THE GLOBE AND MAIL

"NORTEL WAS ON FIRE" AN ORAL HISTORY OF THE TELECOM GIANT'S PEAK

DO BOYCOTTS WORK? AMERICAN BUSINESSES ARE ABOUT TO FIND OUT

HOUSING CONSTRUCTION WAS LOOKING UP—THEN ALONG CAME TRUMP

OUR ANNUAL LIST OF BEST EXECUTIVES NOT IN THE CORNER OFFICE

REPORT ON BUSINESS

DEI IS DEAD. LONG LIVE DEI

MAY 2025

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Sandstone Asset Management
WFCU Credit Union

Contents

PHOTOGRAPH SAGE SZKABARNICKI-STUART

Fear and loathing at the annual gathering of the Prospectors & Developers Association of Canada

Editor's Note

PHOTOGRAPH ON LOCATION AT THE CHASE BY DANIEL EHRENWORTH

Peak optimism

I don't need a lot of reminders these days that I'm officially among the aged—my teenage son drives home the fact every time he calls me "Unc" (which is to say, often). But I have to admit I was thoroughly shook during a work confab a few months back when I mentioned our plan to commemorate the upcoming 25th anniversary of Nortel's peak—only to be met with blank stares from a couple of my much younger colleagues.

Fair enough, I suppose—after all, they were barely sentient during the late-1990s tech boom. I, meanwhile, had just started my first job in business journalism. It's hard to explain the excitement and sheer absurdity of those days. Every company, no matter their business, was slapping a dot-com on the end of their name and touting themselves as the next hottest thing in high tech. Investors were buying it, too, bidding up share prices to insane heights with absolutely nothing on the books to back up the valuations.

And then there was Nortel. Founded in 1895, it was one of Canada's oldest companies, and until the digital revolution began in earnest, it had a somewhat staid reputation as a purveyor of telephone switching systems. But the company was on the cutting edge in fibre optics—systems of hair-width strands of glass that can carry massive loads of information. In 1996, Nortel's elite team of researchers in Ottawa produced the first system to send data at 10 gigabits a second. As one trade article gushed: "That is powerful enough…to blast the U.S. Library of Congress' entire 18-million-book collection from Washington, D.C., to Los Angeles in about 14 seconds over a single strand of fibre."

Thinking back now, it was a bit like how I imagine the dawn of the electricity age: You knew everything was about to change, but you couldn't quite grasp how those changes would play out or just how world-altering they'd be. The prophet of change in this case was John Roth, who'd joined Northern Telecom in 1969. He took over as CEO in 1997 and ruthlessly remade the company as a major player in the internet revolution.

At its peak, in mid-2000, Nortel was the ninth most valuable company in the world. Investors and employees became millionaires. Every bright mind wanted to work at its sprawling campus, and its fibre ran to every corner of the globe.

But through a combination of overpriced acquisitions, product delays and accounting skulduggery, everything very quickly went to hell. Today, Nortel is known as Canada's most catastrophic corporate failure. For a glorious slice of time, though, during one of the craziest bubbles in history, it was a spectacular success—one of the world's biggest, most innovative companies, the place every smart person wanted to be.

And that's worth remembering, particularly as Canada enters this new era of economic patriotism. Yes, Nortel made huge mistakes, ones that resulted in decades of government-subsidized research and development being sold off for a fraction of its value (to some of the world's current reigning kings of tech, I might add). But it also did big, bold things—the kind we've forgotten how to do in this country.

Whether you've never heard of Nortel <sob> or you lived through the wild ride, you'll learn something new from Chris Taylor's oral history of the glory days, "When we were kings," on page 38.

/Dawn Calleja

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Give peas a chance

Trevor Cole sat down with Lentil King Murad Al-Katib, a man who knows how to deal with tariffs.

A huge thank you to Trevor Cole for his article on Murad Al-Katib. It was extraordinary, mainly because it gave me hope for Canada's future. Al-Katib comes across as smart, articulate and action-oriented. Fairfax has found a wunderkind. And Cole may have magnified his abilities with his straightforward, no-messing dialogue. We need more leaders like Al-Katib and more stories like this. **—Christopher Kenworthy**

Flat-out the best piece I've read here in a while. An insightful article about a very successful business I dare say few Canadians are familiar with. Hopefully someone gets this piece in front of Mark Carney—I imagine them understanding each other very quickly. **—Leigh Alexander**

Why isn't this guy running for PM?**—funcheez**

Thank you, Mr. Al-Katib, for taking the risks that created all those jobs and wealth for both Saskatchewan and Canada. I used to ship lentils, peas, beans and fava beans from Saskatchewan, but that was a long time ago. Sask 40 years ago was still trying to convince farmers to grow lentils and Canadians to eat them. **—Alex Strachan**

The next federal government needs to unveil multiple tax credits to encourage all businesses in a sector to invest, not those Liberal "pick a winner" corporate subsidies that usually go to "sexy" foreign multinational projects and leave our hardworking companies starved of economic oxygen. The money wasted on NorthVolt's and VW's battery plants makes my blood boil. Tax credits would have bootstrapped many nimble battery plants. Instead, we got two white elephants. **—Luca Riffer**

Bodyguard politic

For last month's cover story, we sent Sarah Treleaven to be bodyguarded like a billionaire.

I was involved in this industry for almost 30 years, first as a principal in Brazil and Colombia, and later as a security consultant in some rather dodgy places. I am impressed by how Garda has developed the industry. Elegant, not staffed by guys with no necks and even less intelligence—which, when I entered the industry as a 40-year-old woman with limited brawn but a pretty good brain, was an issue. If I were younger I'd be looking to Garda as inspiration for how the industry should develop with priority on risk aversion, rather than risk response. **—WyleD**

Building a major miner

Eric Reguly went high into the Atacama Desert to visit Teck's new bid for copper supremacy.

My advice to Teck: Take the joint venture at QB and use the proceeds to develop KSM in B.C. Big cost, but a generational mine spinning out gigantic copper and gold assets. Merge with HBM to unlock further North American assets. Time to build a truly Canadian major miner. **—Alladin Sane**

LETTER WITH NO CONTEXT

Well, not with this crack team of honest billionaires in charge. First investment: creating a cryptocurrency reserve! How does cryptocurrency work? Here's an example:

- Donald buys a goat off Eric for $100.
- Eric buys the goat from Donald for $200.
- Donald buys the goat from Eric for $300.
- Eric buys the goat from Donald for $400.
- Donald buys the goat from Eric for $500.
- Eric buys the goat from Donald for $600.
- Donald buys the goat from Eric for $700.
- Eric buys the goat from Donald for $800.

And that's how cryptocurrency works. Except there isn't a goat. But also, there are two goats. **—MiddleWay**

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Simon Lewsen ("DEI Hard," page 30) writes features for *Maclean's*, *Report on Business* magazine, *Toronto Life* and *The Walrus*, as well as a monthly column on urbanism for Designlines. He teaches writing at the University of Toronto.

Sage Szkabarnicki-Stuart is a Toronto-based photographer and videographer with exhibitions in the Portrait Gallery of Canada, the Art Gallery of Mississauga and Photoville in New York. Her work examines the significance of everyday objects, animals and concepts that are often overlooked or misunderstood due to their familiarity.

Chris Taylor ("When we were kings," page 38) is a financial journalist who has been published in Reuters, *Fortune*, the *Wall Street Journal* and more. He has won awards from the National Press Club and the Deadline Club. He is a Canadian who lives in New Jersey with his wife, two sons and beagle.

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LEST WE FORGET

"These things are totally different from us. Sometimes I think it's as if aliens had landed and people haven't realized because they speak very good English"
—Godfather of AI Geoffrey Hinton on why he's now scared of it

05/25

NEW RULES

Power hungry

We're living in an AI world. But the technology is deeply polarizing—not just because of the terrifying possibility that it'll one day achieve self-awareness. It's also a massive energy suck, and even as companies race to invest more and more into AI, no one seems to know where all the electricity to power it will come from.

HOW MUCH??!!

One ChatGPT query uses **6 to 10 times** more electricity than a traditional Web search

$80 BILLION

Amount Microsoft expects to spend in 2025 on AI data centres (US$)

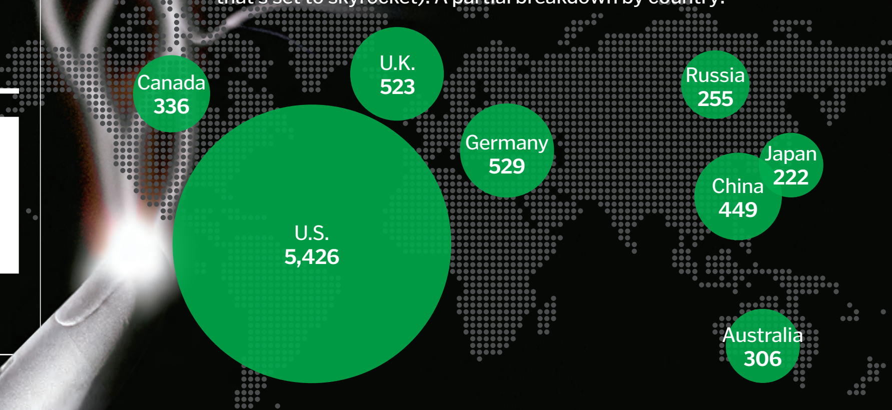
23.6 TWh

Amount of electricity Microsoft consumed in 2023, up from just **10.2** TWh in 2020

In 2024, Microsoft signed a deal to draw power from the Three-Mile Island nuclear plant in Pennsylvania, whose Unit 1 (not the unit that infamously suffered a partial meltdown in 1979) is expected to start generating **853 megawatts** of electricity in 2028, renamed the Crane Clean Energy Center.

ELECTRIC AVENUE

There are roughly 11,000 data centres globally (a number that's set to skyrocket). A partial breakdown by country:



HOURS OF NEED

460
TWh of electricity consumed by data centres in 2022

1,000
Expected consumption in 2026

"There's no way to get there without [an energy] breakthrough. It motivates us to go invest more in fusion"
—OpenAI co-founder **Sam Altman** on the future of AI

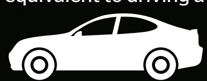
WATER WORLDS

500mL
Water used for cooling for every 10 to 50 queries on GPT-3 (which underpins ChatGPT)

2.1 million litres
Daily water usage at an average hyperscale data centre

DRIVE MY CAR

Training two Meta LLMs burns **2,290 tonnes** of carbon dioxide, equivalent to driving a car **9,385,084** kilometres



WE NEED MORE POWER!

% of total U.S. power demand from data centres

2025	5.2%
2026	6.5%
2027	8%
2028	9.3%
2029	10.3%
2030	11.7%

PHOTO ILLUSTRATION BY REPORT ON BUSINESS MAGAZINE/GETTY; (HINTON) EOFF ROBINS/AFP VIA GETTY IMAGES; (NADELLA) CHARLES REX ARBOGAS /AP
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PHOTOGRAPHS JESSICA DEEKS; LOCATION CARDEL HOMES

THE EXCHANGE

Built different

Just when things were starting to look up for the construction industry, along came Trump chaos. As head of the Canadian Home Builders' Association, it's up to Kevin Lee to advocate for an industry that employs 880,000 and generates nearly $200 billion in investment

BY TREVOR COLE

On the roller coaster that is Canada's national economy, the home building industry rides the front-most car. First to see the drop coming, first to feel the bottom fall out, first to start the slow climb back. For a dozen years, as CEO of the Canadian Home Builders' Association, Kevin Lee has championed the interests of everyone on that car. And it's a sizable group, with 880,000 jobs, $182 billion in economic investment and $62 billion in wages paid last year alone. After a tough 2024 for many in the industry, 2025 was looking a good deal brighter. And then came Donald Trump, swinging tariffs like sledgehammers to knock the rails out from under the economy. Where does that leave home builders now, other than hanging in mid-air? To find out what the industry is dealing with and how it hopes to survive, we spoke to Lee from his office in Ottawa.

To start, I want to look back at 2024. How bad a year was it for the Canadian home building industry?
It depended on where in Canada you were, because it actually wasn't bad everywhere. Alberta had a really good year in 2024, as did Quebec. Conversely, Ontario was down about 16% in housing starts. B.C. was down about 9%. And those are places where we desperately need more housing, so it was really tough. The obvious reason is higher interest rates. Rates started to come down through 2024, but they didn't come down enough. You had dramatic increases in construction costs through the pandemic, and those haven't really abated. We can't deliver housing in those places at a rate that people can afford, so we've seen take-up plummet.

Things seemed poised to turn around in 2025, and then in February home sales in the GTA collapsed by 28.5% from the month before, hitting the lowest level since the 2008 crisis.
That really comes down to the whole tariff situation and lack of consumer confidence. It was already a very struggling market—a lot of uncertainty, extreme lack of sales, especially in the high-rise market, but in low-rise, as well. And then on top of that, you layer in the fear of tariffs and what that's gonna do, and sales completely dried up.

What's the bigger worry around tariffs for your industry: the possibility of a recession or the rising cost of materials?
When you have a slowdown, you have people losing their jobs, general uncertainty and increased costs for other things, so people just feel they don't have enough money. It automatically results in fewer people buying new houses and fewer people renovating their houses. That's the biggest concern. Close on its heels are construction costs. We often get asked, "How are Trump's tariffs going to affect the cost of construction in Canada?" The short answer to that is some, but not a lot, because those are

05/25

tariffs on Canadian goods going to the United States. Now, some of those are raw materials that get turned into product and come back to us, so there is a bit of an impact there. But the bigger impact is on whatever countervailing tariffs get put on by the Canadian government in this trade war. If they're on construction materials, and they're at 25%, then those construction materials would go up by 25%, and it becomes a cost for us if we can't source them from other places in Canada or from other countries.

Canada's brewers are hurting right now because even though we have lots of aluminum, we have no rollers. So beer cans made with Canadian aluminum have to come from the U.S. Are there construction materials, maybe made from steel, aluminum or wood, that you can only get from the States?

Steel's an odd one. We ship billions of dollars of steel back and forth between Canada and the U.S. Most of those companies are multinationals, but the foundries and factories are specialized. So we'll create a certain kind of beam and send it south. They'll create a certain kind of beam and send it north. So we do have some instances where even though we have the raw material capacity, and even the production capacity, it makes no sense to retool, at least in the short term. Fortunately, most of the tariffs that are coming in are on things where we're not 100% reliant on the U.S. So the question's gonna be, how fast can the supply chain adjust?

What's happening to pre-construction sales? My understanding is that prices are falling, and buyers are trying to get out of their contracts.

When you're talking about high-rise, we have to sell 70% to 80% of the units before we can even start construction, right? So that is drying up big time. You mentioned the abysmal numbers in Toronto; that's reflecting very directly on what it is possible to build. Our housing market index, which measures builders' sentiment looking ahead to the next six months, is a scale out of 100. When things were going really well in 2021, we were up near 89 or 90. A very robust number. Fifty would be neutral. The multifamily number right now in Ontario is six. That projects really poorly on what housing starts will be.

Beyond looking for new suppliers, what other adjustments can you make to survive this period?

We're an industry that's built to weather the storm, and we're in one right now. The industry is built typically with smaller companies, fewer employees, a lot of subcontracting. And so companies tend to be able to scale back and wait it out. It's gonna be challenging for sure, but one of the things you do is you build less, quite literally. And you hope that the investments and other things you put in place for a rainy day—well, here's the rainy day—have put you in a position to survive.

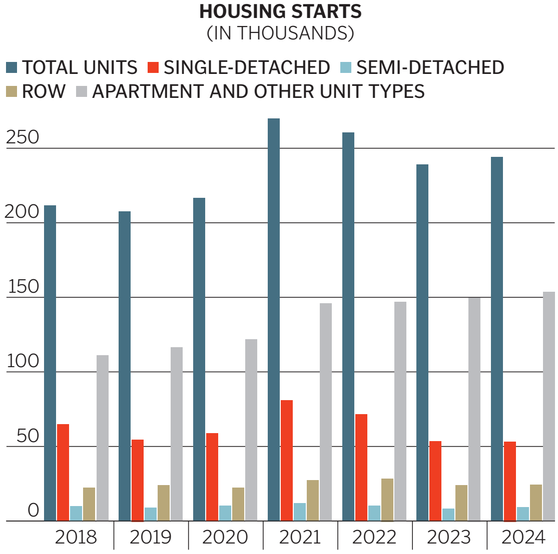
When you think of a boom-bust industry, you think about the ebbs and flows of supply and demand. But Canada is underhoused. Why isn't demand constant?

Even though we have this underlying demand, demand also comes from the ability to afford the price. That's where it's come off the rails to a degree. The other thing is the places where we've seen the most rapid price escalation also happen to be the places with the most inelastic markets. If rates come down and everything's good, we can't suddenly build a whack more units. It takes years. In Toronto, a typical permit approval takes 29 months. And in these places where prices have skyrocketed, you've seen the cities in the GTA and the Lower Mainland increase development taxes at exorbitant rates. Development charges in big cities can be $200,000, versus, say, Edmonton, which is booming—its average DC is $22,000. (1)

You've talked for a long time about getting governments to eliminate or reduce those taxes and charges. But housing is a big industry, and that's a lot of revenue. If you cut those taxes, what suffers?

What's happened in these cities with extreme development taxes is they've placed all the burden on the buyers of new homes. Why? 'Cause it's politically okay to do, 'cause that's not your big voting base. Where are those costs covered in other cities that don't have that? They're covered in property taxes. They're covered in user fees. In some places, like in Quebec, municipalities are able to debt finance some of their infrastructure so it gets borne by the entire community over a long period, which is how infrastructure should be funded. We recognize there's a role for the right level of small DCs to help support some of that new infrastructure, but we need to help these cities get back to a reasonable level, which means spreading those costs across the entire tax base. At the federal level, we've talked for a long time about the need to change the GST and the way that's applied to new houses. (2)

You pushed for changes to mortgage rules to encourage more first-time buyers, and the government responded, allowing smaller down payments on homes up to $1.5 million and 30-year amortizations. What difference has that made?



1. CHBA analysis says that development fees and lot levies have risen some 700% over the past two decades and that today, taxes and fees can make up 31% of the cost of a new home.

2. Both the federal Liberals and Conservatives have promised action on the taxes applied to homes. The Conservatives have pledged to cut the GST/HST on new homes under $1 million, while the Liberals have announced a plan to eliminate the GST/HST for first-time buyers on "all new and substantially renovated" homes under $1 million.

3. The stress test, introduced by federal regulators in 2018, requires that home buyers be able to qualify for a loan at an interest rate two points higher than the current rate. The CHBA is also lobbying for regulators to allow seven- to 10-year mortgage terms for some buyers, rather than the current five-year terms.

That was part of the reason for the optimism at the end of 2024. It definitely enables young families to better afford getting into the market. We were hearing from the mortgage insurance companies that their books were shifting to more and more first-time buyers. We still think the stress test was implemented in a way that wasn't dynamic, and when we had the high interest rates, it really prevented people from getting into the market who should have been able to. We do think there's opportunity to change that. And there's even some opportunities to encourage longer-term mortgages. (3)

Two years ago, the government placed a ban on foreign buyers in an effort to improve affordability. How has that worked out?

The fact of the matter is, the right kind of foreign investor has actually been healthy for creating more supply. You don't want the foreign investor that's just parking money and leaving units vacant. But if we're gonna build the number of units we need to fill this gap, we're gonna need trillions of dollars of investment. Historically, some of that has come from foreign investors. Finding a way to allow them to bring in the kind of dollars it takes is important. Because with a condo, a lot of people who are buying their first home don't want to put down a deposit now for a unit that's going to be available in five years. The more patient capital often comes from investors and foreign investors.

The government also made some changes to the rules around rental construction recently. (4) What effect has that had on supply?

It's definitely supported supply, and what we've seen over the past three years is an increase in purpose-built rental construction. (5) So we've seen starts for ownership dropping, starts for rental going up. It's not the ideal trade-off, because that just contributes to falling home ownership rates in Canada. What you want is to create affordability so that you get more rental units, 'cause we need them, but you're also getting more units for home ownership.

Let's talk about construction labour. We don't have the workers we need to build the homes we need. Why is that?

The biggest reason is demographics. Over the next decade, 22% of our industry is set to retire. And for quite a long time, we've not supported the trades in terms of a career choice for young people. We took shops out of high schools in the 1990s because it was time for the knowledge economy and this new thing called the World Wide Web. All of a sudden we didn't have enough people carrying on into the trades. I think that's starting to change a bit. But we're way behind the 8-ball, and our immigration system is not set up to bring in people to build houses. The points system brings in highly educated, highly qualified, highly certified people. We're pretty good at developing those in Canada. But we can't bring in construction labourers and entry-level framers.

How many workers do we need to solve the problem?

We need to hire about 130,000 workers over the coming decade just to maintain the status quo. If we want to increase our housing starts, we need a lot more than that. And if you couple that with the need to renovate the housing stock and do the necessary energy retrofits, the numbers start to get really big, which is why we also bring in that third pillar of productivity: more factory-built construction.

You anticipated my question, because I was going to ask what role prefabrication could play in solving this problem.

It can play a very good role. Robotics holds some interesting potential. But it's not cheaper. You can build houses way faster. There's some big benefits in quality, and there's less waste. It's very good for energy-efficient construction and air sealing. But it's not cheaper, and it requires big investment. We want to be able to move in this direction, but because it's so risky, we need to create a better environment where people can afford and buy more houses. Then we need to de-risk the investments so we can encourage our companies to invest. (6)

Is there any place in the Western world where they've gotten it right—where the industry is perfectly in sync with the needs of that market?

I'm active in the international housing association, so I do work with other countries pretty regularly. I think we all face similar challenges. I can't think of anybody who's been able to nail it. It's complicated. The rapid price escalation in large urban centres has happened everywhere. I would say there are some countries that have done a better job with public transit, and that really changes the dynamic. It opens up different places. Investing in infrastructure and transit creates new opportunities that can enable more affordable housing. That's a breakthrough opportunity for Canada.

This interview has been edited and condensed.

Trevor Cole is the author of five books, including the novel Practical Jean, *which won the Stephen Leacock Medal for Humour.*

4. In September 2023, the government announced an enhanced GST/HST Rental Rebate for new purpose-built rentals, such as apartment buildings, student housing and senior residences. The rebate applied to projects started between Sept. 14, 2023, and Dec. 31, 2030, and completed by Dec. 31, 2035.

5. An increase of around 20,000 units annually over the past three years.

6. The CHBA is lobbying for investment loans based on units rather than time. Instead of a five-year loan, say, a company could get a loan to build a factory to produce 10,000 units. If economic conditions meant only 4,000 were sold, the repayment period would automatically be extended.

FLIGHT RISK
Drop in summer-season flights booked from Canada to the U.S. as of March 2025 compared to last year, per aviation analytics firm OAG

BIG IDEA

Zero bucks given

Angry consumers are increasingly using boycotts to wield power, but withholding their dollars can have mixed results

PHOTO ILLUSTRATION BY REPORT ON BUSINESS MAGAZINE/GETTY

Canadians have been doing a whole lot of patriotic squinting lately—scrutinizing country-of-origin labels in supermarket aisles or poring over cancellation terms on their U.S. travel reservations. Government procurement officials, in turn, are carefully surveying the nationalities of all manner of goods, from personal protective gear to fighter jets. Even some of Canada's giant pension funds are reviewing their asset allocations, with the aim of de-risking exposure to U.S. holdings.

A March poll conducted by Montreal-based Lightspeed Commerce, which offers point-of-sale technology, found unsurprisingly that 91% of respondents were prioritizing Canadian-made goods while 73% were boycotting major U.S. retailers. "Even if U.S. tariffs are lifted," the company said in a press release, "74% of Canadians say they'd keep supporting Canadian products, showing that the shift is more than just a temporary response to the trade war."

Love that "elbows up" spirit, but the question is—and has long been—whether boycotts (and their twin sibling, buycotts) actually work and, if so, under what circumstances.

Generally, the academic consensus is, not really—or at least not for a sustained period. That's mainly because people cling to brand loyalties (especially with food), lose their fervour or find they're paying more than they wanted simply to make a point.

Still, there are lots of exceptions, as well as some quantifiable evidence of impact. In fact, boycott experts have estimated that about a third to a half of companies targeted by a boycott (or the threat of one) change their behaviour. Perhaps not coincidentally, the number of consumer boycotts has grown steadily in the past 30 years.

Scholars have sought to decode what, exactly, motivates consumers to participate in boycotts—political ideology, in-group affiliation, nationalism, even moral reasoning. There was a long period when progressive consumers and union members boycotted certain types of goods produced by firms locked in labour disputes, perhaps most famously in California in the mid- to late 1960s, in a highly publicized standoff between grape growers and a union representing migrant farm workers.

Geopolitical conflicts certainly add grit. In 2019, Korean tourists boycotted Japan in response to an escalating trade and legal conflict between the two countries. The result was substantial, with some regions seeing a 10% to 13% drop in accommodation revenues, according to a 2022 study by a Japanese-American-Korean research team.

Another bracing example: Consumers in several Muslim nations targeted Danish dairy giant Arla Foods in 2006 after a Danish newspaper published caricatures of the prophet Muhammad. The firm's daily sales of US$1.5 million in those countries plunged to almost zero overnight.

Canadians, for the record, have been on both sides of the boycott narrative. In 2005, an online petition in the U.S. condemning the Newfoundland seal hunt triggered a boycott of East Coast seafood producers. The result: a $354-million drop in sales of snow crab, plus a further $270-million decline in exports of non-processed fish in the first two years of the boycott alone, according to a 2009 study published in the *Journal of Business Research*.

On the flip side, there's the story of Kraft, which faced backlash in 2014 after closing a Leamington, Ont., tomato processing plant that supplied the key ingredient in its iconic Heinz ketchup. Canadians quickly switched brands and started buying a French's version. Kraft learned its lesson and eventually went back to making its ketchup with Canadian tomatoes at a plant in Montreal.

"That example is actually kind of interesting, because you have to search far and wide for boycotts that have worked," says David Soberman, a marketing professor at the University of Toronto's Rotman School of

05/25

Management. “I think it’s quite instructive, given the current environment, that the one that comes to mind relates to Canadians being angry about something not being produced in Canada when it actually could have been.”

The main difference, of course, is the size of the target and the aim of the boycotters. Unlike Leamington and East Coast crab, the U.S. consumer goods space in Canada is gigantic, which means the impact of individual consumer choices—no to this cereal or those pants, and definitely taking a pass on that trip to Myrtle Beach—may be diffuse. There’s no doubt that some U.S. firms are hurting—barely a day goes by without a story about a stateside travel outfit whose Canadian customers vanished—but it’s highly unlikely that Donald Trump’s bellicose administration will respond in the way Kraft did.

Rather, a more relevant question is whether Canadian boycotts of all things American generate unintended consequences, such as consumers turning away from products that are mainly or entirely made here but owned by U.S. firms. “We can think about Frito-Lay’s potato chips,” says economist Pascal Thériault, director of McGill University’s farm management and technology program. “By boycotting that American company that’s processing Canadian inputs in Canada, with Canadian workers, you end up hurting your own economy.”

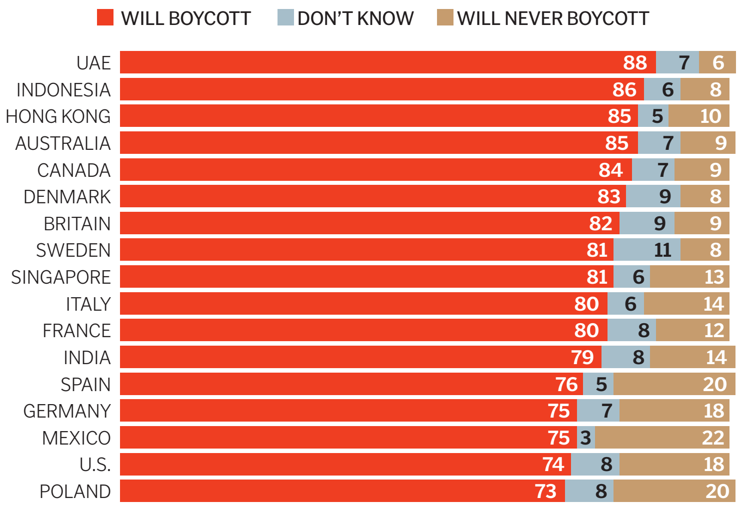
He adds that food processing, which is a huge industry in Canada, functions a bit like the auto sector, with elements of the final product going back and forth across the border. Canadian beef is a good example: Alberta-born calves may cross the border for testing, then come back to Canada to be fattened, then shipped again to the U.S. for slaughter. The grain, in turn, comes from both sides of the 49th. “Is it American or Canadian beef in the end?” Thériault asks. “It’s extremely complicated to decide.”

Soberman also points to the balancing act that comes with choosing to buy Canadian. On one hand, that decision supports domestic jobs. But consumers shouldn’t get carried away and boycott all foreign products, he argues. “I don’t understand why we should be boycotting or moving away from Mexican, Japanese, French, British or Italian goods because Donald Trump puts tariffs on our products,” Soberman says. “The best way you help Canada is not just by buying Canadian, but by diversifying our economy such that we have strong trading relationships with others. If the U.S. becomes undependable, we basically have friends to fall back on.”

The calculus only becomes more complicated the deeper you dig. For example, if you shift from a cheaper U.S. brand to a pricier Canadian one in response to Trump’s infuriating “51st state” rhetoric, you may also be insulating yourself from additional costs when Canada responds with reciprocal tariffs on those once inexpensive U.S. products.

A further wrinkle has to do with high-profile signalling by political figures—premiers yanking Yankee booze off liquor-store shelves or mayors barring municipal employees from using Uber or Lyft for work journeys, as Toronto’s Olivia Chow announced in mid-March, furthering a new City of Toronto tariff policy that will prevent U.S. firms from bidding on contracts under $353,300 for goods and services, and $8.8 million for construction.

CONSUMER WILLINGNESS TO BOYCOTT, BY COUNTRY (% 2024)



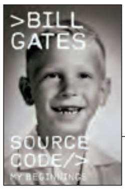
Note: Percentages are rounded to the nearest whole number and may not add up to 100

Such moves seem, well, boycott-adjacent, and they do make headlines. But Soberman notes that governments, here and abroad, have long relied on purchasing rules that seek to ensure that foreign bidders hire domestic partners or employ Canadians as a qualifying condition. Lockheed Martin, the U.S. defence giant that is supposed to deliver 88 F-35 jets to the Canadian Forces, acknowledged as much when it hastily offered to sweeten the pot with more local jobs to forestall the loss of the latter phases of its $19-billion deal with Ottawa.

For the moment, none of this seems to be abating; if anything, the Canadian boycott of U.S. goods may be consolidating. Thériault points to announcements by all three Canadian supermarket chains that they’ll put out signs indicating Canadian products. “Sometimes having an oligopoly in the food retail sector has its benefits,” he muses. “None of the three wants to be the one that will not identify its Canadian products, right? So that becomes a movement that touches everyone and all the food retailers.”

Ultimately, those retailers will still sell imported products. But instead of going the boycott route, it’s about promoting Canadian products. “That is a much more positive approach that consumers will buy into,” Thériault adds, “as long as they understand what they’re buying into.” **/John Lorinc**

SOURCE YOUGOV



7-WORD BOOK REVIEW

Source Code: My Beginnings by Bill Gates

Origin of genius, billionaire, playboy (ew), philanthropist

WHAT YOU CAN LEARN FROM...

Mike Myers

The icon of ’90s doofus comedies like *Wayne’s World*, *Austin Powers* and *So I Married an Axe Murderer* is an unlikely hero in the fight against U.S. encroachments on our sovereignty. But 2025 is full of surprises. **/Dawn Calleja**

1 Don’t forget where you came from

Myers might live in New York, but he’s a proud Canuck and native of Scarborough, Ont., and in this moment, that matters. Just a few of his CanCon bona fides: His earliest roles were in classics like *King of Kensington* and *The Littlest Hobo*. He’s a long-suffering Leafs fan, along with the rest of Toronto. One of his favourite bands is Max freakin’ Webster. A bust of Pierre Trudeau—one of his heroes—greets visitors to his home in New York.

2 SPEAK UP

A lot of us wonder how we’d act during a critical point in history. Well, here we are, and Myers, for one, has opted to use his platform to speak out for what he believes is right. After appearing on *Saturday Night Live!* as a chainsaw-wielding, brain-glitching Elon Musk, Myers joined the cast on stage wearing a T-shirt that read “Canada is not for sale” and mouthing the words “Elbows up!”—which has since become the rallying cry for Canadian patriotism. His next move: appearing in a pair of election ads for Mark Carney.

3 ELBOWS UP

We probably don’t need to explain this to hockey fans, but here’s a translation, just in case: Get ready for a fight. Myers (now 61) has said: “Given a choice between a country that’s not polite enough and a country that’s too polite, I’d take the latter every time.” That doesn’t mean we won’t drop the gloves when it comes to defending our values.

4 Agree to disagree

Myers has said: “The strength of a democracy is not how well we agree but how well we disagree.” This is as true in political discourse as it is around the boardroom table. Differences of opinion are crucial to a thriving organization (or country or global community). Constructive compromise is key.

5 Do your thing, dude!

Myers’s message was for Canadian creatives specifically—as in, stop worrying so much about what the Americans, or anyone else, think. But it applies equally to entrepreneurs: Follow your vision, and fans will find you.

ASK AN EXPERT

How do I know whether I’m reaching my full potential?

Potential is an easy concept for ambitious new- or mid-level employees to grasp. But for owners, bosses or anyone else without an obvious next step on the career ladder, not so much. “At some point, a leader’s potential becomes about other people’s potential,” says Karl Subban, professional coach and author of *Raise Your Roof: The Hidden Power of Your Potential*. Citing thinker Daniel Pink, Subban (yes, he’s former NHL star P.K.’s dad) explains that purpose, autonomy and mastery are the three facets of potential reached. So, if you’re in charge, your job feels meaningful and you’re good at it, consider yourself arrived. But human beings thrive within a growth mindset. “The truth is you won’t be happy if you just stop there,” he says, as feelings of stagnation will become obvious and undeniable. At that point, you can either move on to whatever’s next for you, or reclaim those feel-good chemicals from striving and achieving vicariously through others—teaching and mentorship, facilitating opportunities or sharing resources. Potential reframed as something to be shared and distributed rather than reached and attained can feel far more personally satisfying, as it has for Subban, because there’s no limit to helping people get to where you already are. “A leader’s real job is to make other leaders,” he says, “and that job’s never done.” **/Rosemary Counter**

PHOTOGRAPH MINAS PANAGIOTAKIS/GETTY IMAGES; ILLUSTRATION JOE MCKENDRY

FIELD NOTES

Meeting of the mines

Thousands of mining insiders descended on Toronto in March for the annual Prospectors & Developers Association of Canada conference, the industry's premier convention. This year, not surprisingly, the one thing on everyone's mind was tariffs. We sent photographer **Sage Szkabarnicki-Stuart** to talk to delegates.

▲ **NOAH SINGER**, *geology consultant (Montreal)* "If companies cut down on their orders, even if the tariffs magically go away overnight, it will take years to rebuild that volume, if ever. That means less money for investment and thus fewer workers—and often interns and juniors are first to be on the chopping block."

▲ **DANETTE SCHWAB**, *VP of Exploration, Pacific Ridge (Vancouver)* "Start talking to First Nations early, before you start permitting. Many Nations are not outright opposed to resource development, but there must be benefits and environmental and cultural considerations."

◀ **LOUIS FOURIE**, *senior manager, geology, Respec (Saskatoon)* "There's ore in old mines and in the ground that we couldn't process historically but that we can now. Once we look past the speculation and buzzwords, there's a lot that we can do to make it beneficial for local communities. You can't have the energy transition without the minerals we need for it."

◀ **MARY A. OGBE**, *Ministry of Solid Minerals Development (Nigeria)*
"Before Nigeria's independence, its GDP was sustained by mining. Then they discovered oil, and the focus changed. Mining has seen a comeback in the past four or five years—nickel, lithium, gold, copper, lead, zinc and more. Nigeria is going to do many more exploration projects very quickly, applying the latest tech and focusing on the green energy transition."

▼ **EDUAN PIETERSE**, *country manager, VBKOM Mining Consultants Canada (Toronto)*
"Typical drill rigs require a lot of space and create a lot of environmental disturbance. With this compact rig, you don't have to clear a lot of bush—it can be dragged around by a snowmobile. And because it's light, it doesn't consume a lot fuel, plus it's air-liftable."

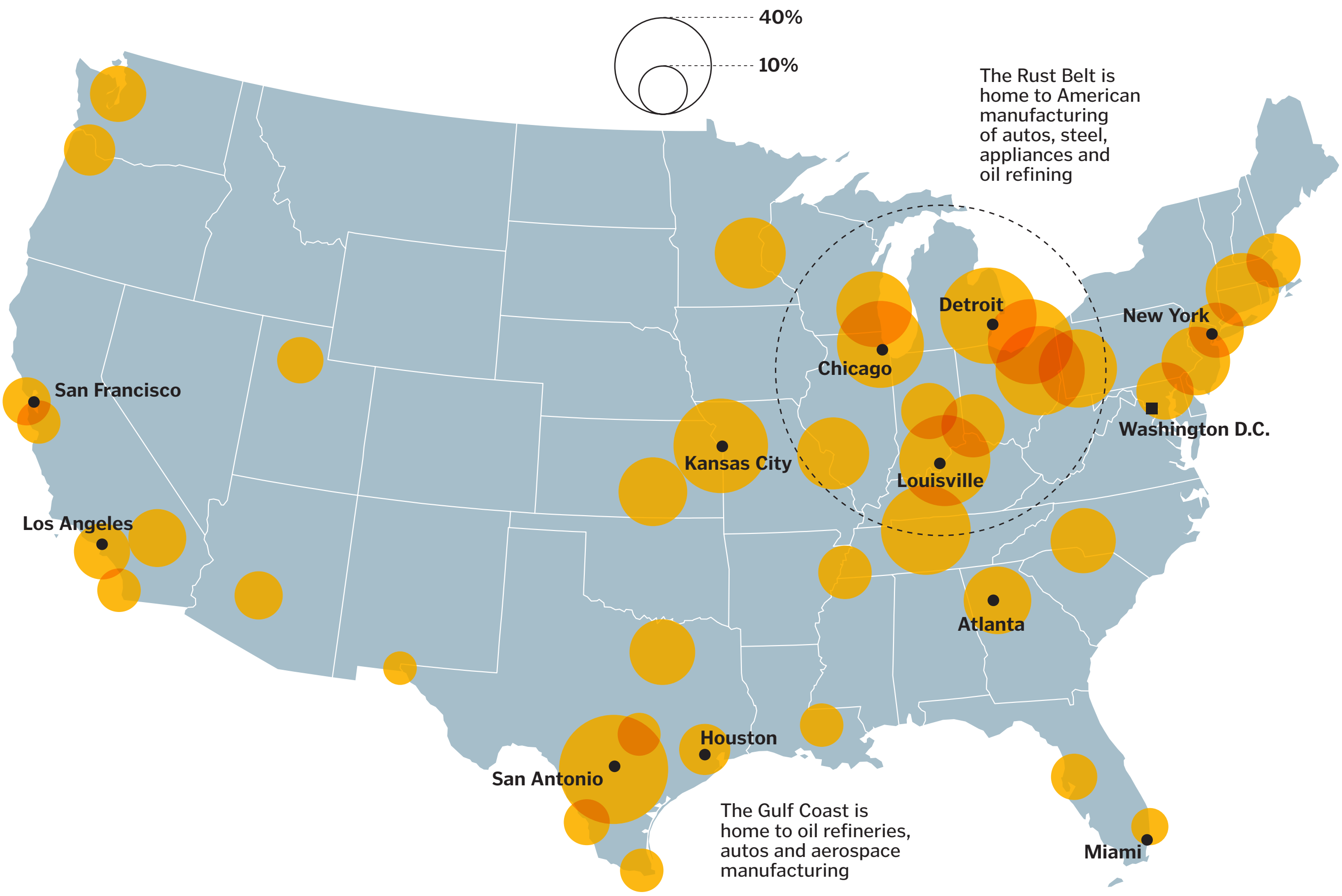
▲ **BRUCE ACHNEEPINESKUM**, *Chief, Marten Falls First Nation (Ontario)*
"The Marten Falls community access road, which will connect to the road that goes up to the Ring of Fire mining area, winds around important sites for the community, including sacred sites. Any development projects happening on Treaty 9 territory—like the Ring of Fire—will need to be done in consultation with, and in collaboration with, the Matawa First Nations tribal council."

◀ **KIERA BRODA**, *geoscience PhD candidate, McGill University (Montreal)*
"Tariffs create uncertainty. However, they also offer an opportunity to reassess our economic practices. By improving permitting processes and strengthening local production, we can enhance economic resilience and foster national pride, enabling Canada's mining and mineral exploration industry to remain a leader in innovation."

▲ **DAVID TRUCHOT**, *managing partner, Veltiosis Consulting (Minneapolis)*
"Imposing tariffs on such a critical industry, where it takes years, if not decades, to start a mine, is totally counterproductive. Miners need stability, not a whirlwind of flip-flopping economic conditions."

▲ **MIKE CARTER**, *founding partner, First Green Energy (Vancouver)*
"If you don't have social buy-in in Peru, they will shut down your project. Caring about the locals isn't just a nice-to-have anymore. You don't get a mine built without meaningful community support."

CANADA AS A SHARE OF CITY EXPORTS, 2023
(by metropolitan statistical area)



DECODER

YOU'RE ONLY HURTING YOURSELF

Within the on-again, off-again bizarro world of U.S. President Donald Trump's approach to tariffs and trade, much of the focus has been on the dire impact the trade war will have on countries that sell goods to America, in particular Canada. But the tariff battle also poses a threat to many U.S. cities that depend heavily on selling stuff to their northern neighbours. Bigly.

In a recent report, the Business Data Lab at the Canadian Chamber of Commerce dug into U.S. trade data to find the cities most exposed to trade with Canada, both in terms of the share of exports that are Canada-bound and how much that trade flow amounts to as a share of the city's economy.

It's a long way from San Antonio, Tex., to Detroit—roughly 2,000 kilometres, in fact—but those two metropolitan areas sit atop the list of the most Canada-exposed cities. Detroit makes sense, given the intricate ties between the auto sector there and just across the border in Windsor. Nearly 40% of all of Detroit's exports go to Canada, accounting for 5.4% of the city's GDP.

More surprising is San Antonio, until you tally up the US$6.1 billion in goods it ships to Canada. Petroleum refining is a big part of that, but the city has the largest aerospace manufacturing footprint in Texas, and is home to a large Toyota plant that cranks out Sequoia SUVs and Tundra pickups for the Canadian market. All told, 48% of San Antonio's exports go to Canada, equal to 3.4% of the city's GDP.

By some estimates, more than a million American jobs depend on exports to Canada, many of them located in the cities the Chamber of Commerce examined. It's a message the organization and many other Canadian lobbyists are pitching loudly to U.S. officials. As Andrew DiCapua, the Chamber's senior economist, put it: "Policymakers weighing next moves would do well to remember the livelihoods that hang in the balance and that our geography makes us stronger together." **/Jason Kirby**

SOURCE BUSINESS DATA LAB, CANADIAN CHAMBER OF COMMERCE

Congratulations

Corey Pacht

Partner & EVP, Operations

2025 Best Executive Award Winner

Thank you for your leadership, Corey. Your vision and expertise are key to Fitzrovia's growth, shaping the future of rental housing and delivering innovative solutions that redefine our communities. Your impact is felt across every aspect of our business, helping us build a stronger, more sustainable future.

FITZROVIA

FOR YOUR CONSIDERATION

MCAN FINANCIAL GROUP
TORONTO

TOTAL ASSETS (2024)	**$5.3 BILLION**
PROFIT (2024)	**$77.6 MILLION**
THREE-YEAR SHARE PRICE GAIN	**2.3%**
P/E RATIO (TRAILING)	**8.9**

MCAN fills a lot of niches. It bills itself as Canada's largest mortgage investment corporation (MIC), although it's the only MIC that's federally regulated. That means its deposits are insured by the Canada Deposit Insurance Corp., allowing it to gather money at lower cost than rivals. Derek Sutherland took over as CEO on April 1, after serving as interim CEO for four months and board chair since 2020. Basically, MCAN is not a Big Six bank, but it has a lower risk profile than other MICs.

MCAN is also much nimbler than a big bank and, in many ways, has better growth prospects. It only has about one-half of one-quarter of the Canadian mortgage market, and "maybe 1% to 2% on the mortgage broker side," says Sutherland. "So for us to grow, it doesn't take a lot." Adding $500 million in assets would mean 10% growth, whereas Bank of Montreal would have to add $145 billion. And MCAN has increased its mortgage assets from $2.4 billion in 2020 to $4.9 billion last year.

Sutherland says MCAN really doesn't compete for the same borrowers as banks, either. It's more inclined to deal with people who have bruised credit histories or who may have suffered an adverse life event like divorce. "We can get our heads around that," he says. But it's not a sub-prime lender, and its average loan-to-value ratio at mortgage origination is just 65%.

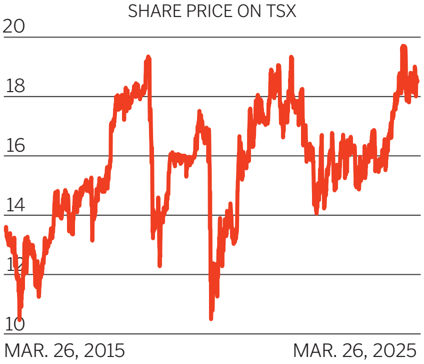
There's now also a third leg to the company: MCAN Capital, its residential construction and investment business, "where we get better returns," Sutherland says.

Threading several needles takes a lot of experience, and Sutherland, who's 53, says he's been absorbing lessons since he was a kid. His father was involved with predecessor companies in the 1980s. MCAN's first IPO was in 1992, and Sutherland joined in 2004.

Many real estate challenges today are geographic. Counting mortgage and corporate loan portfolios, MCAN has 72.4% of its holdings in Ontario and 15.7% in British Columbia—markets that look pricey. Sutherland says that's where "the discipline of underwriting" comes in.

Sutherland thinks MCAN is a classic growth-at-a-reasonable-price proposition. But many real estate investors want hefty income. MCAN has boosted its annual dividend to $1.64 from $1.13 a share over the past 10 years, and paid out special dividends in 2021 and 2022. That's a yield of almost 9%. "As an investor," he says, "I'd buy that." **/John Daly**

MCAN FINANCIAL GROUP (MKP)
SHARE PRICE ON TSX



FOMO INVESTING

Five things we learned from Pascal Courty

In a rare carryover from the Biden to Trump administrations, U.S. antitrust authorities are still suing to split up concert promotion giant Live Nation Entertainment and Ticketmaster. A U.S. court ruled in March that the case can proceed. Does it still make economic sense? We asked Pascal Courty, a University of Victoria economics professor who has studied events and ticketing for decades. **/JD**

1. Courty says he, too, was surprised that the case lived on. "I thought it might die," he says. But a U.S. judge ruled against Live Nation-Ticketmaster's bid to dismiss. Regardless of any political differences among ticket buyers, they apparently take major concert tours very seriously.

2. Live Nation-Ticketmaster is dominant and has engaged in anticompetitive conduct for a long time. Authorities sometimes try to split big companies, but it rarely happens in practice because lawsuits take time, the economics of the business may change, new competitors may enter, or the case may simply lose its relevance. That said, Courty doesn't think the economics of this business will change.

3. He doesn't think there will be new entrants, either—small rivals who are obviously crushed by a giant. Instead, Courty recalls Microsoft in the 1980s and '90s, which "tried to expand its monopoly power into browsers" by intimidating would-be rivals. But simply showing that prices have increased faster than inflation isn't enough—U.S. authorities need more proof.

4. Taylor Swift's Eras tour set new precedents. Artists don't want to appear greedy by setting initial ticket prices too high or obviously limiting the number of shows. But Courty says Swift was "a master marketer." She teased demand, then added shows, and solved the conundrum of "how do you get $2,000 a ticket without looking like you charged $2,000?"

5. One way behemoths stifle competition is by slowing innovation. Courty says China introduced measures in 2023 to try to make ticketing fairer. "There are always people trying to grab tickets, robots, issues with identity theft," he says. The country made tickets to major events (5,000 spectators or more) non-transferrable, and buyers must provide solid proof of identity, such as biometric ID.

ILLUSTRATION GETTY IMAGES

SMART MONEY

SAM BALDWIN

SENIOR PORTFOLIO MANAGER
GUARDIAN CAPITAL LP, TORONTO

Sam Baldwin was studying economics and Mandarin Chinese when he landed a summer job in Taipei with an insurer. It was in 1997, when an Asian financial crisis hit, turbocharging his interest in stocks as he wondered how this market-roiling event could occur. His career began in London on an Asian equity fund, which took an index-agnostic strategy, and he was compensated for picking stocks that could outperform their local markets. In 2007, he joined Guardian Capital's quantitative global equity team. Baldwin's $115-million Guardian Canadian Focused Equity Fund has outpaced the S&P/TSX Composite Total Return Index since the F series began in 2019. We asked the portfolio manager why doesn't own Canadian banks and likes Fairfax Financial Holdings.

What is your strategy to outperform the index?
We are index agnostic, so we try to populate the portfolio with asymmetric opportunities—that is, stocks with more upside potential than downside loss. We own 15 to 20 Canadian stocks and focus on quality companies that can grow and be profitable through a business cycle. Unlike the index, which is skewed more to financial and resource companies, we diversify across businesses.

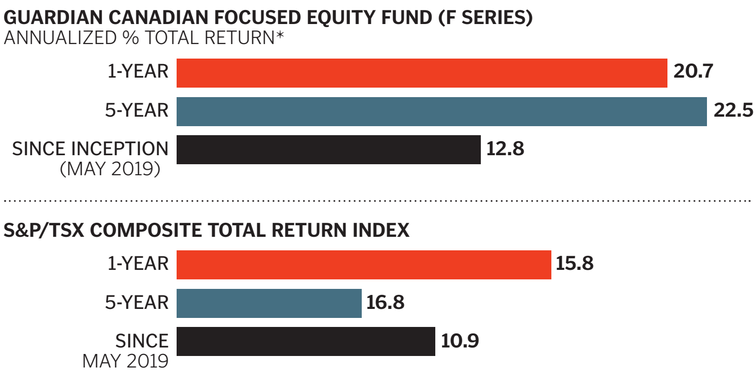
Why don't you hold Canadian banks?
We don't have to invest in banks because they are big in the index. We did once with Royal Bank from early 2021 to 2023, but sold it to buy MDA Space, a maker of satellites that has done well. In our framework, banks could continue to do well or be vulnerable to a pullback. Bad loans could tick upward, which is a headwind for profitability, while bank valuations now aren't particularly attractive.

Given that Agnico Eagle Mines is a top holding, how does gold fit into your strategy?
The gold price swings around, but it also performs well in periods when defence is required. Uncertainty from the U.S.-Canada tariff war has been one tailwind. We also see diversification value in gold, while valuations of miners have become cheaper. We like Agnico Eagle because it is large and operates in safe jurisdictions like Australia, Finland and predominantly Canada. We don't use a price in the US$3,000-per-ounce range for its gold production, but a conservative estimate of US$2,350 per ounce.

In 2024, your fund gained 38.2% versus 21.7% per cent for the index. How did you manage that?
MDA Space, AtkinsRéalis, Fairfax Financial Holdings, Brookfield and Capital Power performed well. But we had also decided, as interest rates climbed quickly in 2022, to build a more defensive growth position. We avoided traditional defensive stocks, such as telecoms, pipelines and real estate investment trusts, because they faced an expensive cost of capital to grow. Instead, we bought capital-lighter, defensive growth names such as TMX Group, Fairfax Financial Holdings and Loblaw.

Fairfax Financial is a bit under the radar. What's the attraction?
This property and casualty insurer has a solid underwriting track record and a large portfolio of securities. Its chief executive officer Prem Watsa gets a lot of attention for his corporate purchases, such as BlackBerry, but the overall portfolio is often overlooked. Fairfax Financial is highly profitable, and the return from its investments has been lifted because a large part is in fixed-income securities earning higher interest rates. Unlike other business models, rising rates were a tailwind. Its stock also trades at a low price to book value.

Given the tariff war launched by Donald Trump, what is your outlook for the Canadian market?
We are cautious but remain fully invested even if the economic headwinds stiffen. There has been no portfolio change in the past year or so without thinking about the potential for Trump to be elected, and the spectre of tariffs. We have sold names based on valuation and bought businesses that are mostly in-market service providers versus sellers of goods across borders. They include convenience-store operator Alimentation Couche-Tarde; collision repair chain Boyd Group Services, which gets 90% of sales from the U.S., and specialty insurance provider Trisura Group. It doesn't mean that the tariffs can't hurt the economy or cause headwinds for some of our companies, but their valuations are not priced for perfection. **/Shirley Won**



SOURCE MORNINGSTAR DIRECT; RETURNS TO MAR. 31, 2025

PHOTOGRAPH ANTHONY NUSCA

Modern family business

How entrepreneurs leverage technology to drive growth and boost productivity

Romy and Myriam Belzile-Maguire, founders of Maguire Shoes in Montreal, leverage AI and automation tools to drive efficiency in their growing fashion footwear business. SUPPLIED

LIKE MANY SMALL BUSINESSES, Toronto-based Barbet began with a simple idea born out of necessity.

In 2020, Katie Fielding experienced an epileptic seizure that led her to forgo alcohol for a while. At the time, options for non-alcoholic beverages were limited to sodas and seltzers. Seeing a lack of adult-oriented alternatives, she and her sister, Andrea Grand, were inspired to develop their own alcohol-free beverage brand. In 2021, after months of trial and error, they launched Barbet – a sparkling beverage brand offering bold designs and sophisticated flavours.

In the early days, Grand was delivering cases of Barbet to cafes and restaurants out of the back of her car. But as demand grew – Barbet is now sold at more than 70 Sobeys stores in Ontario and various local retailers – the co-founders enlisted a distribution partner to help scale.

Embracing new technology has also been key to managing Barbet's expansion. For example, the company manages the cost of its cans by using inventory management software with built-in production forecasting. "By proxy, it helps us have control over our margins and the financial health of our business, and it also helps us with ordering and forecasting," says Grand.

For small businesses like Barbet, embracing innovative technology is no longer a luxury –it's a necessity for growth. Tools like cloud computing and artificial intelligence (AI) are enabling businesses to scale production and increase efficiency.

At Barbet, AI is playing an increasingly important role. The team uses ChatGPT and Notion to streamline and automate repetitive tasks. To further boost efficiency, they're also looking into onboarding an AI consultant to assess the business and determine what tasks can be optimized or automated, such as creating financial or sales dashboards.

On the financial front, technology advances in accounting can help streamline processes and simplify tax compliance. For instance, MNP's cloud-based accounting and bookkeeping solution uses automation to help companies manage their finances more efficiently, organize their data and gain immediate access to the data they need from the cloud – from wherever they are.

While timely updates, invoice management and access to payroll and business modelling are particularly useful during tax season, they offer year-round benefits, says Shayne Dueck, vice president, client accounting and bookkeeping services for MNP, one of Canada's leading professional services firms, providing accounting, consulting, tax and digital services.

Tips on introducing new tools to the tech stack

While adopting the latest tech has advantages, it also comes with challenges. "Introducing technology for technology's sake can be overwhelming," says Grand. "The onboarding process can be long and lengthy, not only in just learning the new tool, but the adoption of it."

Bruce Winder, a Toronto-based retail consultant, advises small business owners to consider the impacts of new tools and technologies on their customers. "One of the risks with any type of intervention in a business is there could be unintended consequences in terms of how the software interacts with your customers," he says. For instance, a new tool needs to be assessed for privacy and security, especially when dealing with sensitive customer information.

Cost is another important consideration. Winder notes that AI can be expensive for small businesses, particularly in the form of up-front costs. This might mean owners have to raise their prices or live with less profit, which puts them at a competitive disadvantage.

The first step is to start small. The founders of Montreal-based Maguire Shoes – sister duo Myriam and Romy Belzile-Maguire – took a short course on AI to better understand both its potential and risks and then asked their team for input.

When it came to tools like ChatGPT, Romy says many younger team members at Maguire Shoes had been using them long before the sisters did. "As small business owners, we stay curious about new technologies and trends but adopt them gradually, one at a time," she says. "We once heard: AI won't take our jobs, but those who don't embrace it may be left behind."

For order fulfillment and logistics, Maguire Shoes uses automation tools to manage shipping, track inventory and automate customer communication, among other tasks.

The co-founders acknowledge that the biggest challenge small business owners face is feeling like they have to be in charge of every department.

"AI can give you the tools you don't have the time to learn," says Myriam. "For example, we recently asked ChatGPT to help us calculate our stock turnover ratio – it can be as simple as that. AI doesn't replace expertise, but it helps bridge the gap and makes things more efficient when you're juggling multiple roles."

Do you have an exit strategy?

Most business owners lack one in writing

Effective succession planning safeguards your company, employees and future.

BUSINESS OWNERS sometimes feel like they have all the time in the world to put a succession plan down on paper. Until that time runs out unexpectedly.

It's an all-too-common occurrence, says Kerry Smith, national leader of MNP's Family Office Services. A new report from MNP, an accounting and business consulting firm, finds that almost two-thirds of Canadian business owners surveyed haven't documented a succession plan. Only 22 per cent have an up to date will, and only 13 per cent have sought professional guidance to create a tax and estate plan for their transition.

"Having a succession plan not only preserves and protects the value of the business, it also provides preservation for the employees and management," Mr. Smith says. "Whether you plan to sell, transition to family or explore employee ownership, your business's long-term success depends on the steps you take today and as you move forward."

Failing to do so can imperil an enterprise. Mr. Smith describes an instance where he was advising the son of a business owner who thought a succession plan was in place. The owner had told his family he had a succession plan, and said the same to the company's key management. Because the owner was an accountant, everyone trusted his business acumen and thought things were taken care of.

Unfortunately, the owner became terminally ill. He had never formalized his transition plans, which had a ripple effect. There was chaos in the business and significant tension in the family. Moreover, a buyer backed out because they saw the turmoil.

Mr. Smith, who was advising the owner's son, said all that could've been avoided. "It has taken a long time for the son to rebuild the trust of management and the employee group, and, ultimately, rebuild the value of the business, due to the aftermath of not having a succession plan."

Succession planning can feel overwhelming and even paralyzing, he says. That's why some owners have a difficult time even getting started. Mr. Smith says a well-developed plan will consider both the business and the family. Among the factors to include:

- varying expectations among stakeholders;
- short-, medium- and long-term plans of the business and family;
- training and education for the next generation;
- governance;
- tax and estate implications (MNP reports that almost half of business owners surveyed lack clarity on net proceeds after taxes);
- business valuation and value enhancement planning (i.e. ways to improve performance, from investing in technology to strengthening processes);
- employee retention; and
- emergency preparedness (for assets and business continuity if something happens to the business owner).

The MNP report runs through it all and includes an ExitSMART assessment business owners can fill out to get a sense of whether their succession planning is on track.

Even if business owners have a general sense of what they want for their business exit, Mr. Smith says they benefit from support to turn those ideas into actionable objectives. Consider these four.

1. **Start early.** That gives you more time to prepare your candidates, improve your business valuation and set yourself up for a smooth exit. Note that succession isn't always about an exit, Mr. Smith says. Even if you're still in your growth stage, acquiring other businesses as part of a strategy to later transition may be part of your plan.
2. **Get help from a professional.** Transitioning a business is complex, but you don't have to do it alone. Consulting with tax, legal, business and transition advisors can help you develop a strategy that protects your business and retirement. "Meet with a professional in this space who understands every aspect of business succession [planning]. That specialist can break down and compartmentalize the different components of a plan," Mr. Smith says.
3. **Make it official.** Document your plan, communicate it to the necessary people and revisit it regularly. This isn't a one-time exercise. The market, your business goals and your personal goals will evolve — your plan should too.
4. **Understand the value of your business.** If you plan to sell, a lack of preparation could mean lower valuations and difficulty attracting the right buyers.

Although many Canadian business owners have yet to create a succession plan, the MNP study shows it's on their mind. That's notable and an important first step.

Still, while 84 per cent of participants in the MNP survey have thought about big issues such as timeline, terms, price and buyer, only 8.5 per cent have translated those thoughts into clear and defined goals.

"The business community says they're ready to think about it," Mr. Smith says. "We want to encourage them to take that next step and put pen to paper to build out a comprehensive [succession] plan."


EXIT

DEI HARD

Diversity, equity and inclusion initiatives were supposed to help organizations become more meritocratic. What went wrong?

By Simon Lewsen

Illustrations by Nikki Ernst

Not that many months ago, seemingly everyone in corporate Canada was talking about diversity, equity and inclusion. The country's blue-chip class never tired of touting all the programs they'd launched to diversify their ranks and the C-level execs they'd appointed to make the changes happen—all while spawning a robust industry of consultants, facilitators and racial-equity assessors to help. Everybody made bold statements every chance they got. "Inclusion isn't just a buzzword," CIBC announced repeatedly. "It's the cornerstone of our culture."

What a difference six months make. In March, we contacted representatives from several Canadian giants—including Manulife, RBC, CIBC, Intact Financial, BMO, EY, Telus, TMX Group, Sun Life, BCE, Fairfax Financial, Sobeys and Canadian Tire—to talk about their DEI initiatives. All of these organizations had been diversity stalwarts whose leaders took every opportunity to talk up their progressive bona fides—revamped hiring processes, workplace training seminars, ironclad commitments to self-reflection and growth. But that was then. Today? Most of the companies politely declined our requests. Some didn't respond at all.

The proximal cause of this about-face is Donald Trump, whose comeback is both a symptom and driver of this corporate vibe shift. His latest presidential campaign made anti-wokeism its central plank, harnessing growing discontentment that seemed to crystallize in 2023, when Bud Light partnered with trans influencer Dylan Mulvaney on social media, sparking a customer boycott and a 28% drop in sales.

But the backlash was brewing long before that. Even consultants who've devoted their life's work to DEI have felt disillusioned. "I loathe the way we've been doing EDI over the past couple of years," admits Michelle Grocholsky, an equity-sector veteran and founder of the consultancy Empowered EDI. Grocholsky's target isn't DEI itself, but rather an aggressive, performative strain that seems disinterested in actual change.

The grassroots pushback against DEI is rooted, perhaps even largely, in bigotry. But it's also a response to the industry's missteps and excesses: the perfunctory hiring quotas, the sometimes hacky training sessions, the bluster of chief diversity officers who, in the end, achieved middling results, particularly in the top echelons of the corporate world. In its most recent annual diversity audit of publicly traded companies in Canada, the law firm Osler, Hoskin & Harcourt reported that, in 2023, 30% of board seats were held by women, 10% by visible minorities (up from just 5.5% in 2020 but unmoved from the previous year) and 1% by Indigenous people, even though these demographics comprise 51%, 27% and 5% of the country's population. Not exactly a resounding triumph.

Then along came Trump, who tipped the backlash into overdrive. Within hours of taking office, he signed an executive order banning DEI programs across the federal bureaucracy and barring the government from awarding contracts to private entities that practise so-called "illegal DEI." Government agencies went into panic mode, scouring their rosters for employees to fire and scrubbing DEI-adjacent content—much of it anodyne or irrelevant—from their websites. The Defense Department even removed an image from its online database of the Enola Gay, the airplane that dropped the first atomic bomb, presumably because of the word "gay."

Some state attorneys general have argued that any program that features hiring quotas or preferential benefits for marginalized groups could run afoul of the 14th Amendment of the U.S. Constitution, which protects against unfair treatment based on immutable characteristics like race. A few U.S. behemoths, including Costco and Cisco Systems, have refused to back down on DEI. Others—among them Alphabet, Meta, McDonald's, Walmart, Harley-Davidson, BlackRock, Morgan Stanley, JPMorganChase and Citigroup—have backed away.

A similar realignment is happening north of the border. Nissan Canada, whose U.S. arm has faced pressure from conservative anti-DEI activists like Robby Starbuck, pulled support for Pride Toronto. Molson Coors removed all mention of DEI from its latest annual report. Shopify killed programs supporting Black, Indigenous and women entrepreneurs, and reportedly laid off the employees who ran them. Most executives in Canada aren't being quite so blatant. Some are even doubling down. In a recent post on LinkedIn, Lightspeed Commerce CEO Dax Dasilva—a racialized gay man—wrote: "Recently, we've seen some of the world's largest companies roll back their DEI initiatives. Make no mistake, at Lightspeed this is more than just a passing trend—this is a commitment based on 20 years of our history. I promise we'll continue fostering this type of safe environment, and it will remain core to our DNA."

But Dasilva is an exception. Most Canadian leaders appear to be keeping their heads down—and frantically consulting their legal teams. Their skittishness is hardly irrational. Canadian businesses that operate in the U.S. or trade on U.S. exchanges are just as vulnerable to charges of "illegal DEI" as their U.S.-based peers. (Incidentally, Lightspeed trades on both the TSX and the NYSE.) Bad vibes being contagious, there's also good reason to fear that the DEI backlash could soon be in full force here.

But some business leaders are surely glad for an excuse to move on from DEI, which has sucked up a lot of oxygen over the past five years. "Executives are emboldened by what's happening politically," says Grocholsky. "Some are all too willing to say, 'We're not doing this anymore.'"

Still, she says, it's too early to write DEI's obituary. For every circumstantial reason to abandon it, there's a better one for holding fast. Europe, a critical market for Canada given America's protectionist turn, still views DEI initiatives favourably. Trump won't be president forever, and the post-Trump era might be unkind to organizations that capitulated to a foreign leader.

And of course, diversity, equity and inclusion are all virtues in and of themselves. Nothing Trump has done can change that fact. So while DEI is clearly at an inflection point, it isn't necessarily at an end point. To bounce back, the industry must reckon with what went wrong.

DEI evolved in response to the biggest conundrum of the post-Civil Rights Era: that racial inequities continued even in the absence of legal segregation. To explain this phenomenon, the intellectual community (and later the corporate one) settled on the notion of "systemic" racism—an invisible social force, embedded in nominally colour-blind institutions. "The problem with colour-blindness is that it was never truly colour-blind," says Marie Henein, one of Canada's top criminal lawyers, who has championed DEI at her firm, Henein Hutchison Robitaille. "If it was, we wouldn't have the constellation of people in power that we have now."

Systemic racism joined the public conversation in 2020, after the murder of George Floyd sent American historian Ibram X. Kendi's book *How to Be an Antiracist* into bestseller territory. Kendi is now a controversial figure, but he'll likely be remembered for a single, powerful idea—that outcomes matter more than intentions. His thesis elegantly captures DEI's underlying philosophy: If a company is routinely elevating white people at the expense of people of colour, that company is upholding racism, even if its leaders don't consciously have racist thoughts. The same analysis can be applied to discrimination based on gender, sexual orientation and neurodiversity.

DEI, by this reasoning, is a process of refinement. The objective is to eliminate the internal procedures that distort judgement and impede equitable decision-making. "Imagine if you did job interviews behind a curtain, and everyone's voice was Auto-Tuned," says Bay Street power broker Wes Hall, founder of the BlackNorth Initiative, whose aim is to combat systemic racism in Canada. "Imagine that all of your questions dealt directly with the job and people's ability to do it. In that world, you wouldn't need DEI. Every organization would be diverse."

Hall's point is that talent is equally distributed across the population, so a company that rigorously selects for talent would naturally produce diverse outcomes. "People think that DEI is in conflict with notions of merit," adds Camellia Bryan, a leading equity researcher at the University of British Columbia. "But actually, the goal is to help organizations become more merit-based."

That's the primary goal, at least. Subsidiary goals include retention (ensuring that diverse talent sticks around), cohesion (ensuring diverse teams work well together and feel comfortable raising new ideas) and outreach (nurturing a diverse customer base). DEI takes many forms: seminars, marketing campaigns, internal audits of hiring and promotion processes.

At its worst, it can be appallingly gimmicky. "I've been in meetings with a large organization," says Grocholsky, "in which I've been asked to tell an executive, 'The next person you hire must be racialized.'" In her experience, such tokenistic efforts engender suspicion and aggrievement. The beneficiaries find that there's an invisible asterisk beside their names, while peers resent them for allegedly unearned privilege.

The most successful DEI leaders, Grocholsky says, tend to eschew superficial fixes for thoughtful, process-based reforms. The beer company Sleeman has removed criminal background checks from most of its hiring requirements. The Ontario Veterinary Medical Association has encouraged its member clinics to conduct interviews via standardized sets of questions. The Accelerator Centre, a Waterloo startup incubator, has reviewed its website and funding applications for tech jargon, and attached explanatory hyperlinks where necessary.

"There are many predictors for what a successful entrepreneur looks like," says Tabatha Laverty, an Accelerator vice-president. "Knowledge of acronyms isn't one of them."

In 2017, SickKids Foundation, the charitable arm of the Toronto children's hospital, conducted an internal survey and found that 71% of its employees self-identified as white and 88% as heterosexual. These metrics weren't just an HR problem, says Emily Pang, the foundation's COO and chief of staff; they were a revenue problem in the making. "In Toronto, there's wealth in many populations," says Pang. "We cannot fundraise in the Chinese, Black or South Asian communities if we don't get our house in order."

And so the foundation overhauled its hiring process. Job descriptions now distinguish between mandatory and non-mandatory skills, in order to encourage applications from women and racialized people, who tend to count themselves ineligible for a job unless they tick every box on the hiring call. Candidates whose first language isn't English can request interview questions in advance so they have time to prepare. Each hiring panel is itself diverse, and if recruiters are unable to solicit a diverse slate of applicants, HR tells them to keep searching.

The team also works to ensure sure diverse employees stick around with DEI events that go beyond the typical training sessions. They often feature visitors—a spoken-word artist for Black History Month, a concentration-camp survivor for Holocaust Remembrance Day, a drag queen for Pride—or informal group discussions of pop culture. If the foundation fails to nurture a sense of belonging, Pang reasons, it will struggle to retain talent, putting it out of touch with the diversifying donor base on which it depends. DEI, by this reasoning, is a matter of survival.

That's the most powerful case for DEI, the one that resonates across the ideological spectrum. Since 2015, McKinsey & Co. has put out four papers that correlate DEI with profitability. The latest, from 2023, finds that the most racially diverse businesses are 39% more likely to see above-average returns than their least diverse competitors. Because McKinsey keeps details of its methodology secret, independent researchers have been unable to check its work, and academics who've attempted similar studies have failed to replicate its findings.

But nobody needs McKinsey to affirm what's common sense: that companies with diverse applicant pools will have access to a greater range of talent than those that select narrowly for race or gender. The countervailing risks are increasingly external: DEI has become costly for businesses because anti-DEI partisans want it that way. In the spring of 2023, the U.S. mega-retailer Target released a line of Pride-themed merchandise, including a children's book about pronouns, a tuck-friendly swimsuit and messenger bags by the London designer Erik Carnell, whose work playfully incorporates Gnostic imagery.

The backlash was swift and brutal. The most paranoid customers accused Target of grooming children; the most humourless accused it of trafficking in the occult. A rap song called "Boycott Target" became a hit on Apple Music. Target recalled some items and moved others to the back of the store, but it couldn't contain the fallout. In the second quarter of 2023, sales were down 5.4% from the previous year.

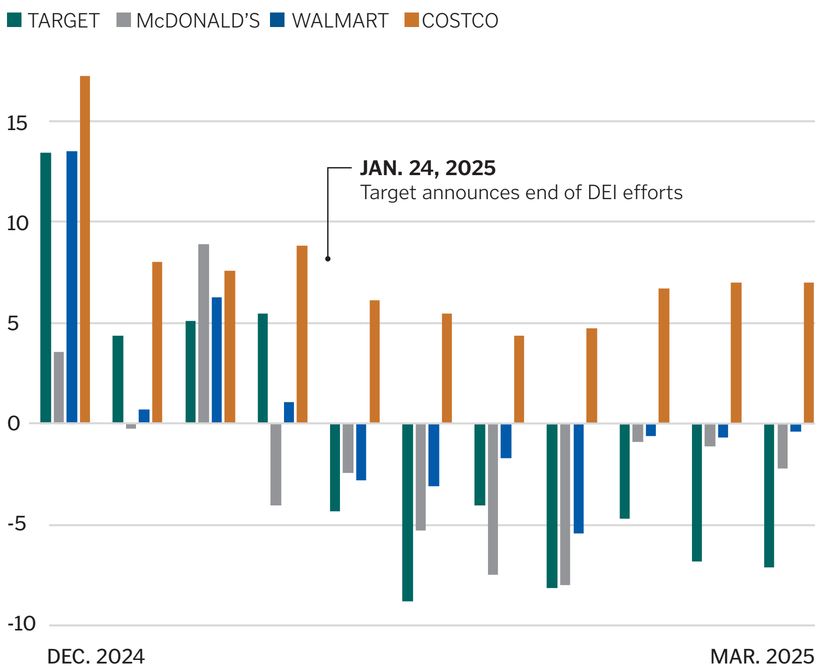
Then, in August 2023, Target was hit with a lawsuit on behalf of Brian Craig, a shareholder who claims his stock lost 17% of its value because of the boycott. Craig's case—backed by America First Legal, a non-profit founded by Trump adviser Stephen Miller—has since inspired a class action, with other investors alleging malfeasance.

According to preliminary court documents, Target's proxy statements reassured shareholders that it was conducting DEI risk assessments. The plaintiffs claim that while Target did ample due diligence to ensure its Pride campaign was well received by the LGBTQ+ community, it didn't study how conservative shoppers might react. A risk assessment that fails to consider the possibility of a boycott, the court documents allege, isn't a full risk assessment at all.

The case will likely turn on legalistic questions: How much disclosure is Target obliged to give? At what point does a business decision become a violation of fiduciary duty?

Costco held fast on DEI. Its rivals didn't

% CHANGE IN FOOT TRAFFIC VS. LAST YEAR



SOURCE: PLACER.AI

Perhaps the novelty of the suit will jeopardize its chances in court, but in the current culture, novelty is its strength. America First Legal bills itself as a right-wing counterpart to the American Civil Liberties Union. Its goal isn't to mollify aggrieved investors but rather to shift U.S. corporate norms. To that end, the suit sends a message to companies everywhere: If you practise DEI, you could face trouble you never imagined.

That message is coming from other quarters, too. Under Trump, the Federal Communications Commission is investigating Walt Disney, Verizon and Comcast to determine whether, in their zeal to diversify, they favoured some racial groups over others. If so, the administration contends, they may have violated civil rights law.

The attorney general of Missouri has made a similar argument in a case against Starbucks. The suit alleges that the coffee giant used hiring and promotion quotas for marginalized groups, leading to slow service and inflated prices. (Starbucks denies the allegations.) It appears that the attorney general is seeking legal remedies for what are basically market problems—if Missouri residents feel ripped off by Starbucks, they should head not to the courts but to Dunkin'—and yet the oddness of the case hardly undermines its potency. Even specious lawsuits bear financial and reputational costs.

The atmosphere of uncertainty is now palpable in Canada. Ellie Kang, a New York–based lawyer with the Toronto firm Torys, says that Canadian companies operating in the U.S. and therefore answerable to U.S. laws should review any initiatives that include preferential treatment for individual groups, especially if they include hard numbers. Managers should speak carefully about diversity goals, she adds, favouring aspirational language over hard commitments. (Hence a recent memo from RBC CEO Dave McKay that leaned heavily on "inclusion" and acknowledged potential difficulties in the U.S.: "We also know we need to consider the rapidly changing legal landscape around diversity, equity and inclusion programs, particularly in our second home market.") And many companies would do well to pursue diversity by other means entirely. "You can strengthen your recruiting efforts at individual schools or in individual geographic areas," says Kang. "It's never been illegal [in the U.S.] to have a good outreach program."

The landscape is still safer in Canada, where programs that seek explicitly to hire from marginalized groups are legally protected by federal and provincial legislation—and by the Charter of Rights and Freedoms. While Section 15(1) of the Charter establishes a right to equal treatment, Section 15(2) clarifies that this right does not prevent organizations from working to ameliorate past discrimination.

And yet, Canadian organizations run legal risks, too. Peter MacKinnon, a law professor and senior fellow at the Macdonald-Laurier Institute, points out that the two sub-parts of Section 15 are in obvious tension. A hiring program that favours a specific group will, by definition, disfavour other groups, undermining the "equal protection" principle laid out in 15(1). Does 15(2) confer complete immunity from 15(1)? MacKinnon suspects there are limits.

He also suspects that some post-secondary institutions with expansive DEI programs—the medical school at Toronto Metropolitan University, for instance, which has created separate admission streams, called equity pathways, for targeted groups, or the University of Calgary, which recently earmarked 45 faculty positions for "equity-deserving groups" including female, non-white, queer or disabled applicants—may be pushing against what's constitutionally tolerable in Canada. "To the best of my knowledge, there has not been a published case of a Charter challenge against DEI," says MacKinnon. "But I suspect we'll see one soon."

Of course, one can't have a case without a plaintiff, a fact that underlines DEI's larger issue: not that companies might face lawsuits, but rather that people might wish to sue in the first place. DEI's legal woes are ultimately downstream from a bigger crisis of legitimacy.

Any discussion of DEI must, eventually, address the movement's most contentious aspect: the training seminars. Work by a pair of sociologists—Harvard's Frank Dobbin and Tel Aviv University's Alexandra Kalev—suggests that training may be the most overrated tool in the DEI kit. These sessions are limited in their efficacy because training always is: In the workplace, most genuine learning happens on the job.

Dobbin and Kalev cite research suggesting that training sessions can engender backlash among the majority population, whose members feel singled out. One obvious rebuttal is to blame the majority for its apparent recalcitrance, but this rhetorical move hardly makes the problem go away. And if anti-bias training is failing to win people over—or worse, fuelling resentment—then DEI has a big problem

A crack-up in the Toronto school system became a cause célèbre among DEI opponents. It began in April 2021, when Richard Bilkszto, a retired educator serving as interim principal of an adult high school, attended a session facilitated by Kike Ojo-Thompson. The conversation drifted to the topic of Canada versus the U.S., with Ojo-Thompson asserting that the racism here is far worse than it is there. "They at least have a fighting posture against...the monarchy," she added. "Here, we celebrate the monarchy, the very heart and soul and origin of the colonial structure."

Bilkszto disagreed, arguing that the supposed egalitarianism of Canadian social services made the country a more racially enlightened place.

"You and your whiteness think that you can tell me what's really going on with Black people," she replied. "Is that what you're doing?"

At the follow-up session, Ojo-Thompson brought up Bilkszto's remarks again, describing them, while laughing, as "a wonderful example" of the kind of "resistance" that white people put up when confronted with their racism. Bilkszto's peers piled on, both at the meeting and on social media. Colleagues distanced themselves. Part-time contracts dried up. In August 2021, a case manager at the Workplace Safety and Insurance Board of Ontario characterized Ojo-Thompson's conduct as "abusive, egregious and vexatious." In the fall of 2023, Bilkszto died by suicide.

To imply that his death resulted directly from his confrontation with Ojo-Thompson is to make yet another grandiose, subjective claim. But even a sympathetic account of Ojo-Thompson's conduct would concede some unflattering points. Her arguments were sloppy. She pitted colleagues against one another. She behaved more like a bully than a facilitator.

The case is hardly the only example of DEI training gone awry. In 2020, as violence against Chinese Canadians approached its COVID-era peak, Asian students at a UBC residence were given a document exhorting them to reflect on their "yellow privilege." In 2021—a year for which the Anti-Defamation League reported a 34% increase in U.S. hate crimes against Jews—two Jewish clinicians at a Stanford University training session say they were separated into racial affinity groups and lumped in with white "oppressors." At a 2022 seminar at Coca-Cola, employees were encouraged to "try to be less white."

Perhaps nobody should be surprised, given the bigness and newness of the DEI industry, that some practitioners traffic in misguided ideas. What's strange, though, is the reluctance among many DEI leaders to acknowledge these missteps.

> "The problem with colour-blindness is that it was never truly colour-blind. If it was, we wouldn't have the constellation of people in power that we have now"
>
> *—Lawyer Marie Henein*

Why? These errors and excesses don't impugn all DEI trainers any more than individual cases of physician malpractice impugn all doctors. Anti-DEI partisans cherry-pick bad cases to mount arguments against the industry. Reducing the frequency of these cases will at least make the work of DEI opponents harder than it currently is. It'll also make DEI more effective. Self-reflection, internal criticism, the establishment of best practices—these aren't signs of weakness. They are what strong professional communities do when they wish to become stronger.

Grocholsky wants companies to look carefully at the training they provide, avoiding facilitators with non-evidence-based ideas or belligerent tactics. Organizations, she adds, should keep in mind that training seminars, even of the highest calibre, are a poor replacement for deep structural reform. "The way we solve our problems," says Grocholsky, "is not through judgement or shame or stereotypes."

Grocholsky also opposes crudely instrumental practices like hiring quotas. Not only are these measures legally contentious, she says, but they patronize the groups they purportedly serve. And they undermine the foundational premise of DEI. If it's true—and it surely is—that talent can be found equally in every sub-population, then it follows that companies need not resort to gimmicks to engineer diverse outcomes. A well-designed system, scrutinized for bias and optimized for merit, should deliver the desired results, not quickly and temporarily, but gradually and durably. "Talent doesn't discriminate," says Grocholsky, "so companies need not discriminate, either."

To Grocholsky's recommendations, I'd add one more: Pro-DEI business leaders could stand to regain the confidence they've lost. Yes, DEI opponents have notched some wins, but they won't prevail in the long run. They've aligned themselves with an unpopular U.S. president who loves recessionary economic policies. They might soon regret having acquired the baggage of the Trump brand.

DEI's biggest advantage over the naysayers is that its fundamental premises—merit matters, biases distort decision-making, diversity correlates with dynamism—are as defensible as any premises have been. The industry is vulnerable to fads and groupthink, but at the highest level of abstraction, it gets the big things right. Its mission is a just (and profitable) one. These alone are reasons for confidence.

At the beginning of my interview with Pang at SickKids, she admitted she didn't normally talk to journalists—the experience, she said, made her nervous. Having been turned down for interviews by so many execs, I thought the fact that she chose to do this interview at all put her among the most courageous leaders in Canada.

When I asked about the foundation's diversity metrics, Pang was candid. "We haven't made a huge sea change," she said. The proportion of non-white people at the foundation has risen from 29% to 37%, and the staff is now 8% Black, as is the CEO, Jennifer Bernard. A recent audit accounting for multiple types of diversity—race, ability, sexual orientation—puts the organization at just over 50%.

"We have more work to do," says Pang, "but what we've achieved so far, we've done organically." There have been no grand gestures or shocks to the system, just a slow, painstaking process of transformation, coupled with the promise of greater transformation to come. It's a humble achievement, but also an honest and durable one—the kind everybody should be proud to talk about.

WHEN WE WER KIN

AT ITS PEAK 25 YEARS AGO, AT THE HEIGHT OF THE DOT-COM BOOM, NORTEL NETWORKS WAS WORTH MORE THAN 35% OF THE VALUE OF THE TSX 300. THE TELECOM GIANT IS LONG GONE, OF COURSE, BUT ITS IMPACT IS STILL BEING FELT. AN ORAL HISTORY OF WHAT IT WAS LIKE TO BE ON CANADA'S "ROCKET SHIP"

BY CHRIS TAYLOR

IF you ever want to see the Canadian generational divide in action, just bring up the subject of Nortel.

Mention the erstwhile telecom giant to young Canadians, and you might get nothing more than a blank stare or perhaps a quick Google search.

Among Canadians of a certain age, however, the name alone conjures up a complex web of emotions. First, because Northern Telecom, as it was once known, was such a steady presence in our homes: Since its founding in 1895, it furnished everything from stoves to washing machines to TV sets to (of course) telephones.

Then Nortel found itself smack in the middle of one of the most remarkable moments of the modern era: the dot-com boom of the late ’90s. The internet was exploding, and the world was becoming ravenous for telecommunications technology. Thanks to Nortel’s early work in optical networking, it was perfectly positioned to ride one of the biggest market waves in history.

At its peak 25 years ago, the stock accounted for more than a third of the entire value of the Toronto Stock Exchange, making instant millionaires out of investors and employees (of which it had 100,000 worldwide) alike.

In one of the hottest sectors on the planet, Canada was No. 1.

Our reign didn’t last long, of course. In so many ways, Nortel was a company ahead of its time, and the crashing end of the dot-com era, along with a string of bad acquisitions and accounting restatements, sent everything south. What ensued: layoffs, writedowns, asset selloffs, bankruptcy.

But for those few extraordinary years, from the late 1990s into 2000, Nortel was *the* place to be in tech. Here, in their own words, employees who were there tell the inside story of the rapid rise, crest and collapse of a Canadian company that stood astride the world.

READY FOR TAKEOFF

PHOTOGRAPHS (MONDOU) PETER TYM; (SHOREY) DAVID KAWAI; (COLLIER) ROGER YIP

Natalie Raffoul THEN: Summer student, NOW: managing partner, Brion Raffoul LLP (Ottawa)
After I was hired in 1997, I went to headquarters for an orientation they did for all the students—and there were a lot of us. Headquarters was an incredible place: a massive facility, with amazing dining spaces, testing areas, a network of underground tunnels. Coming in as a student, I had never worked anywhere like that before. The vibe was fantastic—Nortel was on fire.

There was a tremendous sense that we weren't rookies at this. There was a feeling that we were world class and that we deserved to be there. This was our game.

Angela Mondou THEN: Senior Manager, Global Logistics NOW: president and CEO of TechNation (Mississauga)
I'm the kind of person who likes excitement, which I got plenty of when I was in the military living in Europe. I was there when the Berlin Wall came down. I was in the war room during Operation Desert Storm. I was in Yugoslavia. So after the military, I wanted to work for an exciting global company, and that meant Nortel.

They moved me to Europe to help run logistics—as a single parent with two

1895 Bell Canada spins off Northern Electric and Manufacturing Co. but holds onto majority ownership

1964 Northern Electric becomes a wholly owned subsidiary of Bell

1976 Company is renamed Northern Telecom

FRED CHARTRAND/CP

1997 OCT.: **John Roth**, who started at Northern Telecom as a design engineer in 1969, becomes CEO

kids. They even sent along our nanny. If you had energy and ambition, the sky was the limit. Everything was moving so fast. We were shipping telecom gear to 127 countries around the world.

Sonya Shorey THEN: senior manager of communications and organizational development NOW: CEO, Invest Ottawa
We used to do town halls, called general information sessions, with upwards of 1,000 people gathering for Steve Jobs-esque announcements. It was all about introducing the vision, laying out the tech road map, talking about how we were going to create the future. We were always about bigger, better, faster. I can still see it. We had cool movie-style posters, videos with special effects, even a motorcycle on stage.

One of my favourites was "Mission: Impossible," when we built a whole theme around that, since our company was delivering on impossible missions. I think I still have it on VHS. We did it at a large theatre in Nepean, and people were cheering, jumping out of their seats. We literally brought that movie to life, and at the end of the video, the VP walked out, and everyone went crazy. I'm kind of pumped up about it right now.

Hamid Arabzadeh THEN: VP and GM, metro optical business NOW: chair & CEO, Ranovus (Ottawa)
I was assigned to international markets, and helped develop the business in places like Mexico, Brazil and China. I also spent a lot of time on our European expansion—building optical networks across the U.K., France, Germany and Spain, and connecting them all together. We were the big multinational then, so the tables were turned. People all wanted to work for a Canadian company, because they respected us. They all knew we were the ones doing the most advanced technology and that we could produce it at mass volume.

Peter Collier THEN: senior manager NOW: VP, technology products and services, Metro Supply Chain (Toronto)
I was part of the group that went and saw what turned into our first optical product, buying a company called Cambrian Systems in 1998. I remember going into their building in Ottawa, and it was a very small group of guys, with wires and components all over the place. It wasn't in any kind of state that we could take to market. I remember looking at that, and hearing how much Nortel paid for it—US$300 million—and thinking it was a crazy amount of money to spend.

But that was a turning point for the company and one of our big products. Going from copper to optical fibres, it's a dramatic increase in the quantity and quality of data that can be transferred, and it drove a huge part of the boom years.

Shawn McCormick THEN: Director, R&D NOW: SVP, software development, Signiant (Ottawa)
Our group was focused on taking the latest advances and turning them into products customers could actually use. It was definitely leading-edge stuff, building some of the earliest products out in the industry. We were known for the high level of quality: It's not unusual to go into Facebook groups today and find people with our old products saying, "This thing is still running!" And it will be something built back in '92 that's still in service. That's pretty incredible reliability. It was unheard of at the time.

PC: Historically, we'd always been a voice-oriented company, but we knew we needed products to market that merged voice and data. So purchasing Bay Networks [in 1998]—that was Nortel's big move to converge the two. I remember flying down to meet with their team in Santa Clara, Calif., and the cultural differences were dramatic. Their engineers were all in shorts and T-shirts, living a different lifestyle, and on Friday afternoons they converted their cafeteria into a pub, with beer and chips and popcorn. This was not something that was part of the Nortel culture. Our people were very formal and structured, even down to the way we dressed. Nortel was very old-school.

2000

MAY 1: Nortel, as it was officially renamed in 1998, is spun off from BCE

JULY 26: Nortel's stock hits a high of $124.50

2000

OCT.: The stock falls roughly 20% after the company misses a revenue growth target

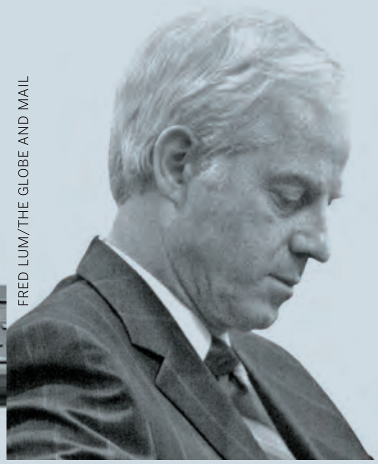
2001

NOV. 1: Roth gets the boot and is replaced by Nortel lifer **Frank Dunn**, previously the CFO. Layoffs begin in earnest

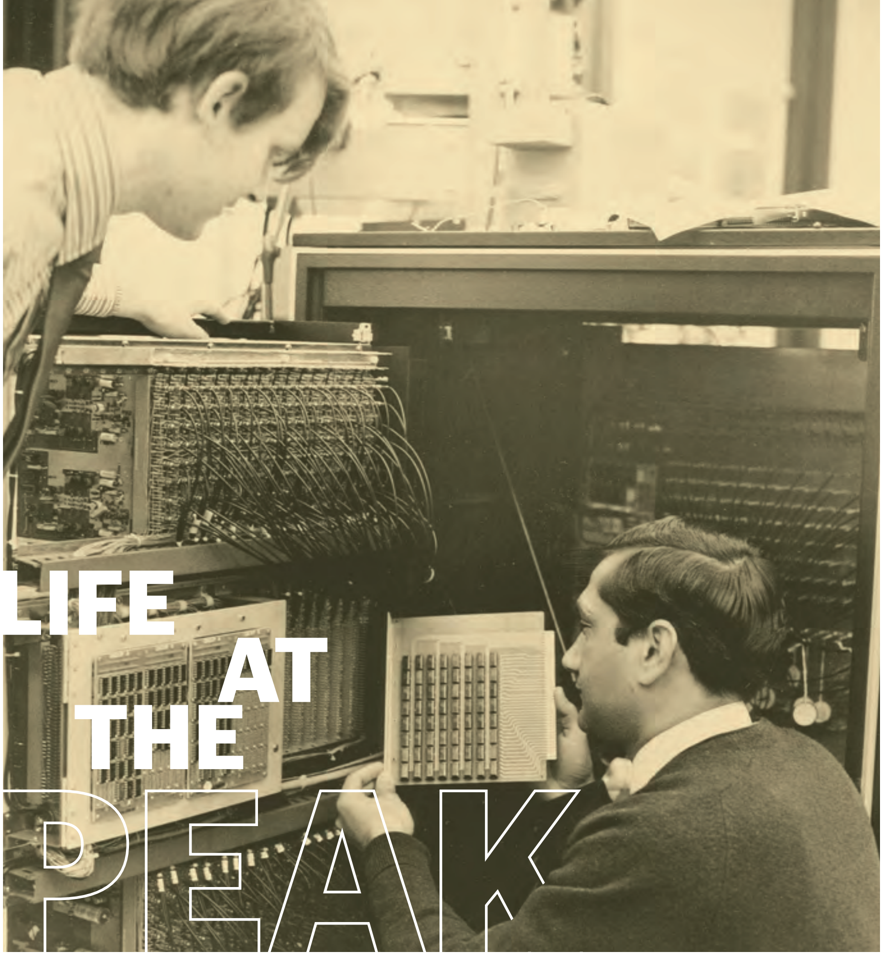
2002

OCT.: Notel's stock hits a low of 67¢ on fears it'll seek bankruptcy protection. The headcount is around 35,000, down from its peak of 90,000, amid heavy losses

FRED LUM/THE GLOBE AND MAIL



LIFE AT THE PEAK



SS: It was like being on a rocket ship. The attraction of talent was such a huge imperative at the time that I remember big contests being held. [Former head of the optical division] Greg Mumford did a video that I directed to amplify that message, encouraging all employees to attract their friends into Nortel. As part of that competition, a sports car was being given away. I remember thinking, *Wow, that really speaks to the volume of opportunities there.*

Rob Tetreault THEN: senior manager
NOW: senior regulation compliance and enforcement advisor, Health Canada (Ottawa)

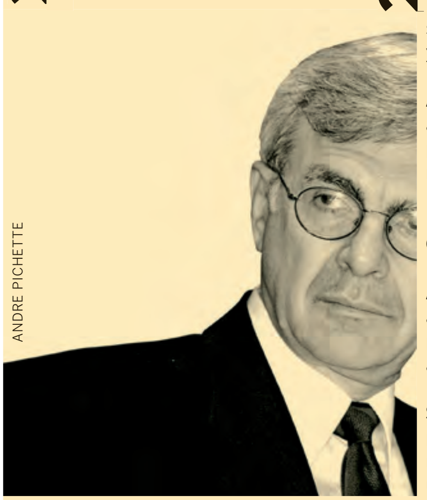
The budgets were crazy. I was taking care of labs, and over a year that budget might have been up to $200 million. I started out as a test engineer, and within five or six years, I was already in charge. It was a great place for opportunities like that, if you had the potential and the will. It was pretty overwhelming, but I didn't even realize it at the time because everything around me was moving so fast. Only when I left Nortel did I realize that managing a team of that size, with that budget, was not normal.

AM: We were moving every kind of tech you could imagine through global logistics centres. We used to have to lease large aircraft from Russia to fly equipment. We had to get product to places like the mountains of Brazil, where we needed helicopters to get to the final landing zone. I went to Africa to do a whole reconnaissance about how to move stuff into Kinshasa in the Congo. It didn't get any better than that. I felt like I'd left the military and landed in heaven.

SM: When you're testing out new systems, often there's not a lot of equipment available to you. So we used to work through the night on that scarce equipment just so we would have access. I remember we had a Nortel manufacturing plant in Saint-Laurent in Quebec, and if we wanted to do a big systems test, we would set it up right on the production line and do it there. But

2003

OCT. 23: The company announces it will restate results back to 2000



ANDRE PICHETTE

2004

JAN. 29: Nortel announces its first annual profit since 1997—US$732 million. Six weeks later, it delays its audited results and says it may restate them yet again

APRIL 28: After announcing its 2003 profit was half what was reported, Dunn and CFO Douglas Beatty are fired. Former U.S. admiral **Bill Owens** becomes CEO

AUG. 16: The RCMP announces a criminal probe into Nortel's accounting

SEPT. 2: Nortel postpones its 2003 results to October; ultimately, they wouldn't be released till 2005

2005

NOV.: Former Motorola exec **Mike Zafirovski** becomes CEO after Owens announces he's stepping down

2006

FEB.: Nortel agrees to pay US$2.5 billion in cash and stock to settle shareholders' class action lawsuit over accounting scandal

TIBOR KOLLEY/THE GLOBE AND MAIL

we couldn't get access during the day, so we would have to do it overnight. It wasn't unusual to leave Ottawa at 2 p.m., drive there and test until 2 a.m., and then drive back home. That's how crazy it was. But we all thought it was normal.

RT: Even back then, we used to do videoconferencing, presenting to 20,000 employees around the world. Now, of course, everyone uses Zoom and Teams every day—but we were doing that 25 years ago, with similar technology. It was a regular event. That just goes to show how far ahead the company was.

AM: I remember when John Roth, our CEO at the time, launched our "Come Together" campaign. We went into a big theatre with a giant screen, it was all dark, and that Beatles tune starts playing. We watched all these high-tech visuals of the cool products we were working on. He said things like, "Imagine wanting to go to the Super Bowl, but sitting in your living room and being in the middle of that 3-D game." I remember thinking, "What is he even talking about?" And now look at where we are, with goggles and the ability to live in virtual spaces. We were working on that all the way back then.

HA: There was an HR tool inside Nortel that showed how much you were worth. It was a stock option calculator available across the entire company. You'd log in, and it would show you how many shares you had, the strike price, the value. People would look at it and go, "Oh my god, I can retire now." Then they'd go back to work.

RT: With that stock price, lots of people were becoming multimillonaires. People were spending, splurging, buying fancy cars, paying off their houses. I'd never had stocks before or been exposed to the world of options. I had thousands of shares, which split multiple times—every once in a while, I would calculate it and go, "Wow." But they only vested after a few years, and by then it had totally collapsed, so I was never able to sell. For me, it was all smoke and mirrors.

PC: I was pretty young at the time, but I remember talking to a guy who was older than me and had a lot of stock options. He said, "If the stock goes up another dollar, I'm going to buy a condo in Florida. If it goes up $2, I'm going to buy a condo and a Corvette." The amount of wealth people were seeing personally was pretty incredible. Looking at that stock price, it felt like you were going to be king of the world.

HA: We even had World Cup soccer at Nortel. Thirty or 40 teams of employees showing up, from countries all around the world, playing for the title. Generally the factory teams would win it, because the sales guys couldn't run as much and didn't have enough time to practise. I even played in that World Cup for three years, for the Latin American side. It was hardcore.

SM: I would say the peak was in early 2000, when it seemed everything was going our way. It was almost like magic, how everything was falling into place. I ran a group called network solutions at the time, integrating all sorts of different products and making sure they all worked together. I thought of my team as the Bad News Bears, because we all had vastly different backgrounds—but whenever anyone came to us with a request, we had what they needed. Looking back, I don't think I could ever recreate that moment. Right people, right equipment, right place, right time.

HA: We had a division in Montreal called systems engineering, which was excellent at hiring very good people, training them and then putting them in front of customers. That was the real core of our expansion, taking our R&D knowledge and transferring it to the market. That team hired an unbelievable number of people who are in key leadership positions around the industry right now—people like Charlie Kawwas at Broadcom. They did a fantastic job at hiring young people in their late 20s and just letting them run loose. It was phenomenal.

2008

JUNE 19: The RCMP lay fraud charges against Dunn and two other former execs

NOV. 10: Nortel posts a third-quarter net loss of US$3.4 billion and announces another 1,300 job cuts

2009

JAN. 14: Nortel files for creditor protection, leaving roughly 20,000 pensioners with dramatic reductions in benefits. Six months later, Nortel is delisted from the TSX

2011

JULY 11: Microsoft, Apple, RIM, Sony, EMC and Ericsson buy 6,000 Nortel patents for US$4.5 billion

2013

JAN. 14: Dunn, ex-CFO **Doug Beatty** and ex-controller **Michael Gollogly** are acquitted of manipulating financial statements

DARREN CALABRESE/CP


FERNANDO MORALES/THE GLOBE AND MAIL


KEVIN VAN PAASSEN/THE GLOBE AND MAIL

"As we head into a new chapter in Nortel's history, our global headquarters will reflect both the proud heritage of Nortel and the exciting journey that lies ahead," said Mike Zafirovski, president and CEO of Nortel Networks, 2005 to 2009

PHOTOGRAPH NORM BETTS/BLOOMBERG

SS: By the end of the '90s and into 2000, there was very much an acquisition culture. We were the hunter, not the hunted. We were in a strong position at the time, so it felt almost like being a superhero. The fact that we could continue to do all this within Canada, we felt very powerful, and there was a real pride in that.

THE BEGINNING OF THE END

RT: We always talked about "Vision 2000" and being the No. 1 company by the year 2000. And in fact, we did reach that goal. But once you were there, the dynamic totally shifted, because then every other company was coming for that position. All the attention was on us, and they all wanted to take our spot. Once we were finally No. 1, we just didn't know how to stay there.

HA: What damaged the company was in the year 2000, when the business development team bought a whole series of companies for billions of dollars. Investment bankers had put fear into the mind of the CEO, saying that if we didn't buy these companies, someone else would. That was when the company started to crack. Almost all of those startups failed.

AM: I remember being sent somewhere in Silicon Valley to have a meeting with a company we'd just bought for billions that was building some leading-edge technology. I asked to see the product, and they showed me two areas with nothing in them but rope. I said to them, "What is this?" They said, "This is the prototype. You bought a concept." The actual product didn't exist. We just bought it to ensure our competitors didn't get it. Within a couple of years, the companies we bought for billions were selling for millions. The stock just went down from there, and then we were really behind the 8-ball.

SS: By then, there was sadness, deflation, heartbreak. People recognized that all the dreams we had weren't going to come to fruition. It was a long process, not overnight, and you could feel the weight inside the building get heavier and heavier. We're all human, and we knew that the decisions being made weren't just affecting individual employees but their families, too. There was so much anxiety that it was hard to keep anyone motivated anymore.

SM: When the downturn came and things started getting really ugly, I had to let people go in 11 different rounds of layoffs. You had built these teams and brought these people in, and then you're forced to cut and cut and cut. It was an awful thing to live through. Even after a couple of years of layoffs, they still wanted me to stay on. But I had a sense that we were never going to recover.

NR: When I think about Nortel, what was exciting was that they recruited the best talent and then had an almost unlimited budget to do big things. So the level of innovation was very high, but they also had a deep understanding of the importance of protecting that innovation. They were very good at not just coming up with ideas, but at documenting and patenting those ideas. It was a very sophisticated organization. At the end of the day, the patents were the most valuable part of the business. Their single biggest asset was that portfolio, which sold for US$4.5 billion at auction—a record-breaking amount.

SM: I have a friend who worked at Nortel at the time, who ended up going to Amazon in the U.S. And Amazon is extremely hard to get into. He said, "I've worked with a lot of smart people in my career—but no one ever matched the calibre of people I worked with at Nortel." To find that at such a large organization, that's extremely rare.

RT: These days, people just do a job to earn a salary and go home. But back then, it was about more than that. Nortel was almost a movement. You wanted to be a part of that culture, to bring products to the world that would make everything better. I haven't had that feeling anywhere else.

PC: You can still see the footprint of Nortel today. Of course we had a huge campus in Ottawa, but we also had a big operation in Calgary, and even down in Richardson, Tex. That would bring other tech companies into those areas—building off each other's resources, hiring each other. It was like Silicon Valley, but we were able to make that happen in Canada. Those places became tech hubs because of Nortel.

HA: Nortel was basically the university after university. It sent you to the absolute edge of experimenting on things. The more you gave to it, the more you got back. I went in as a systems engineer, and eight years later, I was reporting to one level below the CEO. That's what prepared me for the next stages of my career. I look at that journey, and I know I'm not alone. What doesn't kill you makes you stronger—that's what you got at Nortel.

SS: It created generations of opportunities for engineers and leaders in the business world, right up until today. So much of the innovation, so much of the IP, so much of the talent from those formative stages—it set the foundation on which others were able to build. The impact it had on the tech sector can't be overstated. We are standing on the shoulders of giants—and Nortel was our giant.

GreenShield™

GreenShield proudly celebrates **Mandy Mail, Executive Vice President, Head of Marketing, Corporate Affairs, and GreenShield Cares,** for being named one of Canada's Best Executives by ***The Globe and Mail's Report on Business Magazine.***

As Canada's only national non-profit health and benefits company, GreenShield exists to advance its mission of Better Health for All—and Mandy's leadership transforms that mission into measurable impact.

Under Mandy's guidance, GreenShield is on track to reinvest $75 million to positively impact the health and well-being of at least 1 million Canadians by the end of 2025.

Since joining GreenShield in 2022, she has unified over 50 brands into one award-winning identity, positioned GreenShield as a disruptor and a sought-after partner for organizations tackling Canada's most pressing health challenges, and embedded social impact into our business model, earning GreenShield global recognition on *Fortune's Change the World* list.

Every day, Mandy champions a culture where employees see their role in advancing GreenShield's mission, making social impact a shared commitment that strengthens both the company and the communities it serves.

Mandy's purpose, passion, and performance make this recognition truly well-deserved.

Congratulations, Mandy!

CANADA'S BEST

EXECUTIVES

2025

Chief execs get all the glory (at least when things are going well). Five years ago, we decided it was time to change that. And so we present our fifth annual Best Executive Awards, hailing all the leaders—in finance, tech, operations, human resources, sustainability and more—who toil just outside the corner office, doing the often unglamorous work that helps move a company forward.

BY LIZA AGRBA, ROSEMARY COUNTER, SUSAN NERBERG AND CLAIRE ROBBINS

RACHEL MACADAM

VP marketing, Skip (Winnipeg)

When Rachel MacAdam went looking for a new job after spending 14 years at Air Miles, she had three non-negotiable criteria. First, she wanted to solve tangible problems by working with a consumer brand. Second, she wanted to work with really smart people. And third, she wanted to lend her skills to a company in transition that needed big new ideas—and crucially, one with the nerve to usher them into reality.

photograph ALISON BOULIER

She found all three at Skip (formerly SkipTheDishes). Not every marketing executive is genuinely excited by campaign impressions and order-volume numbers, but MacAdam finds momentum in measurable impact. In less than two years, she transformed her department into a strategic powerhouse and forged deeper partnerships with everyone who affects its success—restaurant brands, retail partners, couriers and consumers. (Also *Mad Men* star Jon Hamm, whom she brought back to reprise his role in a Skip commercial, quipping "You know, you could totally Skip this" to grocery shoppers and someone awkwardly buying condoms at a convenience store.)

Before she arrived, marketing was mostly about executing restaurant discounts—McDonald's, for instance, might offer a $5 breakfast voucher, and Skip would advertise it on the platform. But MacAdam saw potential to tap into the company's data, reach and creative capabilities. She integrated marketing with sales, and launched co-branded TV spots, courier activations with games and free food, and experiential campaigns, like a Barenaked Ladies concert at Toronto's Yonge-Dundas Square (attendees got vouchers to the Shake Shack across the street).

But one of her first moves—and not a moment too soon—was reclaiming Skip's Canadian identity. After its 2016 acquisition by a U.K.-based company, Skip had lost its local voice. MacAdam saw a missed opportunity. Research showed that while many Canadians didn't realize Skip was homegrown, they preferred supporting Canadian brands when given the choice (even before the latest burst of Trump-inspired nationalism). So she led a rebrand—dropping "TheDishes" and adding a maple leaf to the logo.

Drawing on her experience with Air Miles, she launched Skip+, the company's first loyalty and subscription program. Pretty much every delivery service has one, but MacAdam designed Skip's to drive engagement beyond pricing incentives—think playoff tickets, exclusive access to events and travel benefits with WestJet. It attracted 186,000 members in its first month.

"Rachel is constantly asking the question: How do we make this bigger? How do we go deeper on that idea? She's never satisfied with the first idea—she always knows it could be better," says Skip CEO Paul Burns. "She has this ability to zoom in and zoom out—to go from big, bold brand ideas at 30,000 feet down to the minutiae of how a promise actually delivers in the real world."

In short, where others saw a transactional marketing function, MacAdam saw Skip's potential for mutually beneficial partnerships with big names—and for cementing its place as a brand focused on convenience with a presence in liquor, grocery, pharmacy and other categories beyond restaurant delivery. Once she had a vision, she swiftly steered marketing in that direction—and completely redefined the role of the department in the process. **/LA** photograph RENAUD LAFRENIÈRE

JASON SCHONFELD

CFO, New Look Vision Group
(Saint-Laurent, Que.)

You might think the eyeglasses business is recession-proof. After all, employed or looking, pandemic or not, everyone needs to see clearly. But this wide assumption hasn't necessarily been good for the industry. "The biggest problem this business faces is complacency," says Jason Schonfeld, CFO of New Look Vision Group (NVG). For better or worse, the business model hasn't changed much in a few centuries—despite the hype heard every decade or two. "When contacts came into play, people said it was the end of eyeglasses, and when laser eye surgery hit the market, people said it all over again," says Schonfeld. Both times, they were wrong; millions upon millions of bespectacled folk don't want unnecessary surgery and do want to take their contacts out of their sore eyes ASAP. More still actually just like wearing (increasingly fashionable, arguably cool) glasses.

Even amid the proliferation of digital eyewear companies like Clearly or Kits, whose sales are primarily contacts, most consumers still want a real-life eyewear experience. "They want to see a familiar doctor, they want to try on frames, and they want those frames precisely measured and fitted," says Schonfeld. Loyal consumers approach their optometrist like they do their dentist—they see the same doctor they always have and don't change unless they really have to, allowing independently owned optometry operations to survive where other businesses cannot. For now. "Many optometrists are getting older and want to retire. Others want to be optometrists but not entrepreneurs," he says. In his 10 years at

New Look, Schonfeld has specifically appealed to these sellers, as well as to chains like Iris and Vogue, growing from 70 stores to about 500—and doubling the company's enterprise value to more than $1 billion.

During the already uncertain pandemic, NVG went private in 2021, and its CEO retired a year later. No doubt impressed by massive accelerated growth, and reassured by its solid positioning at the crossroads of health care and retail, investors gambled on the New Look management team in general and Schonfeld in particular. As then-SVP of business development and soon-to-be CFO, he spearheaded the changes while keeping 3,000 employees content with their jobs and confident in the future of the eyewear business, which Schonfeld calls "not recession-proof, but recession-resistant." People shopped less and maybe chose a less expensive frame, but they bought glasses nonetheless. When stores/life finally opened up, consumers flooding back for new specs represented revenue growth of 30%.

With the industry's healthy cash flow and comfortable margins, Schonfeld cautions it's "really easy to take your eye off the ball and lose sight of running a business." NVG's largest competitor, he explains, isn't actually a flashy digital chain or trendy surgery but an independent glasses store with ample entrepreneurial spirit. No matter how big NVG gets during Schonfeld's tenure, he'll be leveraging the same entrepreneurial zeal to embrace whatever disruption is inevitably up next. "Now new lens technologies are making it so we have different glasses for different things, like driving, working or looking at a computer screen," he says. Delivering a pair of sight-perfecting specs to a happy customer, says Schonfeld, is eternally rewarding every time. **/RC**

CANADA'S BEST EXECUTIVES

SARAH CHAPMAN

Global chief sustainability officer, Manulife; chief marketing officer, Manulife Wealth & Asset Management (Toronto)

Chapman may be Manulife's first chief sustainability officer, but since joining the life and health insurer in 2020, she's already boosted sustainable investments worldwide to $48.3 billion. Building on Manulife's 30-year track record of investing in renewable energy, she's steered the company toward societal sustainability by also investing in such initiatives as population health research, microlending in developing nations and preserving global heritage sites. These form part of the Impact Agenda, spearheaded by Chapman and implemented in 2022 with the goal of marrying good business with doing good in the world, like funnelling $90 million into community well-being, from setting up a financial literacy program in the Philippines to improving access to cancer screening in the U.S. In the process, she's also improved the company's ESG ratings. "We see actions as interrelated, creating shared value," she says. "Healthier customers are better for business, and better for society and the planet." **/SN** *photograph* NATALIA DOLAN

CASANDRA MANGROO

Senior VP of product and science, BenchSci (Toronto)

If you like puns, you might describe BenchSci's growth as having gone viral. Since Casandra Mangroo joined the startup in 2017 to lend her science-first approach to developing solutions to improve preclinical drug discovery and research, she has helped get the company's AI-powered ASCEND platform into the hands of more than 50,000 researchers worldwide.

With a PhD in virology and a background as a bench researcher in life sciences herself, she knows just how frustrating it can be to gather the scientific and academic articles necessary to build an understanding of the underlying biology of a particular disease. But researchers need that information to determine how to set up clinical trials. "The reason 90% of drugs fail in trial is that researchers couldn't get the biology right," Mangroo says about the lack of access to that vital information. "I know first-hand the pain points associated with the preclinical research. The tools, like Google Scholar and ChatGPT, are outdated, or they're not built for life science work. Information is disparate, it appears in different scientific publications, or it's hiding in third-party databases." She even points to bad dictionaries—the use of acronyms and overlapping scientific terms—as co-culprits.

So when Tom Leung, one of the co-founders of BenchSci and a former lab mate of Mangroo's at the University of Toronto, called to ask if she might join their team to figure out how to apply AI to the preclinical research conundrum, including improving R&D productivity and speed, Mangroo jumped at the opportunity. When she started, after BenchSci's first funding round, the company had seven staff; today, it employs some 300 people in different roles built around science teams to represent the end users—researchers in the drug discovery field, as well as master's students and doctoral candidates.

Drawing on her own experience as a researcher, Mangroo brings subject-matter expertise to create impact within a niche—virology and drug discovery. But her work also goes beyond her own area and into all life sciences by evaluating what goes into the tools that BenchSci is creating. This "science-first" methodology, she explains, puts BenchSci experts and their clients side by side, if you will, as it translates the pain points into solutions that meet end users' needs. Take the company's flagship ASCEND platform: It leverages machine learning to sift through the available scientific and academic literature, and gets information to researchers in seconds. "Instead of reading thousands of papers, you're reading one," Mangroo says about what has become the most searchable catalogue of its kind in the world. What started as an academic tool has become a darling of Big Pharma, where it can drive the greatest impact, from US$14 million in cost savings for Novartis in 2021 to a 60% increase in efficiency gains at Novo Nordisk.

In the end, though, ASCEND helps researchers build a solid data foundation so they can make better decisions. Ultimately, as Mangroo puts is, "it comes down to getting better meds to more patients, faster." **/SN**

CANADA'S BEST EXECUTIVES

DEVAL PANDYA

VP, AI Engineering, Vector Institute (Toronto)

Pandya cut his teeth integrating machine learning into renewable energy products at Shell—but he's not just a highly skilled technician, which was key for his next role. When Pandya joined Toronto's Vector Institute—a not-for-profit co-founded by Geoffrey Hinton, a.k.a. the Godfather of AI—it had a solid reputation for research but no technical team for applied AI. "I love building teams," Pandya says. "For me, creating an environment where people can genuinely thrive is just as important as the technical work we do."

The engineering team Pandya built from the ground up serves as the bridge between Vector's research and real-world applications, contributing to more than 80% of its projects with external partners in industry, government and health care. His powerful combination of technical expertise and people skills helps unlock the real-world potential of AI research—especially for helping curb the climate emergency, an issue he's deeply passionate about. /LA

JASON BUBBA

COO, NORCAT (Sudbury, Ont.)

Bubba has always been an early adopter. In 1995 when he joined NORCAT—which back then supported the mining industry from a basement at Sudbury's Cambrian College—e-learning was just becoming a thing. That didn't stop Bubba from getting the startup to teach mining safety, skills and solutions via CD-ROM. "We were one of the first to adopt e-learning," says Bubba, a self-described techie. By the time NORCAT moved out of the basement, it had progressed to internet training, in addition to real-life skills development in an underground mine. Today, the company has six offices, including a brand new training facility in Nevada, supported by $832,000 in state funding. And NORCAT now offers mining- and construction-skills assessment and training via virtual and augmented reality—tools that have improved knowledge retention by 40% compared to traditional teaching methods. "With VR and AR, students can immerse themselves in high-tech machinery and develop muscle memory of those tools before actually using them," Bubba says. "It reduces the initial stress associated with work in a high-hazard environment." Empowerment is also the name of the game when it comes to employees: "As a leader, I want to inspire teams to do their best within their parameters." The result: Staff turnover is near zero. By consistently raising the bar for innovation in workforce development, NORCAT has increased its international revenue by some 25%. /SN

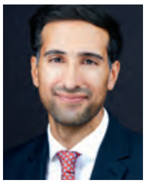
STEPH CONDRA

EVP, chief experience officer, Wellington-Altus Financial (Winnipeg)

Condra found her calling even before she finished university. While attending school in Waterloo, Ont., a local wealth adviser hired her part-time. "He saw a student who was keen and committed," she says. "He took a chance on me, and 25 years later, I'm still in the industry."

That early experience learning the nitty-gritty of wealth management set her up perfectly for her current role as Wellington-Altus's first-ever chief experience officer. Condra's job is to talk to advisers about their dreams for building a business, the experience they want for their clients, the ways they'd like to market or brand and how they want to prioritize their time. "The message for me is consistent," she says. "We have the tools and resources to help bring those dreams to life."

In just one year, Condra has delivered impressive results. Wellington-Altus has welcomed 16 new adviser teams, adding $4 billion in assets under administration. And her team has implemented resources that have helped existing advisers generate $1.2 billion in net new client assets. /CR



NAV DHILLON

CFO, Aviva Canada (Markham, Ont.)

Last summer marked a record for Canada, but not the good kind: A season of catastrophic floods, fires and hailstorms resulted in insured losses of more than $7 billion—and a ton of corresponding claims for Aviva. Claims team leader Dhillon could have pinched pennies; instead, he got proactive, partnering with auto shops in Ontario and

Alberta to remodel Aviva's claims strategy, and make cheques easier and faster to obtain. If that doesn't sound like any insurance company you've dealt with before, well, that's kind of the point. "I see our job as helping people get back on their feet as soon as possible," says Dhillon, who completed more than $250 million in acquisitions to help fund the good-faith endeavour. While other policy providers are reducing coverage for increasingly common events—flooded basements, sewer backups—Aviva is instead being proactive to accommodate inevitable climate change. "I'm looking forward five, 10, 20 years, and thinking about how to ensure Canadians are prepared." **/RC**

KRISTY SHORTALL

EVP development, Northcrest Developments (Toronto)

The job description for Shortall's role as lead on the YZD redevelopment framework for Toronto's decommisioned Downsview airport could be summarized as an imperative: Create cohesion. That's no small feat on a project that envisions seven new neighbourhoods built over three decades on 370 acres. To foster integration and continuity, Shortall—who came on board as employee No. 6 five years ago (there are 42 today)—assembled a core team where everyone works for the betterment of the overall project, regardless of their task at hand (community outreach, permitting, environmental resiliency, infrastructure development and more) or which of the seven neighbourhoods team members might eventually focus on. The common spatial element is the old airstrip, re-imagined as a pedestrian spine that connects all seven neighbourhoods. But cohesion also means connecting people to a place that's been closed off for more than 100 years. "We do that through interim activations, such as inviting the public to an experience centre on site and organizing Sunday Fundays, and we had a skating rink with classes for disadvantaged youth over the winter," says Shortall. Opportunities for social interaction let people connect the site's past with the future—and perhaps see themselves there. Despite shovels not hitting the ground until early 2026, YZD is already looking like a model for community-focused urban redevelopment. **/SN**

VALÉRIE LAVOIE

EVP, property and casualty insurance, Desjardins Group (Lévis, Que.)

Serving people has been the driving force behind Lavoie's 30-year career at Desjardins. From her start as a newly minted actuary to her current role, her overarching goal is to keep Desjardins "rooted in the community." And her climb up the corporate ladder has equipped her with deep institutional knowledge she credits for helping her drive meaningful change. A case in point: the implementation of a client-experience net promoter system to better understand client needs and integrate feedback into its strategy. Lavoie says it was a win for members, employees and shareholders alike—especially during ever-more-frequent crises like the Jasper fires, and flooding in Quebec and Ontario. Lavoie also led the acquisition of the Insurance Co. of PEI in 2024, expanding Desjardins' commercial lines and diversifying its business.

Despite industry-wide challenges—including the growing frequency of climate events and geopolitical uncertainty—Desjardins has thrived under Lavoie's leadership, achieving a 5.5% growth rate over the past five years and consistently outperforming the industry average return on equity by 5.5 points since 2019. **/CR**

HUSEIN RAHEMTULLA

COO and co-founder, Fresh Prep (Vancouver)

How do you go from zero to 50,000% revenue growth in just 10 years? Well, if you're Rahemtulla, you hit the gas gently. "In our first few years," says the co-founder, with Dhruv Sood and Becky Brauer, of the Vancouver-based meal-kit business, "our growth did not out-compete that of our rivals, because we took time to focus on the product, centring on gross margin and investing in sourcing quality ingredients." Growth speed is relative, of course: The first year saw revenues of $200,000; the second, $1.25 million; and in the third year, the company raked in $6 million. With more money available not only for recipe development, Rahemtulla oversaw the engineering of Fresh Prep's own reusable container system, cutting out nearly all single-use plastics. "Zero waste is important to our customers,

photograph HALLIE ARDEN

JACQUI ALLARD

Group head, global wealth management, Scotiabank (Toronto)

When Jacqui Allard took the reins as head of Scotiabank's global wealth management group in December 2023, her team was already a leader in Canadian asset and wealth management. But Allard, whose career has spanned the globe and a variety of bank departments, decided she wanted more for her team—and set her sights on accelerating sales growth and boosting client offerings.

In just under a year and a half, Allard has overseen a strategic refresh affecting more than two million Scotia clients in 13 countries. Her first move was to conduct a comprehensive review to identify which lines of business were primed for growth. "My team wasn't satisfied with the status quo," she says. "Finding which of those businesses were right to move to the next level was essential."

Allard's leadership style is grounded in listening—both to clients and to her team members who work directly with them. Describing her management philosophy as "client-focused, collaborative and curious," she emphasized the importance of understanding on-the-ground perspectives. The team then decided to expand retail investment advice for clients in Canada, including by recruiting and empowering specialist advisers in Scotia's retail branches, which resulted in an 80% increase in long-term investment fund sales. Allard's review also pushed to grow Scotia's high-net-worth channels in Canada, especially private banking and ScotiaMcLeod. The team increased financial planning services for entrepreneurs and high-net-worth clients by 30% year-over-year and deployed new software to enable a more effective planning process for advisers and clients. Next, she's looking to add more clients from underserved communities, working with marketing and building partnerships to do so.

Allard is uniquely oriented for her role at Scotia, with its strong presence in Latin America: After a mentor at her first post-MBA job suggested she try her hand at international work, Allard took a job in Australia, which led to 15 years in Asia and Europe. She has supported her teams to build out wealth management offerings in international offices to lay the foundation for future growth, which has so far delivered double-digit earnings growth in the region, led by Mexico.

On the horizon, Allard understands that clients are looking for long-term advice and relationship building. She notes the greatest challenge over the past year and a half has been market volatility and uncertainty. "What's important is getting in front of our clients," says Allard, "making sure they understand the implications, making sure we're focused on the long term, not the short term, answering their questions and addressing any worries they have."

Asked how she'll define success and keep growing in the second year of her leadership, Allard reframes the question. "Ultimately, being the best doesn't mean being the biggest, but providing enduring shareholder value and delivering the best client outcomes and experiences." **/CR** but the meals we deliver are packaged in a way that simply makes for a better experience—like you're on a cooking show," he says. This is a significant factor in customer retention, the metric that truly sets Fresh Prep apart by consistently growing during and post-pandemic—unlike its rivals. Maybe Fresh Prep hasn't quite gobbled up the competition. But so far, it's managing growth without getting bloated—all while giving back to the community by donating funds and surplus food to charity. **/SN**

JOSH LEWIS

Chief technical engineer, NERVA Energy Group (Hamilton)

Imagine a 100-year-old building: beautiful and historic, perhaps, but environmentally friendly? Probably not. Building owners looking to decarbonize call NERVA, founded in 2017. "We don't just come in and write a report," says Lewis. "We take every project on a multiyear, multistep journey to implement guaranteed energy solutions." More than 500 public- and private-sector projects have undergone NERVA's three-part energy makeover: optimization of existing energy systems (an elementary school needn't be heated all night, for example); conservation (keeping heat from unnecessary escape); and conversion (replacing gas with air- or ground-sourced heat pumps or other energy systems). For its innovative work, Canada's fastest-growing energy engineering firm won 10 awards last year alone, including the Clean50 Top Project Award for the epic feat of optimizing 10,000 suites across more than 85 buildings—North America's largest multiresidential smart building conversion. **/RC**

MONISHA SHARMA

Chief revenue officer, Fig Financial (Montreal)

Ironically, the better Sharma does at her job, the less loan provider Fig Financial will need her. When a borrower uses the (entirely digital, extra-convenient) lender for an unsecured personal loan—like nearly 15,000 people who've borrowed more than $200 million already have—they'll lower exorbitant credit card rates (easily 20% APR or higher) to something more manageable (Fig starts at 8.99%), of course, but they'll also get a healthy dose of Sharma's real passion: financial literacy for regular folk. "Predatory lenders want you stuck in revolving debt—we want to get you out," she says. In almost two decades in the financial space, Sharma has done everything from co-hosting a money podcast called *Make It Shine* to writing the adorable kids' book *Billie Buys a Bicycle*. Next up: Fig podcasts, blogs and webinars that teach good financial habits so would-be clients won't need her services. "I would love to have the problem that every Canadian is so well-versed financially that we don't need loans," she says, completely unfazed. In that case, "we'll come up with other, better products." **/RC**

DEEPAK PABLA

Executive director, Vantage Logistics Services (Dorval, Que.)

The "Great Freight Recession" of 2023 hit logistics provider Vantage hard. Downsizing would have been the simplest move, but Pabla wouldn't have it. His father was a truck driver, so he could vividly imagine what losing a trucking job during a recession could do to a family. Instead of laying off workers, Pabla pulled every other lever at his disposal to save Vantage hundreds of thousands of dollars. He renegotiated contracts with suppliers, and led a team that analyzed driving patterns to optimize routes and fuel efficiency. He also introduced cross-department training programs that let drivers with down time complete other tasks, like phoning customers, to make sure everyone could bill enough hours to get by. To date, the company hasn't laid off a single employee. **/LA**

JAYME MINOR

VP sales, MAXgreen Windows, Siding & Roofing (Calgary)

For Minor, the secret to upping MAXgreen's business by 480% in just five years was... keeping sales numbers secret from himself. "The trick," he says, "was not worrying about that and instead focusing on staying true to the new me." Six years sober, Minor has struggled with anxiety, depression and addiction. "I was a mess," he says. But after joining MAXgreen and having the opportunity to slowly rebuild his life thanks to an understanding CEO, there's no stopping him—be it in sales or in creating a space in which employees feel safe sharing vulnerabilities and asking for help. Minor, who's open about his own battles, has been instrumental in ensuring employee access to mental health resources by setting up a company program that picks up the tab. And MAXgreen also supports mental wellness organizations and events in the broader community. Building a strong business comes down to building trust—in yourself and with customers. "We're leaders, not bosses," Minor says. "And in addition to selling windows, we're here to help." **/SN**

REX LEE

Chief information and technology officer, Canadian Tire Corp. (Toronto)

Lee believes AI will be one of the most disruptive forces in history, comparing its impact to that of electricity. That's why he has pushed Canadian Tire to integrate AI across its operations, from forecasting consumer demand and optimizing inventory to improving store layouts and digital customer experiences. The internal AI tools he introduced are used by 4,500 staff and save an estimated 45 minutes per employee daily. He also helped implement AI shopping assistants that doubled add-to-cart rates and increased purchase intention by 30%. Lee believes that if the retailer intends to stay competitive against global behemoths with massive AI investments, leveraging AI strategically isn't just beneficial—it's essential for long-term survival.

He's not about moving fast and breaking things, though—when an over-time, over-budget project risked long-term system failures, he resisted shortcuts and fought to fix its flaws at the root. You won't find a more enthusiastic proponent of AI, but for Lee, speed has to be grounded in smart, strategic execution to build things that last. **/LA**

ANGIE NG

VP, people and organization, Novo Nordisk Canada (Mississauga)

Ng understands the burden women face as primary caregivers maybe better than

most. During the pandemic, she balanced the dual responsibility of caring for her young children while also supporting her elderly parents through serious health challenges. Then she endured a series of profound personal losses in quick succession: the deaths of her brother, her husband and both her parents. She turned her grief into a superpower at Novo Nordisk, leading its HR strategy with genuine empathy. The initiatives she's spearheaded include significantly expanded parental benefits, bereavement leave and mental health coverage. Ng also removed minimum service requirements for parental leave, instituted a 100% top-up, and introduced a partnership that provides employees with backup child care and elder care. Since care-giving responsibilities disproportionately fall to women, her policies have contributed to the company's retention of women employees—who comprise 63% of its total work force, including 56% in management roles. "It's not how long you live," Ng says. "It's the impact you make." **/LA**

HELENA PAGANO

EVP, chief people and culture officer, Sun Life (Global) (Toronto)

"On an employee's first day, it's more important to make sure they get useful guidance from a skilled manager than to shower them with balloons and cupcakes," Pagano says. Not that she has anything against cupcakes, but for this HR exec, narrowing 100 good ideas to the few that make the biggest impact—and aligning them with Sun Life's strategy—is the trickiest part of the job.

To make those calls, Pagano became an early adopter of AI-driven data analytics. Her evidence-based approach to what employees actually need yielded key insights—like championing women's health initiatives and doubling down on hybrid work when many other companies are calling staff back. It's working. Since she took on this position in 2018, employee engagement has steadily risen to 88%, four points over the benchmark. Collaboration has also improved, with 95% reporting that their teams work well together, up from 90% when she took over. With an 8% compound annual growth rate across global operations, Pagano's people-first, data-backed approach is proving that what's good for employees is also good for business. **/LA**

LOUISE CLEMENTS

Global chief marketing officer, WorkJam (Montreal)

To take WorkJam from its start as a work-force management app based in Montreal to a global company signing on such clients as Aramark, Chevron and Hilton, Clements suggested a complete mindset overhaul. "I took a contrarian approach to the established market presence," she says. Instead of the usual siloed marketing-gives-a-lead-to-sales-which-in-turn-brings-a-deal approach, Clements established an integrated process centred around teamwork and team revenue: The two teams share the conversion of a lead into an active deal. "Change done well takes time," says Clements. "In our case, it's taken 18 to 24 months to get everyone to see that we're stronger as a team. It's not for everyone, but it works for us." Good thing, because thanks to Clements's unorthodox thinking, WorkJam has increased its revenue by 160% and landed on *Time*'s ranking of the 100 most influential companies. **/SN**

PAUL HOGAN

General manager, international, Conagra Brands (Mississauga)

A patchwork of leadership left a strategy vacuum at Conagra, which meant fragmented decision-making and a lack of direction. Momentum stalled, but when Hogan joined as general manager for Canada in 2021, he worked to fix all that. His efforts to rally the organization around a unified strategy with four pillars—brand growth, customer engagement, operational efficiency and talent development—were so successful that he was promoted to lead Conagra's international division within six months.

But he didn't do it with top-down directives. Hogan sees himself as a servant leader, empowering his team with a clear framework, but giving everyone freedom to breathe within it. His results-driven but people-centred leadership set the company's international segment on a steady upward trajectory—with a compound annual growth rate of 4.7% in net sales and 5.3% in operating profit between 2021 and 2024. "I see myself primarily as a coach," he says, "but I'm willing to dive into the weeds when needed." **/LA**

CHADWICK WESTLAKE

CFO, OpenText (Waterloo, Ont.)

In his spare time, Westlake renovates and flips homes. Finding and maximizing untapped potential is also his MO at work. After 18 years at Scotiabank, where he became CFO of Canadian banking and global wealth management, Westlake was drawn to the challenge of elevating a lesser-known player. So he left to become CFO of EQ Bank, a mid-size operation with strong fundamentals but little market visibility. Over four years, he helped triple its market cap to become the seventh-largest bank in Canada.

Now, he's applying that same playbook at OpenText, a more established but, in his view, underappreciated Canadian tech firm. His goal: to clarify its value proposition, reshape investor perception and unlock its next phase of growth—just as he did at EQ. And he's doing it all while reshaping the role of CFO into a strategic business driver and culture builder. "It's not just about the math—that's table stakes," he says. "The CFO function should create real insight, drive competitive advantage and shape strategy." **/LA**

MARIE-LUCIE PARADIS

SVP, belairdirect (Toronto)

Many insurance executives come from finance or actuarial backgrounds, but not Paradis. Her first job in insurance was processing claims during Montreal's 1998 ice storm, a natural disaster that left 34 people dead, and caused massive damage to property and infrastructure. "Being on the phone with customers, and genuinely empathizing with the emotional weight of that event, taught me how important insurance is for society—how we got customers back on track after that event," she says. "And that is the true purpose of what we do."

That customer-centered approach shaped her career as Paradis climbed the ranks from sales and claims to senior leadership. Last year, she oversaw the conversion of a major acquired book, Johnson Insurance, into Intact's

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operations—a transformation that required system migrations, process overhauls and a focused customer retention strategy.

While others might have taken a more conservative approach, she led efforts to double down on marketing, expand digital capabilities and hire more staff to make sure someone was always there when a customer called. Despite the turbulence, Paradis drove the highest rate of growth the company had seen in a decade. /LA

STEPHANIE McDONALD

Chief people, culture and transformation officer, MDA Space (Brampton, Ont.)

You could say McDonald takes an orbital view to MDA Space. Seeing the company and all its diverse parts from above, she's charted a new course that better leverages in-house capabilities to match outside possibilities—in essence, disrupting inertia and bringing in a novel approach to building growth. "We're expanding as an organization, but to be future-proof, we needed a new organizational structure," says McDonald, adding that MDA could no longer rely on processes that worked in the company's 55-year past. The baseline reset is rooted in bringing disparate units together. Engineers in one business arm do different things than engineers in another, so McDonald launched MDA's Senior Leadership Forum—a unified leadership cohort that shares ideas, knowledge and viewpoints to create what she calls "collective brain power." McDonald's vision is already paying off, with more change in the past two years than in the past decade, leading to opportunities for more than 1,500 new hires. /SN

COREY PACHT

Partner and EVP of operations, Fitzrovia (Toronto)

Pacht's career began in the world of investment banking and real estate private equity, but he wanted to be closer to the action—that is, to what happens after capital is deployed. That led him from finance to operations, a shift that's defined his leadership approach at Fitzrovia. When he joined in 2020, the young rental development company was vertically integrating everything from design to construction and property management. Pacht saw an opportunity not just to oversee investments but to shape how the company actually delivered on them.

He built a thorough operational playbook, helped scale the team from 20 to nearly 400, and made sure that every part of the business fed into a collaborative feedback loop. Under his leadership, Fitzrovia—with 9,000 units already completed—is on track to add 2,000 by 2026 and 6,000 by 2028. He had a 35% tour-to-lease ratio in 2023 (more than triple the industry average) and played a key role in raising the $1.1-billion DevCore Fund, giving the company $2 billion in purchasing power to expand rental housing in the GTA. From finance to operations, Pacht has always gravitated to where the tangible work gets done. /LA

MANDY MAIL

EVP, head of marketing, corporate affairs and GreenShield Cares, GreenShield (Toronto)

When Mail started with GreenShield three years ago, the nonprofit was just launching a new strategic plan: to go from selling health and dental insurance to providing health services. That included acquiring and unifying more than 50 brands under one banner, a task that saw Mail guiding the breakdown of silos and pinpointing commonalities. "We had to update every touchpoint and get all of those brands to speak the same language—making the old GreenShield see itself as one company," says Mail. The strategy paid off: The company hit its target to double revenues to more than $5 billion two years early, in 2023, which in turn helped usher the company into health-provider mode. In the past, excess earnings would be handed out as cheques to charities. Under the new model, that surplus is invested in creating a positive social impact. "For instance, we've acquired three mental health companies and now offer free mental health care to underserved communities—Indigenous, BIPOC, LGBTQ+ and low-income persons," Mail says. "And we work directly with community partners to drive measurable impact, such as ensuring each individual gets culturally appropriate care." All of this is currently being scaled up: By leveraging $75 million of the excess earnings, GreenShield is on track to help a million Canadians by the end of 2025. /SN

EUGENE LEI

CFO, Hudbay Minerals (Toronto)

Lei is leading one of the mining industry's biggest financial pivots: transforming the company's balance sheet from one of the highest debt leverage positions to the lowest in its peer group. His managerial perspective to steer the company through the transition was gleaned from his days managing a team of junior investment bankers: Give the team the bigger picture. Having worked his way up the ranks in investment banking for 12 years, and then throughout 13 years at Hudbay, he says every level of team member, from finance to operations, needs to know how their work contributes to a bigger goal. "For us, deleveraging was the key to unlocking reinvestment in the company, enabling growth and creating value," says Lei.

Though he's only been in the CFO role for two and a half years, he describes time itself as his biggest stumbling block, since proving oneself each quarter amid market volatility can be relentless. Nonetheless, under his leadership Hudbay has achieved market-recognized success—its share price surged 60% in 2024, compared to an average of 11% among its peer group. As a result, Hudbay finished the year with the highest market capitalization in its history. /CR

JASON ASHDOWN

Co-founder & chief sustainability officer, Skyline (Guelph, Ont.)

Unlike many real estate dynamos, Ashdown wasn't born with the proverbial silver spoon. "I grew up with a single mom, quickly learned to be handy and was always hustling to turn a buck," he says. All have since proven formative for Ashdown, who began serving the most precarious of renters—university students—with a single residential investment (he lived in the basement, naturally). Skyline Living—officially launched in 1999—bought up 52 rental houses in record time and soon expanded into apartment buildings.

Where other housing providers diligently screen for all but ideal tenants, Ashdown's built-in empathy has Skyline deliberately catering to everyone else. "Tough situations don't scare me," he says. "In fact, they're a really good fit for me." About 1,000 Skyline employees now oversee more than 20,000 apartments in 200-plus multiresidential properties. Last year's 10 Shelldale Cres., for example, provides new permanent housing in Guelph for people who've experienced homelessness, complete with on-site mental health and addiction support services. **/RC**

AARON BENNETT

Chief investment officer, University Pension Plan (Toronto)

Much has changed since Bennett became the first chief investment officer of the University Pension Plan (UPP) in its inaugural year—launched in the midst of the pandemic. "We turned on the lights in July 2021," he recalls, and immediately set out to build a high-performing team with a bold goal: reaching net-zero portfolio emissions by 2040. With the right team in place, UPP quickly executed its first infrastructure co-investment, and gained momentum as more university and sector associations joined. Today, UPP serves 41,000 members. As CIO, Bennett oversees UPP's responsible investment mandate, which delivered an impressive 10.2% annual return in 2023 and crossed the $1 billion threshold in private market deals the following year. Even amid market volatility, his team remains steadfast in its responsible investing approach. "This isn't about imposing values," he says. "It's about unique opportunities to capture returns and a different lens to manage risk." **/CR**

MEAGHAN WHITNEY

Chief people officer, Blackline Safety (Calgary)

When you see the whole human, you're better positioned to manage costs, boost staff retention and improve financial performance. For Blackline Safety, which makes wearable safety equipment and responds to workplace emergencies, the whole-human approach means ensuring employee safety—both physical and psychological. "Creating a thriving, growing company is all about inclusion and belonging," says Whitney, who's been at the helm of Blackline's organizational restructuring since 2022. Part of her job has been to dispel the myth that HR is not part of company strategy by fostering a sense of ownership. She's set up tangible ways for employees to voice their opinions and ideas, through regular focus groups, town halls, annual surveys and feedback forms, leading to an 82% increase in employee engagement and 82% improvement in loss reduction. What's more, Whitney's whole-human strategy and organizational shakeup has enabled staff to access educational assistance of up to $2,500 per person for upgrading skills to access promotions or move laterally within the company. And then there's the $5,000 for mental wellness to staff in Canada. Little wonder people don't want to leave, or that Blackline's expansion has gone from 280 staff to more than 600 in 18 countries during Whitney's tenure. Giving fosters giving. **/SN**

Turning Point

Items you think are going to be a slam dunk sometimes don't work

Getting fresh

Susan Niczowski and her family started Summer Fresh Salads in their basement. Now it's one of the biggest names in prepared foods. Her major worry: the Trump effect

A lot of people don't even realize we're Canadian. But my mom and I started Summer Fresh in our basement in the early 1990s. Breaking bread with family and friends was always important to us as Macedonians, and I felt there was a need for fresh, good-for-you, prepared gourmet food. But back then, you could only buy basic salads like potato, macaroni and coleslaw that were filled with preservatives.

In my early 20s, I came up with technology to keep vegetables fresh without additives or preservatives. My mom and I would chop vegetables in the morning, assemble them and sell them to specialty food stores. We did this for many, many years. We had a lot of fun, laughter and tears, because it was hard work, but we were able to create a base for the specialty gourmet salad market.

Eventually, my dad, an engineer, helped us design a plant and equipment. And my sister helped in production. Together, she and I have been able to grow the business. Now, Summer Fresh is the No. 1 brand of hummus, dips and salads in English-speaking Canada.

$100 million
Summer Fresh's annual sales

$10 million
Amount of dill pickle hummus the company has sold since 2021

Buying Canadian—supporting Canadian families and Canadian raw materials—is extremely important. And we purchase as much Canadian product as we can. Our hummus is made solely with chickpeas from Saskatchewan. But there are some products you can't purchase from Canada. So tariffs have been keeping me up at night these past couple of months. We just don't know what's going to happen with raw materials coming in from the United States. A lot of fresh vegetables—red and green peppers, celery, cucumbers—come from there or from Mexico via the U.S. We don't know whether retaliatory tariffs will be placed or not, which would mean prices of raw materials go up. And we do ship to the U.S., so we're concerned we'll be hit with tariffs and won't be competitive.

In the meantime, I love creating new products—we do it all the time, much like the fashion industry creates new runway fashions for fall, winter, spring and summer. That's how we started with dips. I love potato chips, but there were no good dips in the market. There was only guck in cans with all sorts of words you couldn't pronounce. A few months after we launched our salads, I came up with the idea of adding hummus, baba ghanoush, tzatziki and bruschetta. One thing led to another, and 34 years later, we're here.

For every successful product, there have been many failures. Items you think are going to be a slam dunk sometimes don't work. A few years ago, we launched a line of nutty plant-based items. They were great, and they started to take off, and then COVID-19 hit. People were constrained going to the grocery store and weren't able to purchase the products they typically did, so we had to delist those smaller specialty items.

But our Summer Fresh dill pickle hummus is the No. 1 SKU in Canada. I mean, I can eat a whole jar of fresh, gourmet dill pickles, but who would've thought? **/Interview by Alex Mlynek**

ILLUSTRATION KYLE SCOTT