



GEORGE B.CUFF
& ASSOCIATES LTD | MANAGEMENT CONSULTANTS

Executive Summary of the Report on the “Incident”

Regina Exhibition Association Limited (REAL)

July 2023

July 7th, 2023

To: Ms. Cathy Warner, Chair, Ad Hoc Committee & Committee Members

From: George B Cuff, FCMC, President, George B Cuff & Associates Ltd.

Re: Executive Summary of the Report on the “Incident”

The Regina Exhibition Association Limited (REAL) contacted this firm on April 5th 2023 with a request to provide independent and professional consulting expertise and advice in an examination of what has been referred to as the “Incident” (the release of branding/slogan ideas to the public before they had been approved by the organization or Board). The request made by the Board was in essence, to determine what happened, why it happened and to advise on those steps necessary to ensure that the opportunity for a repeat was negated.

This **Executive Summary** provides an overview of what this consultant sees as the critical issues leading to the “Incident” and what changes are needed to inhibit any similar repeat in the months ahead. This Summary is an accurate summary of our Final Report.

Our firm, based in western Canada, has been involved in governance/management studies since 1984 for the public sector including all three levels of government and associated boards and commissions and have worked in all Provinces and Territories across Canada. Our previous connection to the Regina (City or REAL) has been minimal with a governance/management seminar in 2018 and a virtual governance seminar in early 2021, both for City Council/management.

This Review was carried out by George B Cuff, FCMC with the assistance of a Senior Associate JR (Rick) McDonald, CMC.

- **Background**

We were advised by the REAL Ad Hoc Committee that the purpose of the Review was:

- *to determine what happened through the independent corroboration of the timeline prepared by management;*
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- *to determine why it happened through obtaining an understanding of red flags that may have been/should have been identified, the implementation of control processes and approvals, including governance, that were/should have been in place;*
- *to identify recommendations relating to controls and governance processes to mitigate the risk of reputation damage from occurring in the future; and*
- *to provide other information to permit the Board of Directors and City Council to move forward on next steps.*

- **Methodology**

In doing so, we addressed the terms of reference which we agreed to prior to accepting this engagement. Our approach required us to understand the background of REAL including the legislation and bylaws which govern its affairs, its governance structure (e.g., committees) and what role they might have played with respect to the “Incident”; and the organization structure which also bears on this Review given its place in determining who had the responsibility to make certain decisions.

We appreciate and understand that this Review has resulted in additional work for some members of the administration and Board (including the coordinating work of its Ad Hoc Committee). This cooperation has been very helpful.

- **Legislative Pillars, Agreements, Roles**

There are various pieces of legislation which impact REAL. For the purposes of understanding the backdrop to this Report, we included the following:

- **The Non-profit Corporations Act**

The Non-profit Corporations Act, 1995 (Saskatchewan) sets out the rules for the incorporation of registration for a non-profit organization in Saskatchewan, and for the registration of non-profit extra-provincial corporations. Section 88 states that “Subject to any unanimous member agreement, the directors shall manage the activities and affairs of a corporation”.

- **Unanimous Members Agreement**

In July of 2022, REAL and the City of Regina agreed to a “Unanimous Members Agreement”. As the City of Regina was making significant investments in the construction of the International Trade Centre and Mosaic Stadium infrastructure on the Evraz Place campus, they required a greater level of authority over those assets. With the signing of the UMA, REAL’s governance model shifted from a shareholder model to an arm’s length municipally owned entity.

- **Mandate of REAL**

The mandate of the Regina Exhibition Association Limited is stated in Council Resolution CR-22-76) as follows:

(a) operate in the best interests of the community and enrich the quality of life for people in the community through the hosting and delivery of local, regional, national and international events;

(b) develop, operate and maintain City and other lands and facilities to provide world-class hospitality for trade, agri-business, sporting, entertainment and cultural events or for placemaking and community development projects that bring innovation, enrichment and prosperity to the community,

(c) encourage the retention, development, attraction and growth of tourism products and services for those who live, work, visit and invest in the City and region;

(d) market and promote the City and region for tourism; and

(e) operate with an entrepreneurial spirit and pursue expanded business ventures that could generate additional revenue”.

- **Bylaws And Governing Policies**

The purpose of REAL’s bylaws is to act as the link between the Non-profit Corporations Act, 1995 (Saskatchewan), the Articles of Continuance, the UMA and the Board’s governance policies. The bylaws outline the rules by which the REAL board may operate that are not specifically addressed within the above-mentioned governing documents. The bylaws address items such as Board of Director responsibilities and terms, board meetings, quorum, voting, board committees, officers and delegations of authority,

conflict of interest, and the financial year. Amendments to bylaws require approval by the City of Regina in its capacity of sole shareholder.

REAL’s Board acts as a governance body with the responsibility to establish its strategic direction, oversight and long-term sustainability. Its governance role is intended to provide a clearly defined role for its governance vis-à-vis the operational aspects which are mandated to the Board’s sole employee, the chief executive officer (PCEO) and his administration. The Board exercises its governance mandate through its decisions made at its Board meetings (regular, special) and through its policies.

- **Role of the Shareholder**

The City of Regina (as Member/Shareholder) also impacts REAL through its resolutions, bylaws, appointments and funding. The City has the authority to name its representatives on the REAL Board which, in this instance, includes the City Manager and one Councillor. Both serve in an ex officio, non-voting role. These representatives also have the duty of acting as a liaison on behalf of the City and can report back to the Mayor and Councillors as to their insights into the decision-making of the REAL Board. The City also has the authority to approve the members of the Board who have been recommended by REAL. The Board consists of quality citizens/members drawn from a cross-section of Regina society. We do not have any doubt these members are keen to serve the best interests of this organization.

The City made a significant change to the Unanimous Members Agreement (Res.#CR22-76) by amending the UMA with Economic Development Regina and removing the responsibility to market and promote tourism services for Regina and Region and transferring that obligation to REAL.

In general terms what do the foregoing statements convey? There are at least three significant “takeaways” from this legal umbrella:

1. Based on The Non-profit Corporations Act, the Board of REAL has the authority to govern and manage the affairs and activities of the corporation.
2. REAL is a continuing organization operating on behalf of its sole shareholder (the City of Regina).

3. The Unanimous Members Agreement confirms that REAL has been chosen to act as an arm of the City and has been endowed with the powers necessary to achieve City aims regarding its multi-purpose facilities, the development of City lands, the promotion of the City for tourism, and the promotion of agricultural industries and services.

- **Role/Responsibilities of the Board**

As a governing body, the Board of Directors of REAL has a number of significant roles which provide clarity to functions, separation from administrative roles and accountability to its Member (City of Regina). These roles can best be described generically as “**guide, guard and govern**”. The **guidance** by the Board is generally recognized as establishing the strategic direction and priorities of the organization, a formalized process which occurs annually and is based on discussions between Board members and their PCEO/administration. The Board’s strategic plan establishes the priorities for the year and the results expected by the Board. The Plan also ties directly into the annual budget.

The Board’s role as a **guard** is found in its agreement to a series of parameters with respect to what is permissible by direction of the PCEO and what must be specifically mandated by Board resolution. Anything which the PCEO (or a Board member) believes to be outside of the powers granted to the PCEO must be considered by the Board and result in a resolution (or policy). The Board’s role in guarding the organization also pertains to watching over anything which might jeopardize the reputation which the Board has in the community and with its key stakeholders. In addition, the Board approves the appointment of the external Auditor, their process and their report.

The Board’s role in **governing** defines the principal actions of the Board on a month by month, meeting by meeting basis. Such meetings result in policies (and amendments to policies) and simple resolutions which provide direction and permission to the PCEO to function without further involvement by the Board, other than the need to ensure that the Board is kept abreast of how well their policies have been implemented.

- **Responsibilities of the Chair of the Board**

The Board of Directors (BOD) is led by a Chair. That role is covered in the Board’s Policy (Structure and Roles dated January 2021) which in summary states that the Chair guides the Board, builds unity, solidarity and trust, approves the agendas and chairs Board meetings, acts in an ex officio capacity to its committees, is the linkage, sounding board and counsel for the PCEO, serves as a conduit to the City and its Mayor and Council. He also acts as the voice of his colleagues who serve with the Chair at the Board table.

- **Board Committees**

To assist it in its governance functions, the Board created certain policy committees which act in an advisory capacity to the full Board. These committees are empowered by Board resolution to review governance topics in more depth and to provide advice based on their discussions within their committee and with members of the management team who act in an advisory capacity. The current committees are: Governance & Nominating, Audit & Finance, Strategic Initiatives, and Human Resources. The Board also establishes ad hoc committees as necessary.

- **Board Policymaking**

One of the principal roles of the Board is that of guiding REAL through a suite of broadly-based policies. Such policies are critical to a board’s success insofar as they provide the parameters within which their administration is to serve. One of the commitments of this Board (like many boards) is to separate themselves from the operational decisions delegated to the PCEO and his administration. This separation is well-understood and reflects the belief that the PCEO has the necessary Board confidence and support to manage the organization in a satisfactory manner.

- **Risk Management**

One of the key policies of this Board is that of risk management. Every Board faces situations and circumstances wherein its reputation might be called into question or where someone who has any interface with the organization has the potential to be harmed in any way. An organization such as REAL has a multitude of such potential situations given its high profile and very publicized events.

One of the mandates of its Audit & Finance Committee is to determine the risk potential and ensure that appropriate mitigating action has been taken. This awareness prompted the AFC to request that management bring back to the Committee “their top 10 policies including those which would impact reputational risk-along with the steps they were taking to mitigate”. As of the time of this Review, those had yet to be brought back to the Board.

- **REAL Senior Management**

The President/Chief Executive Officer (PCEO) is responsible for directing the business with the objective of providing maximum profit and/or return on investment. The PCEO establishes short- and long-term objectives, plans, and policies for the consideration of approval by the Board. The PCEO is the sole-employee and administrative leader of the Board, and is guided by his contract and position description, as well as the ongoing decisions and policies of the Board. He has important roles in advising up to the Board and equally important roles managing his senior officers and overseeing the operations of REAL. His responsibilities are both strategic and operational. He has a considerable range of “businesses” to oversee and in his case, to pursue. These include hard to attract concert tours, conferences (local and national), festivals, sporting events, farm shows, trade shows, local/national exhibits and so on.

Supporting the PCEO are other senior level people who have important roles in providing coordination, direction and control to the many aspects/functions of REAL. The organization structure reflects the PCEO, six Vice-Presidents, and a Director (Governance Officer) who are charged with the overall guidance and direction of REAL’s employees.

REAL has not been a static organization with many long-term employees as well as a number of more recent hires. This turnover impacts the degree of constancy and corporate memory. While the varied nature of the organization adds to its sense of energy, it has also been challenging within which to function through not being able to rely on traditional and dependable practices. There are a multitude of events/activities/shows/high profile events (approximately 800 events annually) which happen on an ongoing basis (some degree of overlap), and which require those involved

to be capable of acting quickly and responding to issues as they arise. Given that there has been an ongoing history of planning and managing events and the surrounding publicity, one more such event, regardless of how high the profile, was not viewed with any sense of alarm.

- **The “Incident”**

As with most issues/projects which are perceived as having gone astray, the “Incident” began with little fanfare. The backstory included a decision by City Council to remove Regina Tourism from under the umbrella of Economic Development Regina and transfer that responsibility to REAL. According to what we were advised and what has been written, this was based on the belief that REAL was more likely to be better able to gain traction with Tourism and give it more energy and visibility.

As the timeline notes, there were a number of people involved in how this unfolded including the City, REAL/Tourism management and staff, contractors, stakeholders, Board committees, etc. At the conclusion of the timeline, someone took it upon themselves to greenlight the addition of what were considered at best “draft slogans” onto the new website. The furor began almost immediately.

The key elements of the timeline includes the following:

- A planning session hosted by the Mayor in May 2022 wherein a discussion was held relative to the future placement of Tourism as a function which was funded by and governed by the City; this planning exercise preceded the City’s eventual decision to re-direct Tourism through a change to the Unanimous Members Agreement to REAL.
- As part of the backdrop to this, we were advised that the Tourism Business Plan 2022 indicated that its marketing efforts would be focused on one of its strategic initiatives “*Develop Local and External Marketing Strategies for 2022/2023 that will make Regina sexy*”. While this may have been a worthwhile goal, it is evident that it was not endorsed as a priority inside EDR or by the City. The view that Tourism should be doing more, however, was reportedly that of various City officials including the Mayor and City Manager.

- REAL determined that it would engage in a rebrand of Tourism Regina under the brand “Experience Regina”. In September 2022 an RFP was issued for brand positioning and support; a local Regina firm was the successful bidder and agreed to work with Tourism in developing the new visual identity (logo, tagline), typography, colour palette to build out the public launch and branding campaign); this was to conclude by December 2022.
- In November a committee of the Board reviewed the work to date and instructed that the campaign ideas be market tested.
- The rebranding was pursued and included various stakeholders who were not shown the sexualized content; it was generally understood that the website was not going to be ready to go live that year (2022).
- In his December 8th, 2022 briefing note to the Board, the PCEO expressed optimism that everything was on pace and that the new name for Tourism Regina would be “Experience Regina”; no mention was made of the sexualized slogans.
- On December 13th, Tourism hosted a strategic planning session (not involving Board or Council members) in preparation for the Brand Launch; in this brainstorming session, the use of terms including the sexualized ones were considered; slogans were intended to be refined by the team and returned to a February final review.
- In the early part of 2023, meetings were held; the work progressed; presentations were made to certain audiences such as the Regina Hotels Association; the proposed Brand Launch (manifesto, logos, slogans, etc) received support; no mention made of the sexualized content; did include less controversial slogans such as “Anything but Flat Campaign”, “Do it in Regina” in campaign materials.
- A further complicating factor (at least in terms of timing) was the announcement (February 20th, 2023) that REAL had retained “a new Vice President of Tourism and Brand would be starting on February 21st 2023 and that the oversight of the Marketing and Communications and Tourism teams would be transitioned to this new person”.

- The March 7th luncheon with City Council members and REAL leadership was still a go and included a preview of the new look and feel for Tourism Regina; the sexualized content had been added to the Experience Regina website but it had not been launched & thus none of the offensive content was on display; luncheon was held at REAL where Council was invited for a “Brand Position” briefing which included the front of the hoodies but no potentially offensive content
- At a March 9th, 2023, committee the PCEO stated that the *“new brand goes live on the 16th at the Collaborate and Connect event that Tourism is hosting. We have the Federal Tourism Minister in Regina for an announcement here on our site and participating in a panel in the afternoon at our event”*.
- The staff were briefed on the full Connect program and were advised by their VP that the website would not be ready for public launch and would likely take another two weeks prior to being ready. This was a decision based on material and content review and technical issues.
- The PCEO was aware that the logo, colours, manifesto were complete and considered excellent; the merchandizing was available; those involved in the Connect program had been briefed; the Cabinet Minister was available; Mayor and Council had been invited; and the program was ready to unfold.
- And then, later that same day, a REAL staff member, without reference to their supervisor, greenlighted the release of the slogans to the website.

By March 17th social media had the release of the slogans and the good feelings created on the afternoon of the Launch had quickly evaporated. The social media world exploded; citizens became aware as did most of the Board; the PCEO advised the Board that this was on him and issued an apology together with the coordination of all offensive material being removed. A public relations firm was called, and the Board and management were advised on how to handle this unfolding episode. The Board met at their already scheduled meeting of March 23rd; discussed next steps which led in turn to this Report.

- **Our Findings & Assessment**

This section of the Report is intended to summarize what we found related to the “Incident”, how that occurred and subsequent related events & decisions. There are a number of moving parts involved in our assessment of the “Incident” and its evolution. While none of these might have proved to be a “tipping point”, the sum of them had that effect.

We find relative to the Board that:

- The Board of REAL is responsible for the overall governance and oversight of the organization. The Board is accountable as the governor of the organization and thus for the image which it develops and maintains in the community.
 - The Board understands that it is to delegate the management/administrative functions to its PCEO. All day-to-day matters are managed by the PCEO provided that such decisions are made within approved policies, position descriptions or Board resolutions.
 - The Board expects to be briefed regularly by the PCEO and his senior managers on any proposed substantive changes to the business of REAL and with respect to anything which would signal a change in its bylaw, policies, programs, services and facilities.
 - The Board is responsible for monitoring and mitigating potential risk to their name (or brand). This is perhaps best done by pointing out what dangers there are and what steps are viewed as reasonable. Having a risk monitoring responsibility in the terms of reference of at least one committee is one of those steps. Having a policy which speaks to defending the “public face” of the organization (REAL) is another.
 - The fact that the “Incident” happened is (or should be) of concern to the Board. The Board became aware of the “Incident” after it appeared on social media and had raised the ire of many of those connected. It was not something that had been pointed out to its members in advance but rather came as quite a surprise the day after the successful brand unveiling.
 - **Could the “Incident” have been anticipated? Likely not.** Could it have been prevented if the Board had in place a policy which spoke to its preeminent role in
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overseeing and being accountable for its “public-facing image”? Possibly but unlikely.

- The **Board has an obligation and expectation to be fully informed on all matters which might impact their roles and responsibilities.** From our discussions/interviews with Board members, it is clear that they take their roles very seriously and are appalled that this episode has happened on their watch.
- The Board should be asking the **governance/risk management question** regarding “are we properly guiding the PCEO through well-considered policies; are the predictable types of Board concerns identified and addressed?” The latter (i.e., the PCEO) should be anticipating those types of questions and researching/assembling/drafting the suite of policies which ensure that the Board can effectively discharge its mandate and be assured that the PCEO will be fulfilling his.
- While it is simple to say in retrospect that the Board should have had a clear policy on reputational risk, there is **nothing to indicate that this issue would have been viewed as a high priority** given everything else on the Board’s agenda. As it is, the Board’s Audit and Finance Committee was in the process of moving that issue to the forefront without any awareness of how important such a guidepost would seem after mid-March 2023.

We find relative to City Council that:

- As the **shareholder and sole member**, City Council acts on behalf of its residents/community in terms of the governance and operation of REAL. While it delegates the management and administration of the facilities and activities covered in the UMA, there should be no doubt that the populace holds their Council accountable.
- City Council has a role to play in the “Incident”. It is the responsibility of Council to **maintain a watch over the decisions** made by the Board as it oversees a significant part of the City’s mandate.

- It should also be expected that the Mayor will want to be kept abreast of what the Board is doing. This **communication process will or should occur via the Councillor and City Manager as well as informally by the Board Chair.**
- The lines of communication **have, over time, become blurred** in part due to what has been referred to as common practice in a small City where frequent casual (and business) connections may have had an unintended result of reducing accountability. While there is nothing improper about friendly relationships between those who have senior community roles, care needs to be taken that discussions are not being understood as directions.
- City Council also has a responsibility to **advise its community** as to what is taking place under the watch of REAL’s Board of Directors and administration. While this might overlap with what REAL does as a part of its mandate, the communications arm of the City should ensure that **its messages and those of REAL are aligned.**
- The City also has an obligation to provide REAL with **sufficient funding** to govern and manage REAL assets and functions and an opportunity to be successful. While the latter is responsible for preparing a Strategic Plan and budget to be submitted annually, the City needs to ensure that **reasonable resources are being provided** so that the functions provided are sustainable. The lack of sufficient funding and staffing certainly played a role.

We find relative to the PCEO that:

- In hiring the current PCEO, the Board recognized that the person they were retaining had a **strong “can do” personality with the energy** to drive more than one project at a time. They saw someone who was well-connected in the industry with related experience in other municipalities.
- The style and energy of the PCEO has **largely been viewed as a plus** given his ability to find events and acts for the 100 Acre venues and to connect with those which were viewed as largely unattainable to others. In this instance (i.e., the branding of Experience Regina and the concurrent chairmanship of Catalyst), that was simply viewed as a challenge and the PCEO was considered up to the task.

- As usual, there are downsides. **One person cannot do everything** no matter the degree of commitment and personal energy. Ideas could be floated and tried but someone would have to pick up the mantle and run with it while the PCEO was on to the next task or meeting. Given the availability of six Vice-Presidents, the view that they should be able to fill in the pieces should have been considered realistic.
- The “**siloed**” nature of REAL works against the notion of managerial teamwork and mentoring. Each of the six VPS are responsible to the PCEO for their respective portfolios. They are measured on how well their portfolio delivers on its mandate and not on how well they provide support to other areas of responsibility.
- The “Incident” happened in large measure because of a **lack of managerial oversight, loose procedures, inadequate policy guidance and unavailable senior staff** who were knowledgeable about what was expected. While there were undoubtedly extenuating factors which impacted how the release of unapproved slogans occurred, the lack of adequate supervision was certainly one of them.

We find relative to relationships that:

- It is apparent that **relationships have impacted the issue(s)** under review. It is difficult to imagine otherwise when the City has an energized and proactive Mayor who is anxious to see progress and who wants to remove any impediments. The Board of REAL is led by a Chair who is similarly well-connected in the City. Further, the PCEO’s role is focused on selling the attributes of the City to external markets such that they bring their business and people to Regina. **Each of these three leaders will have an impact beyond themselves. Each has a role to play** in making the City a significant player on a larger stage.
- We would urge caution to **keep all relationships professional albeit friendly** in order to serve their respective organizations. Ensuring that the current informal schedule of meetings tween the Mayor, Board Chair and PCEO is formalized would be a positive step providing that the City Manager is also present.
- The **Chair and PCEO have a respectful, cordial relationship** based on a sense of mutual appreciation for their individual skill sets and dedication to their tasks. Both

have reportedly been successful in their careers, and both are noted by their colleagues for putting in considerable hours to provide the leadership expected.

- **The Chair and the PCEO meet regularly in advance of each Board meeting to prepare as well as in advance of strategic planning sessions.** They also meet to discuss upcoming committee meetings and informally to discuss the matters of the day and to just catch up.
- We were also advised that the Chair and PCEO meet on an informal basis with the **Mayor when she is available** and that there are quarterly meetings held between the Chair, PCEO, Mayor and City Manager. There **does not appear to be any protocol followed** with respect to who connects with who. The result of this very flexible approach can mean that the impetus for a decision or action can be already underway (i.e., Mayor-PCEO) before the Chair or other Board members are engaged.
- While we would not want to eliminate the prospect of casual contacts, we simply point out the **challenges which informality can sometimes cause**. There is a greater likelihood that if Tourism had come to the Board without prior discussion, a fuller and less scripted discussion would have occurred.

We find relative to management that:

- Procedures (or managerial directives) flow from the policies. Whereas policies determine "what is to be done", the directives speak to "how that will happen". A quality Board will understand the principle of role separation which places those governing in a different space than those managing.
- This then leads to the obvious question: **did the management violate the applicable policy(s) of the Board?** Was it clear and simply not followed, or did it not yet exist? In this instance, the latter is true.

We find relative to Board committees that:

- The **Audit and Finance Committee** of the Board has the mandate of ensuring that risks to the business of REAL have been identified and monitored. This issue was top of mind at the November 10th, 2022, Audit and Finance Committee meeting. A complete listing of risks came to the November meeting. The PCEO briefed the Committee on the drop in revenue post Covid and identified that in his opinion the

top three current risks were “Loss of Attendance/Reduced ticket base, Unable to book a Stadium concert, Price escalation and Inflation”. Reputational risk was not cited based on past organizational performance.

- This discussion resulted in the committee asking management to provide them with their top ten including those that would impact **reputational risk** along with the steps taken to mitigate such risks. Those had yet to be presented by the administration.

We find relative to factors contributing to the Incident that:

- One of the key aspects of our Review was an examination of the factors which might have contributed to the “Incident”. The unique times of recovering a sport and entertainment business post Covid-19 was likely the prevailing factor albeit **there was more than one with some perhaps more prominent than others**. One of the ongoing themes we heard throughout our investigation was the **degree of busyness** within the organization during the takeover of Tourism, the lead-up to the Experience Regina launch and its likely impact on the work of the PCEO and his administration.
 - Further, and of considerable importance and concern was the **development of what is referred to as the “Catalyst Report”**. This Report was commissioned to undertake a major review of current and needed City facilities. The Report was initiated in July 2022 and was tabled in March 2023. At the same time, Tourism was being shifted to REAL, and a separate land development corporation was also recommended to be a part of REAL.
 - In the midst of this busy season, REAL was also involved in staging FROST, a major 10-day winter festival as well as playing a significant leadership role in the September 29, 2022 Truth and Reconciliation Day. While some of the focus of senior leadership was naturally on Catalyst, and the arrival of a Federal Cabinet Minister and his announcement, the **responsibility for planning and overseeing the Launch suffered**.
 - One factor which we were made aware of and subsequently examined was the **scope of work then faced by the PCEO and his administration**. If he could be logically
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charged with “taking his eye off the ball”, it would need to be shown that there were more than the normal array of issues and projects underway or in process which would have legitimately occupied the attention of those guiding the ship. The significant number of such events, meetings and related duties brings into question how the PCEO could have managed all around the same time. Most if not **all of these events, functions, meetings would be on the PCEO’s platter** requiring his attention and attendance.

- The question to be raised perhaps is **one of priority and one of acceptance**. In every PCEO’s “to-do” list, there are those projects or demands which literally jump off the page as absolutely required, those which are important but not urgent, and those which could be delegated and handled by someone else.
- At the end of the day, the **responsibility for approving changes administratively to the brand** lies with the PCEO. While responsibility for the processes involved would generally be pressed down into the organization, the actual accountability never leaves the desk of the person at the top of the chain of command.
- The message to those who were in the VP’s umbrella should be **“lessons learned”** and why we are at this stage. The emphasis has to be on the approval chain and why that is important; on what impact the nature of the City should have in any subsequent branding exercise; and the need to hit the “pause” button in any such process.
- As noted briefly above, the timing of the “Incident” was **impacted by the turnover** in senior REAL leadership. A new Vice-President of Vice-President, Marketing, Communications, Tourism and Sales started February 21st, 2023, and had conflicting personal and business priorities to attend to before she could apply her full attention to her new role. Further, there was a Director of Marketing in place who was the key person on this file who had left just prior to the brand launch. This meant that the key person responsible for the brand launch was effectively absent from the scene in early March while the person taking on those responsibilities was in the throes of becoming oriented and briefed on what was expected to happen in her area of responsibility over the ensuing month.

- Unfortunately, these events happened within a few weeks of each other leaving a **gap in direction and an absence of the normal controls** which would (should) have been found at the table in the Director’s position duties. Would that have made any difference? That, of course, is not certain but it does become **one more factor** which would explain why the organization permitted the slogans to be made and to become public before they were properly tested in the Regina marketplace as a whole.
- The fact that the leadership of a function (Tourism Regina) which had recently been taken on by REAL was in a **state of flux** should have pressed caution into their decision-making.
- Probably also worth noting that 2023/24 was the **first multi-year budget approach** with City Council and as such there was no certainty in the long-term funding sustainability for Tourism. This caused a delay in planning for REAL.

We find at the heart of the Incident that:

- The issue of who initiated the surprise release of slogans onto the Experience Regina website lies at the heart of the “Incident”. We were advised that the branding team had discussed and approved the Manifesto and the motto which had been developed as part of the work contracted to a local communications firm. **What was not approved were the slogans.**
- We were advised by the PCEO that Experience Regina **staff were provided with the REAL playbook in how to develop a new brand**, which REAL had recently successfully utilized, but now understand **that this was not followed.**
- We were advised that the responsibility to oversee and manage the development of the website had been clearly assigned to the senior management of Tourism and that there was reason to justify the confidence felt by REAL management that this would occur without any problems. **REAL had developed its own brand process recently and that template was to be followed.** Further, REAL leadership also provided guidance on what the product was to look like with examples provided *“based on the models agreed upon and used for Tourism Nebraska and Tourism Cleveland. These models were the ones we had hoped to mimic”*. What was not foreseen was the relatively sudden turnover of those at the senior management level

who should have been in a position to ensure that the timeline was followed, and commitments met.

- We asked the question “How did the Tourism Regina launch differ from any prior “launches”? Did it follow a precedent “**charter**” or **template**? Were any focus groups required by contract or contemplated? Was the lack of focus groups due to timing pressures? We were advised that: “The Tourism Regina Brand Launch was instructed to follow the identical rebranding process that was implemented by REAL for the transition from Evraz Place to the REAL District”.

- **A Brief Summary**

If we were asked to summarize all that has been said and written about this matter, it would likely come down to what we perceive as:

- a major corporate responsibility change (i.e., Tourism moved over to REAL),
- absence of a clearly defined Board policy on risk,
- a lack of policies vis-à-vis Tourism when it was transferred to REAL,
- inadequate oversight and guidance,
- inability to adhere to the recommended template/process, and
- a difficult deadline.

Our Summary Observations/Findings:

1. **Could this the “Incident” have been anticipated? Likely not.** Could it have been prevented if the Board had in place a policy which spoke to its preeminent role in overseeing and being accountable for its “public facing image”? This event was bound to happen; it was just a matter of when. As usual, such events surface when least expected and often with little warning.
2. **REAL as an organization needs to take a fresh look at itself** and its expectations for the current components of the organization. The key for the Board, management (and City Council) moving forward will be to place less emphasis on “who did it” and more on why this happened and how do we ensure a repeat becomes unlikely. Further, some of this does land at the feet of senior management as their focus on delivering an “edgy, sexy” image was what captured the room.

3. **Personnel changes are not required based on the “Incident”.** There is no apparent need to fire anyone connected to this episode. As Henry Ford, the American industrialist once remarked “failure is simply the opportunity to begin again, this time more intelligently.” While it would be a fairly easy solution to simply blame the PCEO and demand a resignation, that would be foolish and unnecessarily expensive.
4. **The Board does not fully escape responsibility because it is the body to which City Council delegates authority.** However, this Board is appropriately structured and oriented with a sound approach and commitment to continuous improvement. While one can point to some things which the Board could have improved, none of these enhancements would have become apparent without the “Incident”.
5. **The organization needs improvement.** While the factors leading to the slogan imbroglio might have occurred regardless, it is evident that too much of the workload and expectations are placed on one person. While not wishing to minimize a complex set of circumstances, REAL offers a multitude of functions which requires a considerable array of organizational talent; problems of a similar nature will persist unless the necessary resources are added.
6. **The systems need to be improved.** REAL needs to be governed, at least in part, by a comprehensive Strategic Plan and series of key priorities. Each fundamental aspect (e.g., events, tourism, etc.) should be guided by its own Plan (within the corporate plan) and broad priorities which ought to be approved by the Board.
7. **A renewed “Major/Public Event Template” for events is needed** and will have to be followed. This template (or charter) should have been evident to all those involved relative to the brand unveiling and yet was not.
8. **An improved decision ladder needs to be grounded into the organization.** The message with respect to who has what authority to sign off on any initiative, new or otherwise, needs to be absolutely transparent, well-grounded and thoroughly communicated.

9. **Board policies and managerial directives need to be re-examined and refreshed.** There are general statements regarding preserving a public image but nothing which the Board would be able to hold to the light and ask why they were not advised or involved.
10. Based on our investigation, complete with 51 interviews, the prevailing view spoke to the abundance of demands on REAL and its PCEO (in particular) and the **absence of any real surprise that the “Incident” happened.** The lack of close attention to administrative processes and procedures due at least in part to the frenetic activity on the 100-acre site seemed to lead quite a number of those interviewed to express a lack of surprise to what happened and more to the fact that it had not happened earlier.

Where should the Board focus its energies?

- **First**, in terms of the findings of this Report, the Board needs to review its policies and determine what change(s) should be considered to eliminate the possibility of this reoccurring.
- **Second**, the Board needs to have a frank discussion with the PCEO in terms of his schedule and workload and what could be done to offload some duties to his Vice-Presidents.
- **Third**, the Board along with the PCEO needs to consider a comprehensive organization review which examines the REAL structure and resources including an umbrella style structure with Tourism as a separate function.

With appreciation,



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