

GAME PROMOTION & MARKETING COURSE 9 – OTHER FUNDING OPTIONS PART 2

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Funding your game

Other alternatives that you can use in conjunctions with Kickstarter:

- Alpha Funding
- Game Incubators
- CMF and Governmental programs
- Selling items





Canadian Media Fund

Canadian Media Funds (CMF)

The CMF is a not-for-profit public-private partnership which financially supports the creation of Canadian television and new media.

For game developers, it's an opportunity to get a large amount of funding with less obligation than a traditional loan.



Canada Media Fund I Fonds des médias du Canada

The CMF deal

The CMF can fund up to **75**% of your project (1 million \$ is the cap).

This is a **loan with no interest**.

Once your game is released, you need to give the CMF 50% of your profits until the loan is repaid or if 7 years has passed.

You need to produce **progress report** during development.

Note: So, is this a good deal?

The CMF application process

There is two project branches:

- Convergent Stream (Video, Television)
- Experimental Stream (Interactive Media, Software)
 - Development
 - Production
 - Marketing & Promotion

The **Experimental Stream** is the one relevant to video games.

You have the chance to submit a project twice a years (every 6 months)

^{*}CMF Experimental Stream Application Guideline

The CMF application requirements

Some documents that you must produce:

Project Information

- Team Profile
- Project Description
- Business Plan
- Support Material (Video, Screenshot, Game Demo on DVD)

• Financial Information

- Budget
- Funding Structure
- Predicted Cash Flow
- Financial Statements

Note: you can submit those documents online via their website, but physical material must be sent by mail

^{*}CMF Experimental Stream Application Guideline

Other CMF things to consider

When applying to the CMF:

- You'll get a detailed report of the jury's decision after your submission
- You will be judge on:
 - Team structure
 - The innovation in your project
 - Your business plan
 - Your distribution strategy
- When calculating your initial funding, don't forget the value of your work so far and the business fees.
- Working on those documents can take up to 2 weeks, you might want to partner with a business person.

Some CMF strategies

Here are some strategies that I collected from various of sources such as successful studio that were funded by the CMF:

- Big team are better and your studio reputation helps
- Focus on the innovative part of your project (cool mechanic, theme)
- Bilingual projects do better (have a French version)
- Fund one project at a time
- Have a very polished demo and video
- Use **language** that non-gamer can understand (not all judge are from the gaming industry)
- Mention all your potential ports (WiiU, Ps4, Steam, etc.)
- If you are not incorporated, say that you plan to be

^{*}Contrast: A project funded by the CMF

Why I got refused (ToT)

My game was rejected because:

- My team was not primarily Canadian and was spread across the world
- My reputation as a designer alone wasn't enough for credibility
- The main feature of our game (the character switch mechanic) wasn't innovative enough in their opinion

From my opinion you might have a good chance if:

- Your game is made of many Canadians that are each veteran in their field
- The unique feature of your game is truly **innovative** and can inspire the judges (game about suicide or something)

Disclaimer: Suicide is a serious issue.



Other government programs

Young Promoters

Young Promoters is a Quebec government grant to help young people start their first business.

The grant can go from 6000\$ to 10000\$ depending on the territory you live in.

To be eligible you need:

- To be between 18 and 35 years old
- To be Canadian citizen and resident of Quebec
- To have invested your own money in your business
- To work **full time** on your business
- To be starting your first business

Note: Young Promoters in details (French)

Young Promoters – Application

You can apply for a Young Promoters grant by contacting:

- Your CLD (Centre Local de Development) in your neighbourhood
- SAJE (Service Aide Jeunes Entreprises)

You will have to prepare:

- Your Business Plan
- A **presentation** that introduces about your business (SAJE will give you a template)

Note:

CLD Finder

SAJE

Young Promoters – Application

WARNING:

The Young Promoters grant is **NOT for funding a project**; It's for **funding your starting business.**

If you are accepted, the jury might have some **conditions** depending of the kind of business you are doing.

Since they prefer business that have cash flowing at a regular pace, you might want to consider **other funding options** in your business plan (alpha funding, Kickstarter)

Self-Employment Support Measure (SESM)

SESM is a **Canadian government program** that gives you:

- Technical support for starting your business
 - One business course a week for 3 months
 - Private coaching (up to 2 years)
- Financial support
 - 360\$ a week for 1 year

To be eligible, you need:

- To be on employment insurance (not working)
- To be **contributing financially** in your business
- To agree to be monitored by a SAJE agent

Note: **SESM Information**

Self-Employment Support Measure (SESM) - Application

To apply to this program you need to contact **SAJE**; check their website to assist to an information session.

You will need to do a short **presentation** of your business in front of a committee.

During the **courses**, you will learn how to make a **business plan**, **basic accounting and marketing techniques**.

If they see that you are not motivated to start your business, they can cancel you financial support at any time.

Note: I loved the experience

Other programs

Other major programs and contest

- <u>Fondation Montreal Inc.</u> (Grant)
- <u>Desjardins Entrepreneurs Award</u> (Prize money)
- Quebec Entrepreneurship Contest (Prize money)
- <u>Banque Development Canada</u> (low interest loan)

There is a ton of government programs; visits the Canada Business Network

Note: my experience dealing with people that don't know games...



Selling other stuff than games

Selling Items

If you have a strong IP (intellectual property), you can use the reputation to sell items related to your game.

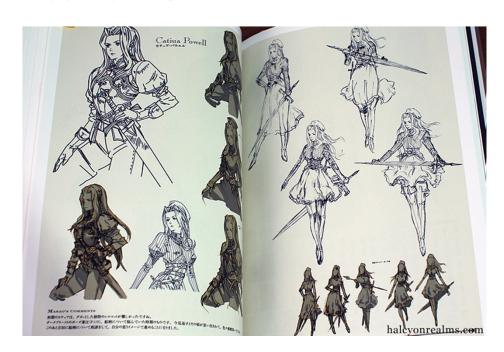
This can include:

- The game's soundtrack (digital or CD)
- Physical boxed copy of your game
- T-shirts
- Poster
- Art book
- Figurines
- Comic books, web-series (transmedia)

Selling Items – some sites

Here are some sites that I recommend to handle the logistic of your items:

- Society 6 (art prints, posters, t-shirts)
- Red Bubble (art prints, posters, t-shirts)
- <u>Bandcamp</u> (digital album)
- <u>Indie Box</u> (box copy of your game)





Trending funding options

Trending Funding Options

Some funding options that are starting to pick up:

- Patreon (give money monthly to an artist in exchange for perks)
- Indies funding indies
- Friendly publishers
- Bundles (Humble, Indie Gala)
- Sugar Daddy/Mommy

Note:

Don't do bundles during development! (my experience)

Your Funding Goal

Remember:

You need outside funding for your first game but the goal is to release your first game and use the profits to fund your next game.

Eventually, your studio will need to be **self-sufficient** in order for it to prosper!



Homework

- Work on assignments from other courses
- Enjoy the weekend!

Bibliographies

Dropbox link to course presentations:

https://www.dropbox.com/sh/3zhrwn6nxrr5ywh/AACKUZSxAv30yzCH9qopVmlia