

# Business Innovation: FAQ – Community Newspaper

## Overview:

### **Why are Community Newspaper projects now funded through Business Innovation?**

The Canada Periodical Fund (CPF) recognises the changes in the media landscape for community newspapers, both print and digital-only publications. This project-based component of the CPF encourages innovation to adapt to changing market conditions. The program ensures that publishers have access to funds in-order to support innovative activities.

### **What is the objective of the Community Newspaper stream?**

The Business Innovation component provides financial assistance to eligible small and mid-sized print community newspapers (non-daily) and digital-only community newspaper publishers. The component encourages innovation to adapt to changing market conditions and contributes to the diversity of content sought by Canadian readers.

The objectives are to:

- support innovation and the use of new technologies;
- strengthen the financial viability of Canadian print community newspapers(non-daily) and digital periodicals;
- increase access to the market by Canadian print community newspapers (non-daily) and digital periodicals;
- encourage the development of the next generation of Canadian periodical publishing professionals; and
- enhance the diversity of titles and Canadian editorial content available to readers and advertisers.

Innovation may involve the adoption or use of new technologies, but can also involve changing your business model or adapting to changes in your environment, to deliver better products or services. Innovation generally refers to changing or creating more effective processes, products or ideas, to increase productivity, performance and sustainability.

### **I have received funding from the Special Measures for Journalism (SMJ), do I qualify automatically to Business Innovation – Community Newspaper?**

No, the Special Measures for Journalism (SMJ) was a special attestation-based program designed to help publishers address challenges during the COVID-19 Pandemic. The **Business Innovation – Community Newspaper** program has specific eligibility criteria for the type of publications and category of projects that are eligible for funds.

### **How will the funds be distributed?**

The funds are distributed through one of the following options:

- A grant could be payment issued to a recipient for a project
- A contribution agreement is a conditional payment issued for a specific purpose, as outlined in a funding agreement.

### **What is the maximum amount of funding my organization can receive under the program?**

The total financial assistance received from the Business Innovation – Community Newspaper component and other levels of government (federal, provincial, territorial and municipal) cannot exceed:

- 75% of the total eligible project-related costs.

The program can fund up to 75% of eligible expenses to a maximum of \$50,000 per project. A publisher applying for multiple titles is eligible to receive up to a maximum of \$100,000 per fiscal year

### **Who can apply?**

Publishing firms producing **printed paid circulation community newspaper and digital-only community newspapers**.

Community newspapers under request circulation are not eligible.

### **Does this new stream allow for “start-up” funding for new community newspapers?**

The **Business Innovation – Community Newspaper** program does not include funds for “start-up” community newspapers. The funds are available for established periodicals that have specific innovative projects that support and improve their publication. This could change in future offerings.

### **Can a publisher apply to more than one project in the current fiscal year?**

You can submit only one application to Business Innovation – Community Newspaper per periodical, per fiscal year.

## **Eligibility/Applications:**

### **What projects/activities are eligible?**

To be eligible for funding from the Business Innovation - Community Newspaper component, your project must:

- be a new activity not repeated from previous Business Innovation projects designed to achieve specific goals with measurable results over a fixed time period of no more than 24 months and ending not later than March 31, 2023;
- be outside of and in addition to regular, recurring or ongoing operations, including editorial, production and distribution activities;
- present a clear and compelling business rationale that identifies the business context and explains how the project is addressing business objectives;
- align with the objective of the Canada Periodical Fund, and at least one of the objectives of the Business Innovation component.

You may also consider applying for funding to undertake market research or to develop a business or marketing plan.

Some examples of eligible projects include:

- new or improved business models, methods, or processes;
- new or improved products or services;
- new or improved systems or tools;
- digitization of back issues;
- rebranding or redesign;
- adoption or use of new media;
- mobile applications;
- web design and development;
- expansion into new markets; and
- advertising and promotional campaigns.

## What expenses are eligible?

Only project-related expenses, which can be of cash and in-kind value, are eligible; these may include:

- venue and equipment rental;
- specialized software licensing during the project period;
- promotion and marketing costs;
- professional fees (e.g. contractors, etc.);
- training;
- paid internships;
- project-related travel expenses, which must not exceed the [rates permitted for travel on government business](#);
- project-related salary costs (must be less than 25% of the total eligible project expenses); and
- project-related administrative costs (e.g. mailings, courier, telephone long distance) limited to a maximum of 10% of the total amount.

In-kind contributions are considered real contributions to the cost of the project, but are not reimbursable. Donated goods and services may be considered in-kind contributions if they:

- are essential to your project's success;
- are eligible and would otherwise have to be purchased or paid for by you;
- can be measured at fair market value (i.e. in relation to similar goods and services); and
- are balanced by an equal revenue in your budget (i.e. total in-kind expenses equal total in-kind revenues).

We reserve the right to limit the amount claimed as in-kind contribution or to obtain independent appraisals to determine the value of in-kind contributions. A salary paid to an individual working directly on the project is considered a cash contribution.

Discounts from service providers or consultants are not considered as in-kind contributions.

## How to apply?

Please ensure to read the Application Guidelines before completing your application.

You must meet all eligibility requirements and submit a complete application package to be considered for funding. A complete application package includes the [Application Form – Community Newspaper](#) and the following supporting documents:

- proof of legal status (for a first time applicant or incorporated in the year if applicable);
- research that supports project activities;
- quotes and résumés from consultants;
- written confirmation of in-kind contributions to the project and other sources of funding, if applicable; and
- not-for-profit organizations: A copy of the resolution of the Board of Directors in support of the project and identifying the authorized signatory

Print community Newspapers must:

- have published between two and 52 regular issues and no more than 56 issues during the financial year, including special issues;
- have sold at least 3,500 paid copies through subscription copies and single-copy/newsstand copies during the financial year. Official language minority, Indigenous, ethnocultural and
  - LGBTQ2+ community newspapers must have sold at least 2,000 paid copies during the financial year;

Digital-only community newspapers must:

- maintain a regular publishing schedule in which the majority of editorial content changes at least twice during a 12 month period;
- contain over 50% original editorial content not syndicated or reproduced from another website, publication or previous issues of the same publication;
- maintain one of the following types of verifiable circulation over six months:
  - paid subscription service: priority will be given to periodicals that maintain an average of at least 250 subscribers;
  - email-based service: priority will be given to periodicals that maintain an average of at least 1,000 registered email recipients;
  - open access-service: priority will be given to periodicals that maintain an average of at least 2,500 unique monthly visitors;
- have generated a minimum revenue of \$10,000 in the fiscal year
  - The minimum revenue does not apply to official language minority, Indigenous, ethnocultural and LGBTQ2+ digital publications

**Can I apply to both a print and digital formats for my publication?**

You can submit only one application to Business Innovation – Community Newspaper per periodical, per fiscal year.

**Does the same criteria apply to Digital-only and printed community newspapers?**

NO, there is a specific set of guidelines for each funding stream

**Does the \$10,000 revenues requirement include funds received through other programs?**

NO, they do not include grants received - The \$10,000 revenues are to be generated from the publication

**What are internet analytics?**

A reporting interface that allows the digital publisher to monitor their website performance by tracking metrics like visitors, page views, and allows publishers to collect, measure, and analyze data for their website.

Most common is "Google Analytics". This was not specifically listed, as there are multiple providers of this software/service

**Service Standards and General Questions:**

**Can I apply at anytime in the year or what if I miss the deadline?**

The program deadline is October 26 2021

**How long with the assessment of my project take?**

The program will issue written notification of the funding decision within the **program specific timeline**, for Business innovation – service standards are 20 weeks

You should submit your application at least eight (8) weeks before the planned project start date.

**Will funds be paid out in instalments or in a lump sum?**

Depending on the project size and risk the program will determine if funding will be disbursed as a grant or as a contribution.

A grant is a payment issued to a recipient for a project. The conditions you agreed to at the time of application will apply. At the end of your project, you may be required to submit a report and/or participate in the evaluation of results.

A contribution is a conditional payment issued for a specific purpose, as outlined in a funding agreement. The agreement is signed by your organization and by us, and specifies the terms and conditions to receive payment. At the end of your project, you must submit a final report.

**Can I begin my project before Ministerial approval?**

Any projects started prior to approval by PCH are undertaken at the applicant's risk. Even though you meet the eligibility criteria this does not guarantee that the final project proposal will be approved by Canadian Heritage, as the program expects to receive more applications than it can fund.

**When will I know whether my application for funding has been received and/or approved?**

The program will acknowledge receipt of an application within two weeks of receiving the application

The program will issue written notification of the funding decision within the **program specific timeline**, for Business innovation – service standards are 20 weeks

**Can I submit my application for funding electronically?**

Yes. That is the preferred method of submission.

Please send it to: [fondsdesperiodiquescanada-canadaperiodicalfund@pch.gc.ca](mailto:fondsdesperiodiquescanada-canadaperiodicalfund@pch.gc.ca)