

# **CADSI ANNUAL GENERAL MEETING**

## **President's Year-in-Review**

Remarks

March 28th, 2018 14:30, Shaw Centre, Ottawa

### **Check Against Delivery**

Good afternoon and thank you for joining us at CADSI's Annual General Meeting. It is my pleasure to submit my fourth annual report to you, our members.

I would like to take this opportunity to thank our Board of Directors for its strategic guidance and Danny for his leadership of the Board.

I would also like to thank you, our members. Your engagement with the Association through committees, events and individual feedback is essential to our success.

My last thanks is to my CADSI Team. The contributions you make daily to our community of members has not gone unnoticed. Your spirit, dedication and determination make me proud to work with you and for you every day.

I'd like to rewind to January 2015. That was when we embarked on a 3-year plan to raise the Association's profile and influence as we advocate on your behalf.

This plan included an outward-facing component - a large-scale communications and outreach program - and an inward-facing component - increase our value-add and relevance to members.

The strategy was simple "stronger together".

2017 was the final year of that strategy and as members I believe that you were able to see the final pieces of the puzzle come together.

Here are some of the highlights of what we were able to accomplish together and on your behalf:

Our advocacy focussed on the strategic significance of the sector, linking the Defence Review with the Innovation Agenda, and connecting ourselves better to National Defence. It was a good day when we found our imprints throughout Strong, Secure, Engaged. An innovative defence sector is now one of the top 5 domestic priorities for the first time.

We were active on government advisories and consultations that included: Intellectual Property Working Group, Supplier Advisory Group, Integrity Framework Advisor Group, Defence Industry Advisory Group,

NATO Industry Advisory Group to name a few. One of our "chapeau" pieces, "Updated Principles for Management of Intellectual Property (IP)", was created in conjunction with the Government and published in December of last year.

The second edition of the State of Canada's Defence Industry has completed its data collection phase. To all members who contributed, thank-you. A special thank-you to those of you who provided your R&D expenditures - a critical aspect of our report that was missing in 2016. We are on-track to deliver the results of the refreshed study (2016 data) at CANSEC 2018. And the government will continue to use this data to inform its policies and programs, especially through the Value Proposition.

On the security side of our business, the Board asked that the "S" in CADSI - the security pillar - be narrowed to focus on cyber defence. To better represent and showcase this growing sub-sector of our industry, we are mapping the relevant landscape to better understanding the environment, prioritize the key subsectors, and start a conversation on security industrial capabilities. As a significant milestone in this regard, CADSI has recently signed an MOU with ISED to extend the hugely influential State of Canadian Defence Industry report to include cyber.

To raise awareness of our industry's important and innovative work to Parliamentarians, we held our second On The Hill Reception. In preparing for each reception, CADSI initiated over 5000 touch points on your behalf, which included all MPs and Senators and key ministers, parliamentary secretaries, and political staffers.

We executed a strategic communications campaign designed to raise awareness with political decision-makers and key stakeholders to connect better with Canadians. We took that enhanced digital footprint and media reach and turned the spotlight on your achievements. We built on the successful Made Across Canada campaign with success stories of your businesses and we unveiled an Innovation Wall - 100 Years of Defence Innovation - at CANSEC with Minister Bains.

CANSEC was a smash, literally, in that it broke its own record from the previous year. All metrics aside, the most important thing we measure is your satisfaction. 98% of you would attend CANSEC again and 90% of you feel that 2 days is "just right" in terms of duration. We're happy you're happy.

In addition to CANSEC, we delivered on some very high quality domestic events for members, non-members and stakeholders from the defence and security sector last year.

In April we held our Canadian Armed Forces (CAF) Outlook Series, which covered everything from an update on the Army's Waypoint 2018, to the Royal Canadian Navy's status on major shipbuilding projects, to an overview on the Air Force's space development program. To those of you who function as liaisons, a special thank you for the hours of hard work and the back-and-forth with DND.

As part of our cyber portfolio, we engaged in events at home and internationally, including Cyber 613 in Ottawa, NITEC 2017 and RSA.

SME Day hosted 230 attendees. This was up nearly double over 2016. The afternoon B2B /B2G meeting program included tables hosted by industry OEMs and government departments. That led to over 400 onsite meetings. Here I'd like to thank Tim Ford and the SME Committee for the recommendation to move the event to the fall in order to co-incide with small business week. I believe that this recommendation was responsible in large part for the increased numbers.

We also worked in a special partnership arrangement with CGAI to sponsor more policy-related events to

help spread the word about National Defence's plans going forward and to discuss how we might all be best positioned to contribute to its success.

As you can see, we've had several initiatives on the go as it relates to the domestic market. But we've also been focused on ensuring you, our members, can stay competitive on the global stage.

As an industry of responsible exporters, we announced our support for the government's accession to the United Nations Arms Trade Treaty and have been working closely with the government to ensure its smooth implementation.

As part of our International program we continued our pursuit of showcasing your businesses across the globe by creating Canada Pavilions at Sea, Air and Space in the US, at IDEX in the UAE, at DSEI in the UK and at a Trade Mission to India. To better prepare you we have started organizing webinars prior to these tradeshows. And we rolled out more countries on our Emerging Defence Markets Portal, featuring important market information and key contacts.

Now I've listed off quite a few highlights here, but I cannot stress enough that none of this would be possible without you being along for the ride. And we promise to keep enhancing how we communicate what we're doing for you.

This brings me to our commitment to the future, Vision 2018 - 2020.

We will maintain CADSI's reputation as the preeminent association representing the defence industry across Canada. In addition to where we've landed as of 2017, we intend to focus on two additional things in our continued growth and transformation: (1) to be recognized by our members for providing superior member value by creating conditions for lasting business connections and (2) be a go-to association for the industry's perspective on cyber defence.

At the top of our to-do list is the execution of Strong, Secure, Engaged. We are taking an active approach to the launch of the Investment Plan and in our monitoring of the execution. Spending predictability, timeliness and consistency are critical to improving the domestic market space for Canadian firms.

In addition to SSE, we will continue to bring about improved procurement policies and programming that affect your everyday business activities. Accelerating changes to the application of the Cost and Profit Policy, risk re-balancing and the Sustainment Initiative are all examples of areas where we are actively engaged in with your help and on your behalf.

We will spend more time helping you understand what the Association has available for your business. We will improve our communications to you and make MyCADSI more effective; because access to our toolkits, information, and data should be easy, not a source of frustration.

We will allow you, as an individual, as opposed to your key company representative, to subscribe to information you want to receive. If you are in Government Relations - Al Conrad, I'm looking at you - and want to know what we are doing in terms of advocacy, subscribe to our CADSI Digest - so it will make it into your very own mailbox.

We will embark upon a new plan to deliver you more value-add. Specifically, we want to help you make better and more lasting "connections" B2B. Some of the most valuable and influential procurements in the country are happening right now and we think that there's more work to be done to help Canadian companies "sell" to each other.

On the export front, we will continue to push for clarity and predictability as it relates to export permits. We know how important foreign markets are for the growth of your businesses, the sustainment of your workforce and product development plans at home. We will take every opportunity to remind Government that all possible efforts need to be made to ensure that the rules remain transparent and predictable. This being said, there has been a shift from the past and so we encourage companies to check with export control officials and, if required, take a political temperature check, up front as part of your business development process, not just at the end as part of your compliance work. We will need open, ongoing and constructive dialogue on this issue.

We will continue to improve the CANSEC experience. CANSEC 2017 included lots of feedback from members and we're working on some new ideas. Our goal is to keep the show's standard high and its brand strong. New RFID technology will be made available in 2018 to help companies identify and track business leads efficiently. If this interests you as a service, please come see us about it.

We will continue to refresh our other flagship events including the Outlooks and SME Day to ensure that you receive relevant content in the coming year.

And finally, we will be taking a new direction with our Strategic Communications campaign to promote the people and the innovative jobs within our industry to align with government priorities. Over the next few months, you will see a refreshed campaign showcasing the human side of Canada's defence industry. Here is a sneak peak of what's in store. Just like with our Made Across Canada Campaign over the last year, your collaboration and input are going to be essential.

Canada as a country is one of the most trusted brands in the world right now. Your ability to deliver world-class and innovative defence and security technologies at home and abroad is a part of that and our job at CADSI is to help you do it.

We look forward to delivering for you on our next three-year plan.

Thank you.