show because that is what will keep them coming back, and telling people about it.

Your relationship with your audience is MORE important than the quality of your show.

Every show NEEDS an audience, but there are an infinite number of other shows your audience can effortlessly connect to over yours. Value their connection to your content and nurture that connection because it is VITAL to your success. Put more resources into the release of your show than you think you should. 1/3 or 1/2 of your total project budget can go to supporting the show on release. Making the show is only half the battle.

You have to fight for every viewer and it is exhausting; to find success online, you will always be working. It is NOT a 9 to 5 job and it takes a different kind of commitment to dominate this space.

Felicia Day, creator of The Guild, once threw out a thought in an interview that has stuck with me over the years (I'm paraphrasing here):

However long it takes you to, come up with an idea, write it, shoot it, edit it, and finally release it, double that amount of time and effort and energy – that's how much you have to put into the show after launch.

There is no reliable recipe for success in the open ocean because it's too vast and too unpredictable. All you can do out here is hope you built the right ship and assembled the right crew for the job when you launch, because it is going to be a long haul to (hopefully) get where you are going.

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Mike Fly

Mike Fly is a digital producer whose credits include *Versus Valerie, Sexy Nerd Girl, Comedy Bar, Wedding Trashers* and *Improv Monologue Project*. He is the Director of Photography on *Space Janitors* and he directed the series *But I'm Chris Jericho* as well as several shorts for the *Second City Network*. Mike also teaches web series foundation courses at *Raindance* in his hometown of Toronto.

Marketing

It's never too soon to start marketing.

Forget your shyness. Lose the modesty. If you're a web series creator, you only have the teeniest of marketing budgets to work with – likely only what you can steal from your production budget. So you are going to have to make up for it with volume and frequency. Start telling your story today using every platform you can find.

Audience is everything

Starting as soon as you have a concept, think about who your audience is and how and where you can connect with them. If your concept is Space Janitors, you'll be looking for all the online spaces where Star Wars geeks and sci fi fans hang out. If your concept is Out With Dad, you'll want to figure out where gay (but not necessarily out) teens and their parents are spending their internet hours. If you're doing a kids show, like I do, then you might try reaching out to parents, teachers and librarians who can be the intermediaries to a harder-to-find audience.

Understand the economy of the web

Just blasting your message out won't work on the web. You must establish yourself as a contributing member of a community before that community will embrace you and be open to your marketing efforts. If you've found a Facebook group, discussion board or Twitter community that has tons of potential fans, then spend some time listening and contributing to the ongoing conversation. If they think you're only there to advertise to them, they won't respond. Like and share other people's work and comments. Build relationships. Then tell them about your show. They are much more likely to take a look and support you, if they already know you. You won't be able to do this in too many communities at once.   Pick one or two or three at a time and work them. Once you've established relationships in a community, it will take far less time to maintain them.

It's not always about you

In fact, the best promotions can be about something else entirely. A post or piece of content that is valuable to another community can drive a lot of traffic to yours. For the second season of Ruby Skye P.I. – The Haunted Library – we targeted the Nerdfighter community (fans of the vlog brothers Hank and John Green). We built images into our episodes that we knew that Nerdfighters would love. We then made GIFs out of those images and submitted them to Tumblrs that are popular with that community. The GIFS got hundreds of reblogs and many of the people who saw them wondered where the images came from. They found our show, loved it and subscribed.

Thumbnails, links, tag words and SEO

Every episode needs its own set of keywords, a text description and a great thumbnail image. Know this far in advance; don't be scrambling on the day of upload. Search engine optimization is important, but don't be a slave to it or pay anyone a lot of money to optimize for you. Learn a few simple tricks and install optimization plugins on your web site. Links into your site help your ranking on Google. Get those links is as many places as you can.

Find your supporters and love them back

People who love your project and who follow, like, retweet and share will amplify your voice and help tremendously. They might be your funders, cast and crew, video platforms, friends, fellow web series creators or fans. Whenever possible, say thank you, reply to comments and return the favour by sharing and promoting their work. Your fellow web creators may be your biggest supporters, but don't spend a lot of time and effort marketing to them. It will annoy them and waste your time. Do keep them abreast of what you're doing, but remember that they aren't your audience.

There are 24 hours in every day

It's a lot of work. It's slow. It's not particularly glamourous. But if you're determined to succeed in building an audience, you can. You just have to keep at it. It may feel like you're doing it one person at a time, but that's how it's done. Get some post cards, buttons, bookmarks or other cheap items you can hand out at cons, dinner parties and wherever you are in person. You can even leave cards on the toilet roll in public bathrooms as Felicia Day is reputed to have done for The Guild.   Include links to your content in the signature line of your emails and on every social media platform you sign up for.   Go to every event you are invited to, enter awards competitions, talk to everyone and tell your story whenever anyone will listen – in real life and virtually. Email bloggers and thought leaders who you think might be interested in your show and tell them about it. Bring all your passion for your project every time. You may not have much money to spend on marketing, but your time and passion can take you pretty far.

Good luck!

Jill Golick

Jill Golick is the Canadian Screen Award-winning producer of the IPF-financed web series, *Ruby Skye P.I.* An accomplished screenwriter and early adopter, Golick brings substantial traditional-industry experience to the newer world of transmedia, interactive narrative and web series creation.

More Marketing

Seriously plan out your marketing strategy in advance.

Think of the weeks and months of promotion after launch as a narrative in and of itself. It needs to constantly be changing to maintain momentum into (hopefully) a second season. This strategy should cover at least the 2 months prior to the series release, and 4 months preceding it. You need to keep the momentum and interest in your series going after all of your episodes are released. – Spread out your supplementary content over weeks and months.

Social Sharing

- Start your social media campaign – Facebook Twitter, Instagram accounts, etc months before the series release. Balance posting regularly but not too often before you have video content to share.

- Take a lot of pictures during the production of the series. These photographs can be more valuable than videos later on when promoting series.

- Think of your Twitter and Facebook pages as an extension of the tone of your series. If you are making a comedy, your posts should be funny. Every post doesn't have to be about your show either – anything related to the content of your show can be shared with your fans as well.

- Promoting your series after release is a part-time job and can be a full-time job. Factor this into your budget unless you are willing to do it for free for weeks and possibly months after launch.

- Tweeting your own videos at celebrities usually doesn't work very well. Get friends or fans of your show to do this for you. It is more effective at getting their attention.

- Even if your series is well made with high production values and great acting, don't expect it to go viral or market itself. Scripted, narrative content on the web needs to be actively pushed and promoted. Your content will speak for itself but you still need to get it in front of potential fans.

- Memes are a very good marketing tool. The most liked and shared posts on the Just Passing Through Facebook page were memes and manipulated still images.

- Don't say "no" to any opportunity to market yourself and your series. Unless you have 5 million views per episode consider your series to be an undiscovered gem that needs to get out to the world.

More Traditional Techniques

- Consider hiring a publicist in advance of your release. In addition to a publicist, any connections to people in the industry are equally important. Don't be shy about asking people to mention your series or help you out.

- Be ready to capitalize on merchandising opportunities quickly. If there is a demand for merchandise you need to get it into their hands within a month or so. The demand/interest for merch can fade quickly too.

Episode Times and Release Schedule

- In our opinion, the one episode a week release model is a thing of the past. There is too much competition out there on the internet. Our recommendation would be to release at least half of

your content at launch and have a firm plan on the gap between subsequent episodes releases. Binge watching is here to stay. Consider releasing all of your episodes at once. Or release all episodes except the finale. Be creative with how you release your series.

- Avoid releasing episodes during the months of June, July and August at all costs. Hot, sunny days are not kind to your series.

- Don't be afraid to make full length episodes if you have the budget and the will to do it. The old thinking was that people wouldn't watch 22 minutes of a show on the internet because of "short attention spans". We now know this is totally false. People watch TV and movies all the time on the internet. If the show is well paced and good, they will watch it.

- In our opinion, it is more difficult to pace a 7-10 minute episode than it is to pace a 20-22 minute episode. This is because in a 7-10 minute episode, "B" and "C" stories difficult to incorporate. This means that the episode relies solely on an "A" story. With comedy series, the scenes should all be between 30 seconds and 1:30 in length. If your scenes are stretching to 2-3 minutes, they are probably too long.

Importance of Additional Content

- Consider putting in a "show within a show". With Just Passing Through we had our main characters watching a show called 'Pogey Beach'. We included a 10 minute episode of Pogey Beach in our supplementary content that was just as popular or more popular than many of our Just Passing Through episodes.

- You need a lot of content for a web series to be successful. 60 minutes of episodic content might not be enough anymore. Just Passing Through had 150 minutes of episodic content but that can be watched in an afternoon by a viewer. You aren't competing against other web series. Your main competition is big budget, professionally made and popular series that are on Netflix or an internet streaming site.

The key to success is to find and foster hard-core fans of your series. It really doesn't matter how many people don't like your show. You need people to love your show and be passionate about it. Once you find hard-core fans, you need to foster a relationship with them. Respond to all of their comments, engage, etc.

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Jeremy Larter

Jeremy Larter is a writer/actor/filmmaker born and raised in Prince Edward Island. He graduated from The Advanced Television and Film program at Sheridan College in 2005. His notable web series work includes the comedy series *Profile PEI, Ponderings, Leafs Beefs* and *Just Passing Through*. Television critic John Doyle of The Globe and Mail ranked *Just Passing Through* number 6 on his top ten TV list of 2013.

Distribution Platforms

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 It's been 10 years since the launch of YouTube, and the universe of online video has gone through several evolutions in this brief period of time. Short-form versus long-form, revenue shares versus license fees, exclusive versus non-exclusive...

Fact is, there are still no hard rules for distribution of web series on digital platforms. But, here are my top 10 useful guidelines:

1. **Canada:** Still miles behind the US and Europe in terms of standalone opportunities for original web series on the Internet. Canada still has no HULU, no Funny or Die, no Amazon, no My Damn Channel...and portals like Yahoo, MSN and AOL are US-headquartered and therefore do not have the same budgets or interest in commissioning original scripted series as their parents might have. The good news is that Canada's BDUs are stepping into the fray with their own original web content – still early days though.

2. **Hulu, Amazon and Yahoo – Formats:** Each of these portals in the US has experimented and explored different approaches to original series. And, all have settled on longer form content, often celebrity-driven, for their online content strategies. Yahoo is the most recent portal to abandon short-form web series in favour of longer running episodes. The argument is that audiences want to engage with longer form content, irrespective of the platform it is presented on. That said, Hulu will take a high quality web series even though it is harder for them and for you, as the producer, to see a return because inserting commercials is more challenging in shorter episodes.

3. **Hulu, Amazon and Yahoo – License Fees:** For acquisitions, Hulu generally does not pay a license fee – rather it enters into a 50/50 revenue share arrangement with the channel partner for a 3-year term. Most importantly, acquisitions for AVOD (advertiser supported VOD) never take exclusive rights. Web series producers need to identify a channel partner who is willing to represent their series, and for this they will take a standard cut of 15-20% of the rightholder's 50%. There are several Canadian companies with channel partnerships on Hulu including eOne entertainment, Shaftesbury, and Duopoly. (see http://www.hulu.com/about/content for complete list of Hulu channel partners). For original commissions, all three platforms are looking more and more like traditional US broadcasters. They seek star-driven properties and generally prefer that these come through agents or lawyer representation. Amazon does run an 'open competition' on its platform for TV and feature film originals (http://studios.amazon.com/getting-started/series/?ref=tsm_blog_astu_series) and several Canadian projects have been ordered to date.

4. **Rights:** As stated, for AVOD rights, producers should be looking for non-exclusive deals. The question of cannibalizing your audience is less relevant on the Internet as different audiences find their content in different places. A UK audience may be looking for comedy series on Love-Film and a US audience may stick to Hulu.

5. **Other platforms for online web series distribution:** There are several second tier services that promise great results for web series producers such as BlipTV in the US. And, if you have a great series, results can be pretty good – but, unless the content pops, it is lost in space. Again, the model for straight acquisitions is generally a 50/50 rev share for 3 years on a non-exclusive basis.

6. **Comedy opportunities:** Funny or Die, Cracked, My Damn Channel, CollegeHumor, Defy, Above-Average... the list of comedy-focused web platforms abounds. But, sadly, the opportunities to partner with or produce for these sites are quite restricted. Each of these platforms has its own creative sensibility, often with an in-house comic team. They are looking for 'breaking' or established comics that come to the table with a solid digital footprint. But, if you've got a great property, they are always open to pitches. The best place to find them is at the JUST FOR LAUGHS ComedyPRO conference in Montreal in July (http://comedypro.hahaha.com/).

7. **YouTube:** With the launch of content partner channels on Hulu and the ability for content brands to monetize their audiences through YouTube, the world of online platforms changed. That said, as many creators have pointed out, handing over your audience management to YouTube, or to a YouTube aggregator like Machinima or Maker Studios, means losing control over that audience. But, owning 1% of a billion dollar business is still better than 100% of a zero dollar business – is our humble position. But not all web series are born to succeed on YouTube... so finding an aggregator or partners to push YouTube traffic can be a good option for many producers.

8. **Brands:** Brands like Red Bull, GE, or Intel are becoming viable publishers of content, and are creating major platforms for driving audiences. As such, brands may become an increasingly important partner for web series producers looking for distribution. Here again, there are no rules – except that brands will be looking to spend less on web series content than on a million dollar 30-second spot!

9. **International Market:** Five years ago there were modest international sales possible from an original web series driven in part by now defunct services like Babelgum or mobile carriers like Orange looking for content solutions. That marketplace no longer exists, although there are many niche channels and distribution platforms in Europe and worldwide that may be appropriate, with smaller returns but long-term possibilities. In fact, producers should be prepared to create multiple formats for their web series – that is, a TV version or movie version – in order to make sales outside of North America.

10. **How to stay informed:** The web series business is moving quickly, and platforms are still adapting and shape-shifting to secure viable business models for original content. Producers need to understand that there is still no sustainable financial model for web content – not yet! And so, platforms are looking for the lowest cost highest value (celebrity value) content possible. The key is to keep producing great content and delivering audiences to prove that there is a business model worthy of long-term investment and commitment.

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Jonas Diamond

Jonas Diamond is the CEO of iThentic and the Executive Producer at Smiley Guy Studios. Jonas is also a board member of the Academy of Canadian Cinema & TV.

Traditional Broadcasters and Web Series

Almost all of the Canadian broadcasters have been experimenting by licensing stand-alone, original web series for their online portals, and in some cases, adapted for television broadcast in different formats. Broadcasters can offer promotion, financing, triggers for other sources of financing, and creative expertise to web series producers. However, partnering with a broadcaster means accepting terms and conditions and defining rights that may impact your production. Negotiating with the broadcaster is essential. What can you expect?

Licence fees

In 2012-2013 broadcasters offered licence fees ranging from $15,000 to $100,000. The amount depends on the size of the broadcaster (and its audiences), the range of rights broadcasters obtain, the media they will have the rights for, and the budget of the web series. In some cases, the licence fee is also complemented by an additional equity investment from the broadcaster. When the broadcaster also takes traditional television broadcast rights, the project may become eligible for Canada Media Fund (CMF) funding from the broadcaster envelope and will also generally ensure that the project is eligible for funding from various tax credit programs.

Media

Broadcasters generally want the rights for any manner of digital media on all digital platforms or all "ancillary media",and, sometimes, for television broadcast too. If broadcasters do not exercise any of the rights they have obtained, this right (such as sales through iTunes) should revert, at least on a non-exclusive basis, to the producer after 6 months (or a year).

Territory

Broadcasters may only license rights in Canada. It could be either English or French Canada, or combined.

Term

Most terms are 3 to 5 years, with unlimited use. Terms should, however, be limited to 6 months (to a maximum of one year) for exclusive online rights, followed by a period of non-exclusive rights online. When broadcasters have exclusive rights, producers have to ensure that any other exploitation of the series, such as on YouTube, will have to be geo-blocked, and your Canadian viewers will then only be able to access your series on the broadcaster website. It is important to consider the impact this may have on your audiences, promotion and metrics. If broadcasters license a second or subsequent season, they may request co-terminus rights for season 1 (extends the licence to match the end date of subsequent season terms) and should pay an additional licence fee for this extension. TV exclusivity is normally for the term of the licence.

Revenue Share

All revenues from advertising and sponsorship that the broadcaster obtains are retained by the broadcaster. Some broadcasters require the right to a brand integration into the series. Normally, electronic sell-through (EST) from iTunes or home video, for example, is shared 50/50 (from Canadian sales only) between broadcaster and producer, after deduction of distribution fees (20-35%) and expenses (10%). Broadcasters with equity investments may participate in revenue from merchandising in Canada or other subsidiary rights (10%). Some require a share of any profits. Canadian broadcasters should not share in international revenues generated – unless they are equity investors too.

Promotion

Broadcasters can provide extensive promotional opportunities, both on broadcast TV and on their websites and other media. It is essential that they do not have exclusive promotion rights. Producers must also have the right (and obligation!) to promote the series too. Broadcasters may require approval, however, of producer press releases and promotional material. It could get complicated. Who does social media? Clarify to ensure that you can be actively involved. Broadcasters should be obligated to provide qualitative and quantitative data and audience metrics to the producer on a regular basis.

Hosting/maintenance

Normally the broadcaster will want to host web series on their portal, and undertake the hosting expenses. Maintenance costs however, such as servicing, fixing, updating or moderating the web series, may be at the producer's expense and the producer must be prepared to guarantee fixes within hours of a problem occurring. The broadcaster should pay a fee specifically for this purpose, if the term is longer than one year.

Insurance

Budgets for web series with broadcaster participation must include costs of Errors and Omissions insurance (E&O) usually for a minimum of $1M per occurrence. Production and general liability insurance packages are also generally required.

Approvals

It is likely that the broadcaster will require a long list of approval rights – from your content, to cast and crew, to your sponsors/product placement, to your social media. Be prepared. Broadcasters will require that your content (each episode) meet with requirements of the CRTC to qualify as certified Canadian content. They will also require time to provide these approvals.

Subsequent seasons

Licence agreements generally include clauses assigning to the broadcaster the first option to negotiate, or rights of refusal for any additional episodes you may produce or any spin-offs, which must be exercised within a 6-9 months from the decision to produce, or prior to the end of the existing licence term.

Deliverables

It is important that there be a clear understanding of the deliverables expected by the broadcaster as it impacts your production and the collection of assets. Your web series must meet the technical specifications of the broadcaster. Specific promotional materials will also be expected from the producer.

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Andra Sheffer

Andra is the Executive Director of the *Independent Production Fund*, the *Bell Fund* and the *Cogeco Program Development Fund*.

Co-Productions

The business of content production, whether for traditional or digital platforms, is by definition the business of collaboration and therefore, co-production. Rare is the instance where a producer finds a single source of financing!

And, if our job as producers is about seeking and securing multiple sources of financing to complete our budgets – this job is doubly challenging, where the budgets are small and margins are thin.

Some tips for web series producers:

1. Working with as many creative producers as possible increases your chances of finding a hit or break-out material. But this also means managing and balancing the interests of many personalities and again, if the margins are small or non-existent this can be challenging. That said, the advantage of working with strong creative producers is that they will go the extra mile to promote and market a project, and often bring new networks of online community with them.

2. The deals with creators of web material are different than the deals with creators of TV material. Because creators (and producers) may be working for reduced or fully deferred fees, they expect, and will demand, greater upside, and producers need to be open to co-producing with creators. That said, producers who assume all of the financial risk should not step back completely. It's a balancing act and there are no rules, as yet.

3. Identify and develop relationships with the Canadian outlets willing to take the risk and spend some money on web series. In Canada today, there are not a lot of outlets willing to pay for original web series content. But there are a few! Whether BITE TV or Bell Media or CBC, the dollars are not great and certainly fall outside of Terms of Trade. So, producers need to share information with each other to try and help build this business and make it more viable.

4. The Canadian marketplace does not present adequate economics for web series. This means producers must go outside the country and develop partnerships with other platforms and producers in order to build out sufficient budgets and audiences for web series. The territory is rich especially in the genres of comedy, sci-fi and horror in the US.

5. One strategy is to explore official co-productions with the UK, for example. This is extremely labour-intensive and costly, given the budget size of most web series. But, in some cases, it is worth the effort – both creatively and financially.

6. Multiple partners translate into multiple delivery, launch and territory demands. Again, co-productions are fraught with conflicting interests. Exclusivity, especially on the web, is always an issue. So is delivery format. Increasingly, European buyers are insisting on longer-running times (TV half-hours and movies rather than webisodes) whereas US buyers are still interested in webisodes. So, producers must be flexible and willing to accommodate all formats in their budgeting process.

Why do a web series co-production? Because the world of content production is changing and while $2m per episode TV production is far more lucrative, $25,000 per episode web series production may be the 'new normal' for many producers. Learning how to create great production values and great creative at lower budgets are skills that will continue to serve us!

Catherine Tait

Catherine Tait is a Founder and Chair of *iThentic*, an online content company which produces and distributes digital series. Named Canada's Digital Company of the Year (Playback 2012), *iThentic* won multiple awards including a Digital Emmy for its interactive thriller GUIDESTONES.