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# Keep the story real, make it engaging

*Speech by Roots Co-Founders Michael Budman and Don Green at ceremony after receiving the 14<sup>th</sup> Annual Award of Excellence for PR and Communication*

## **MICHAEL:**

Thank you Gordon [McIvor] for such a kind introduction...

Don and I would also like to thank the distinguished Head Table and equally distinguished members of the Selection Committee of the CPRS [Canadian Public Relations Society] who chose us for this great Award. We also want to express our appreciation to the members of our Board of Directors for being here today.

At the same time, we want thank our friends at the CIBC for their presence. We reserve a special salute for the key senior Roots staff who are here with us for this event. And of course an extra thank you to two special people -- our wives Diane Bald and Denyse Green.

We are honoured to be here today in the company of so many first-class business people, professional communicators, journalists, and leading figures from the world of sports, entertainment and the media

Ahead of today's event, I was thinking a lot about the role of communication in what we've been able to achieve since we started Roots in 1973. I asked myself about the relationship between communication and the perception of Roots in 2006. I reflected on how our communication and PR have evolved in recent years.

I truly believe that one of the most critically important elements to the success of a major business today is its communication, both internal and external. I obviously don't have to convince this audience of the strategic value of good communication and public relations.

When it comes to Roots, our communication operates on many levels in many ways. From our website to our internal weekly newsletter, to our interaction with celebrities and special events at our stores, from our marketing and advertising to our charity work, from our sponsoring of Canadian athletes to our in-store

literature and the recently-launched *Roots of Music* series of CDs. It's all part of the Roots narrative. It's an integral aspect of who we are and what we do.

At Roots, we see good communication as contributing to and resulting from teamwork. It's having something to say, and saying it in a way that's consistent and true to the culture, values and heritage of our company. Communication is the voice and human side of Roots.

I often like to think of Roots as a sports team. In such a configuration, Don and I are the Coaches and General Managers of the team. We're also teammates who know each other's moves and reflexes and thought patterns instinctively. Sports have always been an important element in our lives and in the life of Roots. Especially hockey.

Ultimately, we win or lose on our ability to instill in our team the right spirit, the desire to fore-check and backcheck, to pull together, to go for the net and to never give up no matter what the score is.

We have always derived great inspiration from two legendary line-mates on the Detroit Red Wings of our youth -- Ted Lindsay and Gordie Howe. I'll let you guess which one of us is more like Ted and which of us is more like Gordie.

We're honored to have Ted with us today. He is a great friend of Roots and traveled from Detroit to be here with us. Many of you are probably not aware of Ted's enormous achievements, both on and off the ice. He was captain of the Detroit Red Wings when they finished in first place seven years in a row, including four Stanley Cups.

Ted was on nine All- Star teams. He scored 426 goals, and was one of the toughest players ever in the NHL. He is the man who formed the NHL's Players Association and stood up to the intimidating tactics of the team owners of his day. I would like to ask Ted to stand for a moment.

Individually and together Ted Lindsay and Gordie Howe were role models for Don and I. Growing up in Detroit in the 1950s and 60s, we were incurable Lindsay Howe fans. Theirs was an exciting, powerful collaboration, one that had a huge impact on us. They were the real thing in hockey.

When they were on the ice playing on the famous Production Line, they were unstoppable. Their intensity of play, leadership, tenacity and devotion to what they did made a big impression on both of us.

Don and I first met each other in 1962 when we joined the same high school fraternity in Detroit. Since then, there's always been a great chemistry between us. As we got to know each other, we became friends, went to the same camp and played on the same team. It all proved to be an auspicious lead-up to later becoming business partners.

Since forming Roots, we've been teammates on and off the ice. More than teammates, we've been line mates. To be effective line mates, you need good communication. Spoken and unspoken. You need to know instinctively where the other one will be on the ice and how to hit him with a perfect pass. You need to know he's watching your back, calling out your name. You need to know you both share the same vision and drive for excellence and victory.

At Roots, communication starts with the dialogue between Don and I. But that's only the beginning of the process. Next, is how we transmit our message and story to our team and way beyond.

When I think of the size of Roots in 2006 and what it was in the early days, it's a bit like comparing the current NHL to the original 6-franchise league. Back in the 1970s, it was a radically different era. Back then, Roots was tiny next to what it is now. The demands were different. A lot of the communication was different, both in content and technology.

Today, companies operate in a faster paced, more complex, more competitive, more regulated reality than 30 years ago. Consumers today feel a greater sense of entitlement when it comes to knowing about products and the companies that make them. They hold businesses more accountable and expect them to be more transparent.

Journalists are more aware, more inquisitive about the business world. People generally want to know more. Businesses face greater scrutiny than ever before. More than ever, perception governs reality.

Now, I'd like to pass the puck to my longtime line mate, cherished business partner and close personal friend **Don Green** who has always been able to stickhandle out of any situation.

**DON:**

With Roots now in its 33<sup>rd</sup> year, we're so established that the Roots heritage has its own appeal for a new generation. One of our main challenges is how to best nurture the original essence of Roots yet make it fresh, contemporary and relevant for today's world. Michael and I are forever mindful of this.

So far in 2006, we are off to a great start following a highly transformational 2005. Last year, our team really came together, in more ways than one. Last February, as you saw in the video, we moved to our first-ever global headquarters. Previously, we were in four separate buildings. The move brought the entire Roots creative and administrative staff together under one roof for the first time.

2005 was also a period of re-engineering and reaffirming our priorities and *raison d'être*. Spurred on by the tremendous success of the Emily Bag, our leather goods -- made right here in Toronto -- enjoyed a huge resurgence.

Among other highlights were:

- The biggest wholesale order in the history of Roots involving the Target department store chain in the U.S.
- The contract for outfitting the U.S. Olympic team
- A more integrated, streamlined staff
- The launch of an extensive internal communication program
- Business-to-business achievements including making custom products for the world tours of the Rolling Stones and U2, and for companies like Mazda
- Development of an organic cotton collection, and more environmentally friendly products
- Success and expansion of our outlet business
- New inroads into Asia
- Increased focus at Roots on health, wellness and environmental issues

For all the diverse activities of Roots in different areas, at the end of the day we are in the fashion business. We learned long ago that to succeed in the fashion business, you need a lot more than simply good style. We realized early on that you need a good message, a good story, one that can evolve in tune with the times.

You need to have something to communicate if you wish to succeed. And it can't be simply product driven. You need a narrative grounded in reality. A lively, colourful, engaging story that connects with your audience. You need to stand for something. You need to have something aspirational and inspirational about your brand that people can relate to.

When we began Roots in 1973, we recognized that communication, PR and marketing are all inter-related. The first thing we knew we had to get right was the name. When we thought of the word Roots, we felt it was a winner. It was clear, positive, strong and inclusive. Its appeal was universal as everyone has roots. The name seemed the easy part.

Then we needed a symbol. We had been heavily influenced by our time in Algonquin Park where both Michael and I had spent many summers during our

youth and as young adults. We had a great love for the outdoors, the wilderness and for Canada's nature in general.

Algonquin exerted a certain magic over us. For two guys from Detroit, it was pretty powerful stuff, and a great source of inspiration. We were also very much into an active, healthy lifestyle. Sport was an important passion for us. The challenge was how to convert all of this into a saleable product with a coherent, appealing, attractive message and story.

As we prepared the groundwork for Roots, we met three highly talented people who worked together: The late communications expert Robert Burns; his wife illustrator Heather Cooper and copywriter David Parry. We told them what we hoped to do with Roots and enlisted their services.

At our original meeting, they expressed their reservations over our proposed name and promised to come up with something better than the word "roots".

Two weeks later, they came back to us with their ideas to help us launch our new business. For a name, they recommended "Liberty". In unison, Michael and I responded immediately. "The name is Roots!"

For a logo, they were far more successful. They came up with the beaver, the quintessential Canadian symbol. It struck a special chord in us, as it was coincidentally also part of the time-honoured logo of Camp Tamakwa that Michael and I had attended for many summers.

Burns and Cooper really helped us translate our thoughts and ideas into a classy, eye-catching look and series of ads to launch Roots. The headline for our first ad was "The Anatomy of a Root." It told the story behind our negative heel shoes and the concept of Roots. Interestingly, we chose subway posters as our first advertising medium, helping establish the feel from the outset that Roots was down to earth and inclusive.

It's no accident that Canada has been an inherent part of our story since day one. It springs from our genuine love of this country, both its beauty and people. We're thankful for the support that Canadians have always shown for Roots. We take pride in the Canadian heritage and identity of Roots and our impressive Canadian staff. Roots is a major supporter of Canada, both on the national and global stage. We are proud of the international acclaim that we have won for Roots and Canada due to our success abroad including the Olympics.

At one time, we made all our merchandise in Canada. As our product line has both grown and diversified, we have had to do some of our manufacturing overseas for

both technical and economic reasons. This in itself has presented an interesting communication challenge.

In some cases, it's no longer feasible to make certain products of a comparable quality in Canada. Whenever possible we make our products in Canada including at our own state-of-the-art leather factory in Toronto. All Roots products are designed in Toronto, and whether we manufacture them in Canada or abroad, we insist on working only with reputable suppliers who accept the Roots Code of Conduct.

In the late 1970s, we became the first company to feature the word Canada prominently and stylishly on apparel. In so doing, we became leaders in the branding of Canada. It sprang from a desire to celebrate this country. It was another example of creating something that related directly to the interests, experiences and feelings of Michael and I.

For example, in 1982, when my first child was born, Denyse, my wife, and I had trouble finding clothes that we liked for our son, Anthony. As a result, we created Roots Kids that became enormously successful.

I think it's fair to say that virtually every main product or initiative by Roots that the public has seen over the years, has reflected, in some way or another, our personal lifestyle, concerns and values – the outdoors, sports, family, friends, health, authenticity, quality, integrity, the environment, community support and of course Canada. These are all things extremely dear to Michael and I.

These are also things we've tried to communicate in various forms, some more effective than others. In 33 years of business, we've worked with many outside marketing, PR and communication companies. We've tried big international firms in New York and small boutique operations in Toronto.

We've tried hotshot young Turks and seasoned pros. But we've found that what works best for Roots is having a small team inside the company. People who live Roots every day, who work closely with Michael and I, who understand the idiosyncrasies of Roots and relate to its ethos and unconventional nature. People who are fast on their feet, and who share the spirit that has always governed and propelled Roots.

Michael and I are fortunate to have two such people playing critical roles in the overall communication and public relations of Roots. We tend to view them as the left hand and right hand in this area. Without them, we would probably not be here receiving this award today.

Raymond Perkins is a 20-year veteran at Roots who is the Director of PR and Special Events. Over the years, he's played a critical role putting together countless special events that have generated tremendous media play for Roots. He has had a big hand in our involvement with sports and entertainment celebrities. On many occasions, his work has resulted in Roots products being photographed on celebrities and cited in the media. Raymond has done a lot to keep Roots in the public eye and seen on people who have a disproportionately high influence on the tastes and purchasing patterns of many consumers.

One good example was at the 2002 Winter Olympics in Salt Lake City. After Canadian skaters Jamie Sale and David Pelletier ultimately received their Gold Medal, they appeared on stage with the Barenaked Ladies. In a move orchestrated by Raymond, they were all wearing Roots Olympic gear. The event was televised live to millions of people around the world.

No less instrumental in our work at Roots is Robert Sarner, Director of Communication and Public Affairs. A former print and broadcast journalist, Robert has launched various initiatives at Roots over the past 18 months that have taken our internal and external communication to a new level. One of them is a weekly newsletter called *The Source* that Robert writes, edits and sends out to every single Roots employee in Canada and the United States every Friday. You'll find a couple of recent issues in your folders.

Robert also looks after coordinating media relations and handling issues of social responsibility at Roots. We first worked with Robert in the 1980s when the three of us started a city magazine in France called *Paris Passion* of which he was the Editor for nearly 10 years.

At the end of the day, what Raymond and Robert do, each in his own respective area and style, is to nurture, reflect and enhance the Roots story. But for that story to be credible and resonate it must be true. People today want reality, when they're not busy living vicariously through the lives of celebrities.

At Roots, we've been fortunate in that celebrities have long been attracted to what we do. And to talk more about that, I would like to call on one of the foremost experts on the subject, namely Professor Budman.

**MICHAEL:**

One of the great communication vehicles for Roots has been our association with well-known actors, singers, musicians, film directors, artists, and athletes.

The relationship between Roots and celebrities dates back to our earliest days. When we opened our first store on August 15, 1973 in Toronto, comedian/actors

Gilda Radner, Dan Ackroyd, John Candy, Martin Short, and Catherine and Marcus Ohara, were among those hanging out at our store, and on occasion they even served customers. At the time, they had just launched the Second City comedy troupe in Toronto. Not only did they become huge stars but also good friends of Don and I.

Through the years, we've been connected with many stars and leading figures, especially from the world of entertainment and sports. But the human side always came first. If we didn't like or respect the person or feel some kind of connection with him or her, we stayed clear.

Sure, our association with celebrities is undeniably good for business. But at the heart of it, is our genuine appreciation for those who achieve prominence through their work in a particular field. Don and I have been fortunate to develop some incredible and lasting friendships with many of these people, better known as celebrities.

In 1974, I remember when Henry Winkler, who as the Fonz in Happy Days was the star of the hottest TV show at the time, came into a Roots store while he was in town for the inaugural edition of the Toronto Film Festival.

Unfortunately, there was no camera in the store. The next day when I told Bill Marshall, the co-founder of the Film Festival what had happened, he said: "Michael, never let that happen again!" And he was right. We've learned a lot since then as you'll see from the all the photos on our website.

We've always made a point to get Roots products into the hands of well-known people. Product placement has been an important communication vehicle for us. The first high profile exposure was when *People* magazine did a comprehensive piece on Roots in 1976, which featured photos of Paul McCartney and Pierre Trudeau wearing our shoes.

In 1980, Roots clothes were worn by Richard Gere in the hit movie "*American Gigolo*" produced by our friend and Don's first cousin Jerry Bruckheimer. Since then, Roots has appeared in countless other movies, TV shows and music videos.

Last March, when the decision was announced that the contract to outfit the Canadian Olympic Team had been awarded to someone else instead of Roots, many people reacted to Don and I as if we should have been in mourning over the loss. We were anything but.

In fact, when we heard the announcement, Don immediately showed his leadership skills by reacting positively to what some people might have taken as a

negative development. He said that it would actually give us an opportunity to refocus on the original core business and identity of Roots. He was right.

We're proud of our success and innovation in bringing style to the Olympics but Roots is so much more than the Olympics. As we move forward, what's especially exciting for the future of Roots is our growing involvement in promoting health, wellness and environmental awareness and action. It's not just part of our communication, it's part of what we believe in. That's what comes first. The belief and values.

On the PR side, we responded by paying tribute to the athletes, wishing the Canadian team lots of success in Turino and taking pride in having generated millions of dollars in royalties for Canadian athletes since 1998. We chose not to publicly address the shenanigans behind the scenes that resulted in VANOC, the Olympic body in Canada, making their new deal.

Of course Roots will still be extremely visible at the Olympics next month. We received the ultimate consolation prize. Namely being the official outfitter of the United States Olympic Team who we began working with at the 2002 Olympics.

The results have been staggering and this winter led to the biggest deal in the history of Roots in terms of having Roots USA Olympic products sold in 1,400 Target stores coast to coast in the U.S. In a few weeks, our Olympic line will be worn by the 550 US athletes in Turino at the Opening and Closing Ceremonies and elsewhere at the Olympics.

Working with the US Olympic Committee has also had a tremendous PR windfall for Roots. Take today's *New York Times*, for example, in which Roots is featured in their style section.

Our Olympic success in the United States this year made me think of the story that Lorne Michaels, the Canadian creator/producer of Saturday Night Live tells when people asked him why he didn't stay in Toronto to do the show. Lorne, who is a close friend of mine, first went to the CBC with the SNL concept. The guy at the CBC dismissed the proposal, saying to Michaels, "If you're so good, then why are you here."

I've always found it puzzling why many Canadians are so ambivalent about embracing local talent and celebrating success.

Over the years, we've been fortunate in being able to create a public image and profile of Roots that's actually larger than the real company. That perception, which is in part linked to our communication, obviously works in our favour.

I am both a proponent and student of communication. It fascinates me endlessly. Long before I knew that I would go into business, I studied at Michigan State University where I graduated in 1968 with a degree in, you guessed it, communication.

At Roots we are still learning. Someone who we've learned a lot from in this field is Bruce Mau. We're honoured to have him with us here today. Bruce is a multi-talented design and communication master who understands Roots perfectly. In 1998, he was involved in the re-branding of Roots just ahead of the Olympics. It was Bruce who logo-ed the Roots poor boy hat that was such a phenomenal hit at the 1998 Olympics. It was also Bruce who came up with the 40 words of Roots that figured prominently in our stores and literature for many years starting in the late 90s.

In our increasingly media-saturated, information overloaded, technologically dominated society, the pace of change is dramatically affecting our lives at work and at home.

Yet, for all the change around us, we feel that the values and principles that governed Roots at its inception still prevail today. They are based on a genuine respect and appreciation of people – those we work with and those who shop in our stores.

But this overriding sense of respect and appreciation extends much further. It applies to how we make our products. It applies to our support for the communities where we do business. It applies to our concern for protecting the environment. These values are as valid today as they were back in 1973. Perhaps now more than ever. We'd like to think they're a good part of the reason that Roots is still around today and thriving.

Last week at our flagship store on Bloor Street, we hosted an evening to launch a new book by acclaimed health practitioner and expert on traditional Chinese medicine Xiaolan Zhao. We did it because she is a good friend of the Roots family and someone we respect and wanted to support. It also coincided with the theme at Roots this month of women's health and wellness.

The result was amazing and illustrates how the more personal your story, the wider audience it often receives. When we first considered hosting the evening for Xiaolan, I never thought it would end up generating so much media attention for both Xiaolan Zhao and Roots. Just goes to show you.

With the countdown to the Winter Olympics now underway, people are asking us who we'll be rooting for next month in Turino – Canada or the United States.

First, we'll be cheering for Canada's speed skaters who we've been sponsoring for the past three years. Of course, we also want to see the US Olympic team that we're outfitting win lots of medals.

But when it comes to hockey, you can be sure that we will be screaming for Canada to capture the gold medal. Any team with Wayne Gretzky at the helm deserves only the best.

Thank you again for this great award and for the opportunity of speaking to you today.