



makes you think

Makes You Think:
Transforming TVO for a Digital World

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(Check against delivery)

Thank you, Bob, for that kind introduction.

I have always loved a challenge. So when the Ontario Government asked me to bring new direction and focus to its educational network, I seized the opportunity. It was a chance to strengthen something that was really close to people's hearts in Ontario and certainly to mine.

Why change a good thing? Because the media landscape was changing rapidly. And TVO needed to become more relevant, in its programming and in its delivery.

We have taken TVO forward in a very big way, in a very short while.

What we want to do now is to share the story of that transformation. That's why I'm so pleased to be here this morning.

People think of TVO as a well-respected, traditional TV broadcaster. But they also think we have limited potential for innovation and growth -- because of our small budget, our educational mandate and our regional scope.

But that's not the reality of TVO -- at all.

TVO today is a nimble, media organization. We're investing heavily in innovation and risk-taking in order to dramatically boost the impact of our unique content in a completely borderless digital world.

This morning, I want to tell you about the real TVO, the organization and the 365 talented, passionate and committed people I'm thrilled to lead.

TVO comes to you with a promise that no other network in Canada - no other private broadcaster, no other public broadcaster, no other educational broadcaster -- can claim.

As our button says, "TVO Makes You Think".

We create programs that make kids think in a way that's fun, relevant and interactive.

TVO is renowned for its educational programs for young kids. We help boost kid's abilities with learning opportunities that are safe, commercial-free, uninterrupted and most important, trusted.

Everything we produce for kids is developed with educators, and with links to the curriculum. We ask kids to work harder when they watch TVOKids or play on TVOKids.com. And they deliver. That's what makes us different.

In *Gisèle's Big Backyard*, we equip early learners with the crucial literacy and numeracy skills they'll need to be successful when they start school.

And for kids age 6-10, TVO is the only place on TV that comes to them live and interactive every day after school.

They're having so much fun they don't even realize they're learning!

TVOKids has over 160 curriculum-based online games and activities. Each month, we get more than 400,000 unique visitors and 4 million page views.

And the site was just recognized with top honours by the 65,000 member American Public Library Association.

TVO content makes parents think by equipping them to play an active role in their kids' education. In fact, parents can now log on to a resource unavailable anywhere else in the world. TVOParents.com, our newest web resource, offers in-depth answers to parents' questions about how their kids learn, grow and behave.

And of course, our content makes our adult viewers think because it's content they simply can't get anywhere else. Some of it we produce ourselves -- like *The Agenda with Steve Paikin*, *Allan Gregg in Conversation* and *Big Ideas*.

But we also source dramas such as *Britz*, the gripping two-part thriller about post 9/11 Britain, which won the Best Drama at the BAFTAs in London last month.

And then of course we commission and co-produce some of the boldest and bravest documentary films anywhere on TV. Through our award-winning point-of-view doc series, *The View From Here*, we have a long tradition of working with independent producers to make films like *Manufactured Landscapes* and the provocatively-titled *Kike Like Me*. I'm extremely proud of the important leadership role we play in supporting Canada's independent film community.

TVO makes kids think. It makes parents think. It makes adults think. And by the end of my remarks, I hope it will make you think -- especially about how important TVO is to all of us.

Our real mandate is to help Ontarians become more engaged with our friends, families and our world, and to become more active citizens. In doing this, we can help to build a stronger, more cohesive society.

But in order for that to happen, we all have to be able to think. Independently, creatively, rigorously and well - this is fundamental to a highly engaged, democratic civil society.

TVO provides another benefit too. Creativity and brainpower are competitive advantages in the knowledge economy. To put it simply, we provide opportunities for people to think about, to talk about, and connect around the issues that really matter.

A lot of people ask me how we measure success at TVO. Well, let me share a couple of examples:

According to a recent study, Toronto's Portuguese community has a high-school drop out rate of 43 per cent. This is higher than for any other linguistic community. Last month, *The Agenda* dug into this and the response has been nothing short of amazing.

The show's blog now has more than 300 postings on this issue alone. But what is most remarkable is that the Portuguese community is mobilizing to take action.

They're creating a non-profit organization to raise funds for scholarships, to create more mentoring and tutoring programs, and to build awareness of the need for Portuguese youth to stay in school. And it all began with our show.

That's ONE WAY we measure the impact of our content.

Then there's this email that came in from a viewer after *The Agenda* debated Muslim women and the veil. She said: "I just happened to be flipping through the channels and was amazed to come across such a large panel of Muslim women talking about their faith. Soon my entire family was in the living room watching -- this rarely ever happens!"

I have to say, there's nothing more satisfying about my job than to receive this type of feedback - because it's our vision of citizen engagement in action.

With kids, our focus is on using media to help them be successful learners. We recently received this e-mail from a mother on Manitoulin Island: "My daughter is six years old and she has autism. The game on your website called "Letterella" is helping her to read!!!! She is able to play the game without help and she is now able to use the same "sounding out" skills encouraged by the game to read books!! It's an amazing format."

That's another way we measure our impact.

There's also a direct link between our kids content and the success of kids at school.

Professor Janette Pelletier of the Ontario Institute for Studies in Education did a family literacy study using TVO's programming. It revealed that children whose families watch TVOKids are more successful readers earlier in school than those who don't watch it.

This is just one of the many reasons why TVO has been chosen by the readers of *City Parent* Magazines as the Best Family TV Station four years running.

Everything we do at TVO is measured against a double bottom line -- we are focused on creating positive social impact and on measuring our return on investment. For me numbers aren't everything but they are definitely part of the equation.

TVO does a good job of competing for viewers' attention. We average a weekly audience share of close to 2% in Ontario. This ranks us number two against all the other Canadian specialty channels, second only to TSN. It makes sense because we are in essence a specialty channel, and our specialty is making people think.

How much does this all cost? Our total budget this year is just over \$50 million. Of this, \$40 million comes from the Ontario Government, and we generate over \$10 million more through donations, sponsorships, and increasingly through new business models.

To put it a different way, TVO costs each person in Ontario the grand sum of \$3.00 a year from our taxes. That's less than the cost of renting one movie or parking for a half-hour in downtown Toronto. I believe that's pretty amazing value!

We have never had a big budget. But we use creativity, innovation and commitment in its place. And moving forward we're committed to investing in innovative ideas that will increase our self-generated revenues.

Making you think is not the mandate of most television networks: especially here in Toronto where we have the most competitive television market in North America.

When you're mandated by the provincial government to be an educational network, you're not going to be in the business of eyeballs. Our mandate is not the highest numbers, but the highest quality.

For example, I believe *The Agenda with Steve Paikin* is one of the most incisive daily current affairs programs in the world. It draws an audience of 100,000 viewers a night. This is small compared to Canadian Idol, but not for current affairs, and certainly not for a show that's absolutely distinct in the market. In fact, it draws a larger audience than any other information programming in its timeslot.

In the same vein, our Big Ideas series presents really smart university-style lectures. It draws a relatively modest TV audience. But it's consistently one of the top three educational podcasts on iTunes. Not just in Ontario, or in Canada. But around the world.

We created TVOParents.com - to give parents a new way to engage their kids and be active participants in their education. It makes sense.

But again, TVO is the only one anywhere in the world to do it. It's also why we publish an online guide in 19 languages to help new Canadian parents navigate the Ontario school system.

Last year as well, we launched the first and only interactive online show in the world devoted to parents and education. *Your Voice* is webcast live every Tuesday afternoon and is then available for video streaming any time.

Over the last two years, TVO has made a really important strategic shift, from pure TV station to multi-platform educational media organization. This is a shift that gives us extraordinary new scope.

Take *The Agenda with Steve Paikin*. Each night, instead of going wide, it goes deep. Really deep.

With *The Agenda*, we took something we did well - current affairs - and created a whole new way of placing our audience right in the middle of today's most important issues.

This is how former New Brunswick Premier Frank McKenna described *The Agenda's* contribution to the public good just the other day:

"I started watching your interview last night with Mark Steyn. Your subsequent interview with the three young law students and live, impromptu debate was the most riveting journalism I've recently seen. It was extraordinarily provocative, educational and informative."

And next season I'm delighted that we'll be taking the show out of the studio and on the road across Ontario.

But to add to the broadcast, *The Agenda* comes with a wealth of supplementary resources at tvo.org. So now the broadcast becomes the sparkplug. It's not the whole show, it's the opening chapter.

Through the show's blogs and discussion forums, we have built an online community of 6,000 people who are actively engaged.

In the first quarter of 2008 we had nearly 800,000 podcast downloads of our current affairs shows! Two years ago, we had no podcasts at all. Our numbers get better every month, and people are accessing our content from around the world, including Europe and Japan and Australia.

In January, I spoke at the Commonwealth Broadcasting Association conference on the issue of citizen journalism.

In an age when everyone has a video device, a blog and access to YouTube, everyone can not only become a journalist, but a broadcaster.

This is good when it exposes the circumstances around the death in the Vancouver Airport of the Polish immigrant, Robert Dziekanski. But with no limits on access, no filters on the flow of digital information, and no journalistic standards, the digital world can become a confusing place.

So I believe a trusted public organization like TVO has a vital role to play. Not just as an aggregator of content, but as a smart aggregator. One that can filter the huge volume

of images, opinions and reporting that is not only redefining journalism, but reshaping how we interact with our world.

Our commitment at TVO is to make those connections and provide that smart filter.

Another example of how we go deep is *Saturday Night at the Movies* which is one of the longest-running series on television. Anywhere, and ever. It began in 1974 with the then unknown Elwy Yost as host, commenting on classic Hollywood black and white films. This year, in our 34th season, we're featuring classic films from the 60s, 70s and 80s.

I am passionate about the ability of film to change the way we view the world and to allow us to walk in someone else's shoes.

One of my favourite films is *Local Hero* which is about life in a small town in Scotland that must face the challenges of a changing world.

It's probably one of the first films about the clash of global capitalism and community values. Bill Forsythe's script reverses the cliché and captures the community with humour and humanity. It is but one example of how we offer films every weekend -that are chosen to make you think about the world in new ways!

And on TVO films are shown uncut, uninterrupted and surrounded by our unique, exclusive filmmaker interviews.

We also go deep by using all our media tools to provide informed context around complex issues. Think of it as using technology to build community.

One hot issue for lawmakers, doctors, environmentalists and parents these days is: How do we protect our kids from the environmental toxic soup? Some of you may have seen the documentary *Toxic Trespass*, which premiered on TVO last week. Filmmaker Barri Cohen heads to “toxic hotspots” of Windsor and Sarnia and meets with activists, doctors and scientists who see links between pollution and health problems.

How do you put all of THIS into context? That’s something I think we do well at TVO – so immediately following the broadcast, we held a live online discussion with experts to explore and debate what Ontarians need to know. The link between TVO's content and building community is clear. And it came alive last week when people gathered online and contributed to a dialogue.

I am very proud of the strides we have made on the content side.

Our next great challenge is to go digital - both quickly and completely. After all, if we're going to engage people, we need to be armed with the latest instruments of engagement.

We've just rebuilt our Toronto studios to a fully digital High-Definition-ready production facility. We will soon have a state-of-the-art Digital Workflow that is tapeless, enabling easy repurposing of our content for different platforms.

This involves much more than an equipment upgrade. Digital technology is changing everything. It changes the way we create, manage and distribute our content. Most important, 'going digital' will let you, our audience build your own TVO experience from our huge archive of in-house content.

Also fundamental to our Content and Revenue strategies is our ability to create partnerships. Today, Vale Inco sponsors *The Agenda*; Scotiabank sponsors the TVOKids

Don't Sit Still Tour; and TD Meloche Monnex underwrites the *Big Ideas Best Lecturer Competition*.

We also partner with academia and the arts. We work with the University of Toronto's Munk Centre for International Studies, with York University, with the Royal Ontario Museum, the Art Gallery of Ontario and the Ontario Science Centre, to name a few, to create new ways of bringing their content to ours.

But it's not just new partnerships that we seek. It's new kinds of partnerships.

For example, we've signed a revenue sharing agreement with QuickPlay Media so we can offer TVOKids programs on cell phones and Blackberrys.

Just this spring, we signed our first strategic distribution alliance with Yahoo! Canada.

As of last week, Yahoo is distributing TVO's educational content for parents on their site, which opens up access to an audience of many millions!

Last month, TVO became the first Canadian broadcaster to make its programming available through the newly released Adobe Media Player. Like iTunes, this is an exciting new distribution platform that will attract more viewers and generate increased awareness for the TVO brand.

Some of you will have heard of Joost. It's web-based TV that offers more than 20,000 programs from around the world and that lets you, the viewer, customize your own online channel. And I'm happy to use this occasion to announce that TVO has just this week signed a deal with Joost. Soon you will be able to view a selection of TVO documentaries on demand, and at no cost, all at Joost.com. And you'll be able to customize what you choose to watch, and when.

These kinds of new relationships are incredibly exciting. Not only will they enable us to increase our impact, they will enable us to become more innovative and adaptable.

Something that inspires me every day is the opportunity to build a culture at TVO that supports innovation.

That's why we created the IdeaShaker. It's both a think tank and a practical testing lab for TVO employees. And its purpose is to develop new ideas that marry content, distribution and revenue. I believe this will create new learning, encourage risk taking and spark innovation from inside TVO.

One idea that came out of the IdeaShaker is to deploy Brightcove, a video-player software that will allow us to offer more video content on our websites. It will also let us get our content out to way more people, on way more websites, and get people talking about it as well.

Still on the topic of innovation, we're also working with MBA students from the Rotman School of Management at the University of Toronto to evaluate new products and services for TVO. Already, they've helped us put together detailed business plans for two projects that will make use of TVO's content in creative ways and that have inherent revenue potential.

Last month we asked Kerry Munro, the General Manager of Yahoo! Canada, to participate in our quarterly all-staff town hall meeting. He said: "Of all the conversations I've had with media companies in Canada and outside, it's safe to say that TVO has taken it further than any one company I've spoken to has."

This is a good start. But we can do more. We need to stay at the forefront of this brave new digital world.

We are not like large publicly traded media companies, who make their revenues through traditional advertising and are subject to quarterly shareholder scrutiny.

In fact, TVO's small size and funding model may actually position us to be more nimble; to be able to test and deploy innovative ideas quickly; and to have the luxury of time to invest in new business models.

To quote Tom Glocer, CEO of the newly merged Thomson Reuters: "The pace of change is so rapid in the consumer space; and the investments required to keep pace are so large; and the payback periods so long... that it is very difficult to reconcile these attributes with the relatively short-tem focus of the public equity markets."

This all comes together to confirm for me just how well positioned TVO is to leverage the digital promise. In fact, I believe that TVO, at the age of 37, is on the cusp of a whole new level of success.

Our biggest partner, the Ontario Government, has demonstrated its belief in what we're doing. They have just given us additional funding – for the first time... since 1991.

But that just closes our funding gap. It doesn't pay for the innovation I've been talking about. What will keep us adaptable, innovative, and relevant is partnerships. I've talked about some of those partnerships already. But I also want to talk about a partnership with you and yours – yourself, your family, your company, your community.

So I want to invite you to join the growing community of committed friends of TVO - Leaders such as yourselves who share our vision.

What can you do? A lot. And it's easy. You can take a new look at our content. You can sign up for *The Agenda's* daily e-blast or the TVOParents e-newsletter - just leave me your business card. You can inquire about volunteering on our Advisory Board. You can make a donation. You can get your company to join us in creating a new partnership. You can tell your friends about the new TVO, and ask them to tell theirs. Word of mouth is the oldest kind of network there is.

I came here this morning to tell you the story of TVO today. Now I'm asking you to help take that story farther. We need your help in getting the message out that TVO is entering a new age -- one of greater relevance, greater creativity and much greater impact.

I hope I have made you think about the role of educational media in our lives, and the importance of TVO in fulfilling that role.

But I also hope you'll join me in making many more of us think about TVO.

Thank you.